

**MINUTES OF THE  
SA STATE TAXES LIAISON GROUP MEETING  
HELD ON WEDNESDAY 6 JUNE 2018 AT 9:30 AM  
TRAINING ROOM, LEVEL 1, STATE ADMINISTRATION CENTRE,  
VICTORIA SQUARE, ADELAIDE**

**1 ATTENDANCE / APOLOGIES**

**1.1 PRESENT FOR REVENUESA**

Julie Holmes (Chair), Tom Colmer, Shaun Davies, Kristy Ferguson, Ian Grimshaw, Paul Maxwell, Ian Morris and Lisa Smith.

**1.2 PRESENT FOR INDUSTRY GROUPS**

Sandy Donaldson (The Law Society of South Australia), Rebecca Hayes (Australian Institute of Conveyancers (SA Division) Inc), Paul Ingram (The Tax Institute), Marc Romaldi (Property Council of Australia), Peter Slegers (Business SA), Kate Southcott (Real Estate Institute of South Australia), Paul Tanti (Chartered Accountants Australia and New Zealand) and Julie Van der Velde (CPA Australia).

John Tucker (Law Council of Australia) arrived at approximately 10:00 am.

**1.3 APOLOGIES**

Mark Christmas (RevenueSA), Phil Dorman (Institute of Public Accountants), Jeff Stevens (Australian Institute of Conveyancers (SA Division) Inc), Bernie Walrut (Law Council of Australia) and Alan Yates (CPA Australia).

Julie Holmes introduced herself to the Group and briefly summarised her experience working in government.

**2 BUSINESS ARISING**

**2.1 UPDATE ON REVENUESA PUBLICATIONS AND RULINGS SUB-COMMITTEE (SEE ATTACHMENT A)**

Paul Maxwell advised the following in relation to the RevenueSA Publications set out in Attachment A of the Agenda:

- the Rulings Sub-Committee met on 22 May 2018 to discuss the draft publications listed at Items 1.1, 1.2 and 1.3;
- in terms of Item 1.1, RevenueSA is currently incorporating some necessary additions into the draft. The amended draft will be circulated for comment in the near future;
- as previously discussed by the Group, Item 1.2 is no longer required, given the abolition of stamp duty in relation to commercial property on 1 July 2018. Elements of the draft which remain relevant will be incorporated into other publications;
- with respect to Item 1.3, RevenueSA has considered feedback from the Group and is adjusting the draft, which will then be presented to the Group for final endorsement;

- in terms of Item 2.3, the Treasurer has requested a briefing from RevenueSA in relation to Alternative Dispute Resolution. It is possible that a draft RevenueSA publication will result; and
- with respect to Item 3.1, RevenueSA has received further advice from the Crown Solicitor and is incorporating this into the draft ruling, which will then be considered by the Rulings Sub-Committee.

Julie Holmes sought clarification on the function of the Rulings Sub-Committee. It was agreed that the Rulings Sub-Committee provides initial endorsement before the Group (after incorporating any changes) provides final endorsement, following which RevenueSA will publish the relevant document.

Paul Ingram cited practical difficulties with the Foreign Ownership Surcharge (mainly in terms of the tracing provisions and the identification of a purchaser's foreign person status, as well as the joint and several liability of a vendor) and questioned whether the draft publication (i.e. Item 1.1) will serve as a guide. Paul Maxwell advised that RevenueSA's website contains information and basic examples, and offered to consider any more complex scenarios.

**ACTION:** Lisa Smith advised that a discussion will be held with RevenueSA's Compliance Services Branch, to determine what evidence it will seek in relation to the status of a person, company or trust. The Rulings Sub-Committee will then consider the above issues further.

Peter Slegers questioned whether a publication will be released in relation to qualifying land and section 102F of the *Stamp Duties Act 1923* (i.e. to confirm that a transfer of units in a trust which holds only qualifying land will be exempt, from 1 July 2018). Paul Maxwell confirmed that this can be included in a publication relating to land holder duty.

## 2.2 UPDATE ON STATE TAX APPEALS

Paul Maxwell advised that:

- RevenueSA is awaiting the Full Court's judgment in relation to Business SA's payroll tax charitable purposes exemption appeal;
- in mid-March, a hearing was held in relation to a land tax primary production matter. Final submissions have recently been submitted and RevenueSA is now awaiting a judgment;
- a First Home Owner Grant ("FHOG") matter was heard in the South Australian Civil and Administrative Tribunal ("SACAT") in relation to the Residence Requirement. RevenueSA is awaiting a decision; and
- a separate application for review has recently been lodged with SACAT in relation to the FHOG Residence Requirement.

## 2.3 THIRD PARTY REPORTING

Tom Colmer advised that:

- RevenueSA Online Third Party Reporting functionality was extended to allow electronic Opinion lodgement and self-determination on 12 May 2018;
- RevenueSA Online has been well accepted, with many clients voluntarily transitioning from RevNet;
- feedback from end users has been mostly positive, although some suggested improvements are currently being evaluated and prioritised. It is expected that a release of RevenueSA Online incorporating some of these improvements (as well as a user management function) will be deployed in late June; and
- currently some clients are performing self-determination in RevNet, whilst others have transitioned to RevenueSA Online.

Peter Slegers and Marc Romaldi raised concerns in relation to the timing of the deactivation of RevNet stamp duty, as the end of financial year is a busy period. Tom Colmer acknowledged this concern and advised that decommissioning will occur after peak processing (around the second week of July) and that stamp duty clients will be notified in advance.

Kristy Ferguson advised that RevenueSA's Stamp Duty Document Guide is currently being reviewed in an effort to simplify it further.

**ACTION:** Kristy Ferguson will arrange some RevenueSA Online webinars for early July.

Julie Holmes raised the issue of digital archiving and asked if there had been any progress since the March meeting. Kristy Ferguson advised that archives are available up until July 2017 and that an archival program will also be deployed in the coming days. PDF copies of the RevenueSA website will be made on a monthly basis, as well as before and after any significant changes.

Kristy Ferguson also advised that RevenueSA's website will be reviewed following the completion of a Customer Service review by an external consultant (LimeBridge).

## 3 NEW BUSINESS

### 3.1 STATE GOVERNMENT ELECTION COMMITMENTS

Julie Holmes advised that work is underway to prepare for the coming changes to the payroll tax wage thresholds (comments from the Group due 7 June 2018) and the Emergency Services Levy general remission.

Peter Slegers advised that calculations for the payroll tax threshold appear complicated and that he would offer comments if he had time. Julie Holmes advised that although the amending bill will soon be introduced to Parliament, any subsequent provision of feedback (to RevenueSA and/or the Treasurer) may still be beneficial.

**ACTION:** Lisa Smith will raise concerns surrounding the practical application of the payroll tax calculations with the relevant area of RevenueSA.

### 3.2 REVENUESA COUNTER UPDATE

Julie Holmes advised that RevenueSA is closely monitoring the use of its counter area following the reduction in opening hours and will continue to consider the future of the area as electronic lodgements become more prevalent. The Group will be advised of any further changes before they occur.

## 4 OTHER MATTERS

Paul Maxwell raised the *Statutes Amendment and Repeal (Simplify No 2) Bill 2017* (which, as discussed at the March meeting, was not passed by Parliament) and advised that the Treasurer has approved its reintroduction to Parliament, inclusive of the extension of the family farm exemption to companies.

Julie Holmes advised that the new amendment bill will closely resemble its predecessor, unless any provisions are no longer relevant or effective (which is currently being determined). Julie Holmes confirmed that RevenueSA has no intention to seek changes to the family farm exemption provisions.

Julie Holmes also advised that RevenueSA has been working closely with LimeBridge and expressed her hope that the Group will soon notice subtle improvements to the RevenueSA user experience.

## 5 NEXT MEETING

Wednesday 5 September 2018, 9:30 am  
Training Room, Level 1, State Administration Centre.

The meeting closed at 10:12 am.

Signed as a true and correct record of proceedings.



Julie Holmes  
CHAIRPERSON

4 / 7 / 2018

**ATTACHMENT A – REVENUESA PUBLICATIONS**

1. Draft publications for the Rulings Sub-Committee
  - 1.1. Stamp Duty – Residential land used for long term accommodation and discretionary trusts that are foreign trusts
  - 1.2. Stamp Duty – Transfer of units in a unit trust scheme which holds land
  - 1.3. Stamp Duty – Conveyance by Direction
2. New potential publications for consideration
  - 2.1. Section 71(6) of the *Stamp Duties Act 1923*
  - 2.2. Stamp Duty – Unit Trust: Issues And Redemptions
  - 2.3. Early Engagement and Alternative Dispute Resolution
3. Draft publications on hold
  - 3.1. Stamp Duty – Duty arising from changes in partnership interests
  - 3.2. Section 13(4) of the *Land Tax Act 1936*
4. Other existing publications under consideration by RevenueSA
  - 4.1. Circular 61 – Section 71E of the *Stamp Duties Act 1923*. Obligation of a person to lodge a statement with the Commissioner
  - 4.2. Circular 109 – Stamp Duties (Concessions) Amendment Act 1994 – Family Farm Transfers
  - 4.3. Circular 156 – Access to documents held by solicitors and legal professional privilege – Guidelines
  - 4.4. Circular 265 – Stamp Duty – Sale of Retirement Villages
  - 4.5. Circular 282 – Domestic Partners

## ATTACHMENT B – ACTION REGISTER

	Date of Meeting	Action	Who	Status	Due Date
1.	07/03/2018	Review the terms of reference of the Rulings Sub-Committee		Pending – P Maxwell to review	05/09/18
2.	06/06/2018	Clarify evidence required in relation to the status of a person, company or trust for the purposes of the Foreign Ownership Surcharge	L Smith	Pending	05/09/18
3.	06/06/2018	Arrange webinars in relation to RevenueSA Online	K Ferguson	Pending	14/07/18
4.	06/06/2018	Discuss concerns surrounding the practical application of the payroll tax calculations with the relevant area of RevenueSA	L Smith	Pending	05/09/18