

STATE TAX BUDGET CHANGES - 2017/18

ALL CHANGES EFFECTIVE FROM 1 JULY 2017 UNLESS OTHERWISE NOTED

STATE	STAMP DUTY	LAND TAX	FHOG	PAYROLL TAX	OTHER
NSW	<p>For both new and existing dwellings, first home buyers will be exempt from stamp duty for properties up to \$650,000, with a discount up to \$800,000</p> <p>The foreign investor stamp duty surcharge will be increased from 4% to 8%</p> <p>The 12 month off-the-plan transfer duty concession for all residential purchases by investors will be abolished</p>	<p>The foreign investor land tax surcharge will be increased from 0.75 per cent to 2 per cent</p>	<p>A \$10,000 First Home Owners Grant will be available to builders of new properties worth up to \$750,000 and purchasers of new properties worth up to \$600,000.</p> <p>The \$5,000 New Home Grant Scheme will close, from 1 July 2017</p>	<p>No change</p>	<p>Ex gratia relief from the foreign land tax and stamp duty surcharge will be available to foreign land developers. A refund will be available if the land acquired is developed within 5 years</p> <p><i>Insurance Duty</i> The 9 per cent insurance duty on lenders mortgage insurance will be abolished</p> <p>Crop and livestock insurance will no longer be liable for duty (from 1/1/18)</p> <p>From 1/1/18 small businesses (turnover under \$2M) will not be liable for duty on certain types of insurance, such as:</p> <ul style="list-style-type: none"> • Commercial vehicle insurance • Commercial aviation insurance • Occupational indemnity insurance • Product and public liability insurance <p><i>The Emergency Services Levy Act 2017</i> commenced on 1/7/17.</p> <p>The Act works to:</p> <ul style="list-style-type: none"> • Re-establish an emergency services insurance contribution scheme (collected via insurance premiums) • Postpone the introduction of the levy (collected via Council rates).

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VIC	<p>The "off-the-plan" stamp duty concession will only apply to buyers eligible for the principal place of residence or first home buyer duty exemption/concession</p> <p>Property transfers between spouses and de facto partners involving commercial and/or investment properties will no longer be exempt from stamp duty</p> <p>Stamp duty to be abolished for first-home buyers purchasing a property up to \$600,000, and a duty concession for first-home purchases valued between \$601,000 and \$750,000</p>	<p>A new vacant residential property tax (VRPT) will take effect from 1 January 2018 for vacant properties in the Greater Melbourne Area at 1% of the Capital Improved Value of the Property</p> <p>The VRPT will be in addition to normal land tax</p>	<p>\$20,000 FHOG to be available for homes built in regional Victoria up to \$750,000 (up until 30 June 2020)</p> <p>Australian Defence Force (ADF) personnel to receive a special exemption from the FHOG residence requirement (from the date of assent of the Bill)</p>	<p>Payroll tax threshold to be raised by \$25,000 to reach \$625,000 for 2017-18, and increase to \$650,000 in 2018-19</p> <p>Payroll tax rate paid by regional Victorian businesses to be reduced by 25 per cent, down to 3.65 per cent, where at least 85 per cent of their payroll goes to regional employees</p>	<p>Insurance duty will no longer apply to insurance policies for crops, livestock and agricultural machinery</p> <p>New passenger vehicles to be subject to the same motor vehicle duty rates as used passenger vehicles</p> <p>Land Tax valuations will be undertaken annually rather than every two years (effective 1 January 2019)</p>
QLD	No change	<p>1.5% surcharge for "absentee" payers of land tax will apply. An "absentee" is any person not ordinarily resident in Australia (subject to certain limited exceptions)</p> <p>Confirmation that landlord is unable to claim land tax as an outgoing on pre-2009 leases</p>	<p>The increased \$20,000 grant applying to first-home owners buying or building new dwellings valued at less than \$750,000 is extended to 31 December 2017 and will revert back to \$15,000 after that date</p>	<p>Payroll tax rebate on the wages of apprentices and trainees at the increased rate of 50% will continue until 30 June 2018. This rebate is in addition to their wages being exempt and will be used as an offset against payroll tax payable on the wages of other employees</p>	<p>State Revenue IT modernisation program</p>

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SA	<p>A stamp duty surcharge of 4% will apply to foreign purchasers of South Australia residential property (from 1 January 2018)</p> <p>The off-the-plan stamp duty concession will be extended until 30 June 2018 but will be retargeted so that it no longer applies to foreign purchasers</p>	<p>A five year land tax exemption will apply to eligible apartments bought off-the-plan where the contract is entered into between 22 June 2017 and 30 June 2018. The exemption will not be available to off the plan foreign purchasers</p>	<p>A \$10 000 grant will be provided to eligible off-the-plan apartment purchasers where the contract is entered into between 22 June 2017 and 30 September 2017</p>	<p>Payroll tax rate for small businesses lowered to 2.5%</p> <p>Job Accelerator Grant payments increased by up to \$5000 for businesses that hire apprentices or trainees</p>	<p>A levy of 0.015% on South Australia's share of the total value of bank liabilities subject to the Commonwealth Government levy on major banks offering services in South Australia (from 1 July 2017 if legislation passes)</p>
NT	<p>Stamp duty increased from 5.45% to 5.75% for purchases between \$3 million and \$5 million and increased from 5.45% to 5.95% for purchases over \$5 million</p>	<p>No change</p>	<p>No change</p>	<p>No change</p>	<p>Increase in motor vehicle registration fees for light vehicles</p> <p>Changing community gaming machine tax rates and thresholds which will mean a reduction in rates and thresholds for clubs and hotels from 1 July 2017 and further rate and threshold changes for hotels from 1 July 2018</p> <p>Other minor fees and charges across government departments will rise</p>
TAS	<p>No change</p>	<p>No change</p>	<p>No change</p>	<p>Payroll tax rebates for new apprentices, trainees and youth employees aged 15 to 24 recruited from 1 July 2017 to 30 June 2019</p>	<p>No change</p>

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ACT	Stamp duty for commercial property transactions below \$1.5m will be halved in 2017/18, before being fully phased out by 2018/19	From 1 July 2018, land tax will extend to all residential dwellings that are not the owner's principal place of residence	No change	No change	<p>Building levy to rise by 0.9% to 1.08%</p> <p>Fire and emergency services levy to increase by \$42 to \$294 per household</p> <p>Car registration fees to rise by 5%</p>
WA	From 1/7/19, the introduction of a 4% foreign property buyers surcharge on the purchase of residential properties.	No change.	The temporary \$5,000 increase in the First Home Owner Grant payment on purchases of new homes, which was previously scheduled to cease on 31/12/17, stopped on 30/6/17.	<p>From 1/7/18, the introduction of a temporary progressive payroll tax scale for large employers for a finite period of five years. The new rates of:</p> <ul style="list-style-type: none"> 6% will apply to employers with a national payroll over \$100 million; and 6.5% will apply to employers with a national payroll over \$1.5 billion. 	<p>From 1/10/17, a 17% increase in the Pilbara Ports Authority port fees.</p> <p>From 1/1/18, an increase in the gold royalty rate from 2.5% to 3.75% when the price of gold is above A\$1,200/ounce.</p> <p>From 1/7/18, the 2,500-ounce royalty exemption for large producers will be removed.</p> <p>From 1/7/19, the introduction of a new point of consumption wagering tax. This means online betting companies will be taxed in relation to bets made with them by WA residents.</p> <p>The WA Government will also consider introducing a levy on major banks (similar to that proposed in South Australia) if the Commonwealth Government does not increase the share of GST revenue going to WA.</p>

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