

edr update is our client e-newsletter designed to give EDR clients the latest information on our online service available for processing duties transactions.



The Office of State Revenue (OSR) is required to report transfers of freehold or leasehold interests in real property situated in New South Wales to the Commissioner of Taxation from **1 July 2016**.

The information will be used for the purpose of creating a National Register of Foreign Ownership of Land Titles which will be administered by the Australian Taxation Office (ATO).

In addition the information will be used by the ATO for the purpose of information matching to ensure compliance with the taxation laws of the Commonwealth.

Information Required?

For each transaction, the information OSR must collect includes:

- Property details including land title information, property address and other descriptors
- Transactional information including transfer price, contract and settlement date
- Identity Information of the purchaser/transferee and vendor/transferor including name, date of birth for individuals and ACN, ABN or ARBN for non individuals
- Foreign identity details.

How will OSR collect this information?

Vendor/Transferor information will be collected via the Land Tax Certificate Process

An amendment to the *Conveyancing (Sale of Land) Regulation 2010* will require the vendor under a contract for the sale of land to provide a current Land Tax Clearance Certificate (section 47 certificate) to the purchaser.

All contracts entered into on or after **1 July 2016** will require the vendor to provide the purchaser with a current certificate.

The information required for vendor/transferor will be collected when ordering a certificate.

Purchaser/Transferee

On or after **1 July 2016**, additional purchaser/transferee information will be required for all Agreements for Sale of Land and Transfers of Real Property.

This additional information will be collected when an assessment is processed through our Electronic Duties Return (EDR) service from **Monday 4 July 2016**.



What does this mean for EDR clients?

All agreements for sale of land and transfers of real property processed through our EDR service will require additional purchaser/transferee information from **Monday 4 July 2016**.

The effective date, **4 July 2016** is the process date not the date of execution of your document.

What EDR transactions are affected?

The following EDR transactions will require the additional information:

- Agreement for Sale of Land
 - ▶ Aggregated
 - ▶ Off The Plan
 - ▶ First Home New Home
 - ▶ New Home Grant.
- Transfer of Real Property
 - ▶ Deceased Estate
 - ▶ Not in Conformity.

The information is also required for any exemptions associated with these transactions.

What Additional Information is Required?

Currently you are required to collect Client Identification (CI) information for all parties liable to or exempt from transfer duty, under Chapters 2, 4, 11 and 12 of the *Duties Act 1997*. To identify individuals you are required to obtain evidence of their date of birth and for companies their ABN/ACN/ARBN number (see Duties Client Identification Factsheet).

In addition to the information you currently collect you will be required to provide the following for all purchasers/transferees:

- Country of Citizenship (individual)
- Country of Incorporation (company)
- Country of Tax Residence
- Address for current and future notices
- Contact information (name, phone & email).



Changes to your EDR service

Individuals

For all purchasers/transferees that are individuals you will be required to enter their '**Country of Citizenship**'.

If their Country of Citizenship is '**Australia**' the following new fields will be displayed:

- Country of Tax Residence
- Address at Time of Transfer (residential, postal or place of business)
- Address for Future Notice (residential, postal or place of business)
- Country Name (triggers phone area code and number fields)
- Email Address.

If their Country of Citizenship is not Australia the following new fields will be displayed:

- Passport Number
- Visa Number
- Visa Subclass
- Visa Expiry Date
- Overseas Identifier
- FIRB Application Number
- Country of Tax Residence
- Address at Time of Transfer (residential, postal or place of business) if the address is overseas you cannot select '**postal address**'
- Address Type – if you select the '**overseas**' address type two fields will be displayed, overseas address and country, these fields are mandatory
- Address for Future Notice (residential, postal or place of business) if the address is overseas you cannot select '**postal address**'
- Address Type – if you select the '**overseas**' address type two fields will be displayed, overseas address and country, these fields are mandatory
- Country Name (triggers phone area code and number fields)
- Email Address.

What information/documents are required for an individual?

If the purchaser/transferee is an Australian citizen you are required to collect the address and contact information (as above).

If the purchaser/transferee is not an Australian citizen you must ask them to provide:

- Passport
- Visa
- FIRB Application Number.



If one of these prescribed documents cannot be provided another document from their country of citizenship will be acceptable (for example, national identity number, current driver licence, birth certificate etc.). This information must be entered in the '**Overseas Identifier**' field. If the document provided is not in English a translated version of the document is required.

You must also collect from the purchaser/transferee the required address and contact information (as above).

Note: EDR clients must retain certified copies of all documents provided for audit purposes.

Companies

For all purchasers/transferees that are companies you will be required to enter their '**Country of Incorporation/Formation**'.

If their Country of Incorporation/Formation is '**Australia**' the following new fields will be displayed:

- Country of Tax Residence
- Contact Name (company representative)
- Address at Time of Transfer (residential, postal or place of business)
- Address for Future Notice (residential, postal or place of business)
- Country Name (triggers phone area code and number fields)
- Email Address.

If their Country of Incorporation/Formation is not Australia the following new fields will be displayed:

- Organisation Number (overseas equivalent of Australian company identifier, e.g. ABN)
- FIRB Application Number
- Country of Tax Residence
- Contact Name (company representative)
- Address at Time of Transfer (residential, postal or place of business) if the address is overseas you cannot select '**postal address**'
- Address Type – if you select the '**overseas**' address type two fields will be displayed, overseas address and country, these fields are mandatory
- Address for Future Notice (residential, postal or place of business) if the address is overseas you cannot select '**postal address**'
- Address Type – if you select the '**overseas**' address type two fields will be displayed, overseas address and country, these fields are mandatory
- Country Name (triggers phone area code and number fields)
- Email Address.



What information/documents are required for a company?

If the purchaser/transferee is an Australian company you are required to collect the company address and contact information (as above)

If the purchaser/transferee is not an Australian company you must request documentation that details their:

- Organisation Number
- FIRB Application Number.

You must also request from the purchaser/transferee the company contact, address and contact information (as above).

Note: EDR clients must retain certified copies of all documents provided for audit purposes.

Changes to EDR Assessment Information

For all affected EDR transactions new assessment information is also required. The information required is:

- Enquiry ID
- Consideration Amount
- Value Amount
- GST Payable.

Enquiry ID

An amendment to the *Conveyancing (Sale of Land) Regulation 2010* will require the vendor under a contract for the sale of land to provide a current Land Tax Clearance Certificate (section 47 certificate) to the purchaser.

All contracts entered into on or after **1 July 2016** will require the vendor to provide the purchaser with a current certificate.

The Enquiry ID can be found on the top right hand corner of the certificate. If you are in possession of the certificate at the time of assessment you must enter this information.

Consideration Amount

Currently the Dutiable Amount field is displayed for all assessments available on EDR and duty is calculated based on the amount entered. The dutiable amount is the greater of the consideration amount (purchase price) or the value amount (related party transactions).

The Consideration Amount must be entered in all cases and must reflect the total amount payable under the contract/transfer. This includes those matters with a nominal amount (\$1.00) or no value (e.g. natural love and affection).

A consideration amount of at least \$1.00 must be entered for all EDR transactions.

MORE INFORMATION



www.osr.nsw.gov.au



1300 308 863
1800 086 642 (Interstate clients)
8.30 am – 5.00 pm, Mon. to Fri.



edr@osr.nsw.gov.au



GPO Box 4042
Sydney NSW 2001

DX 456 Sydney

Help in community languages is available.

Office of State Revenue: ISO 9001–Quality Certified
Department of Finance, Services & Innovation

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Value Amount

Where the parties to a contract or transfer are related (not at arms length) evidence of value is required from a **'suitably qualified valuer'** under Section 305 of the *Duties Act 1997*.

A suitably qualified valuer is:

- A member of the Australian Valuers Institute (not associate or student)
- A member of the Australian Property Institute (not student or provisional)
- A member of the Royal Institution of Chartered Surveyors being a Chartered Valuer or Chartered Valuation Surveyor.

For more information please refer to *Revenue Ruling DUT 044*

The Value Amount must be completed whenever a valuation has been obtained for Duties assessment purposes.

GST Payable

This is the amount of GST payable by the transferee (where applicable) which must be added to the purchase price when determining the Consideration Amount figure.