

REVENUE RULINGS



Transfer of land – Associations and amalgamation of incorporated associations

Revenue Ruling DA.20

Replaces SD.040

Preamble

Section 7 of the *Duties Act 2000* (the Act) charges duty on the transfer of dutiable property, unless an exemption under the Act applies. The term dutiable property is defined in section 10(1) of the Act to include land (previously referred to as real property in the *Stamps Act 1958*).

The purpose of this ruling is to clarify whether a transfer of land as a consequence of the incorporation of an association or an amalgamation of two or more incorporated associations is exempt from duty.

Ruling

The Act does not have a specific provision to exempt a transfer of land arising from the incorporation of an association or an amalgamation of two or more incorporated associations. However, section 53A of the *Associations Incorporation Act 1981* states that an instrument for the conveyance of land or any estate or interest in land is exempt from duty provided that the conveyance is made in order to give effect to the incorporation of an association or an amalgamation of two or more incorporated associations under the *Associations Incorporation Act 1981*. In this regard, section 53A of the *Associations Incorporation Act 1981* exempts a transfer of land as a consequence of the incorporation of an association or an amalgamation of two or more incorporated associations for duty purposes.

For the purpose of this ruling, the term association means a society, club, institution, association or body formed or carried on for any lawful purpose that has at least five members.

To qualify for the exemption from duty, there must be sufficient documentation to demonstrate that the transferor or transferors held the land or any estate or interest in the land on behalf of the association prior to its incorporation. In the case of an amalgamation of two or more incorporated associations, documentary evidence is required to establish that at least one of the incorporated

associations held the land or any estate or interest in the land prior to the amalgamation.

Please note that rulings do not have the force of law. Each decision made by the State Revenue Office is made on the merits of each individual case having regard to any relevant ruling. All rulings must be read subject to Revenue Ruling GEN.01.

**Commissioner of State Revenue
February 2002**