

Revenews is our monthly newsletter keeping you up to date on current activities, issues and recent cases.

This issue

- New legislation
- Revenue rulings
- What's happening at OSR
- Client education
- Case summaries
- Upcoming events

New legislation

Changes to payroll tax contractor exemptions

The following payroll tax contractor exemptions have been repealed, with effect from 1 January 2016:

- contracts under which services are provided solely for, or in relation to, the procurement of persons desiring to be insured
- contracts under which services are provided for, or in relation to, the door-to-door sale of goods solely for domestic purposes.

Changes to the First Home Owner Grant

The amount payable to an applicant under the *First Home Owner Grant (New Homes) Act 2000* has been reduced from \$15,000 to \$10,000.

This amount applies to:

- a contract made on or after 1 January 2016 for the purchase of a new home
- a comprehensive home building contract made on or after 1 January 2016
- the building of a new home by an owner builder where the building work commences on or after 1 January 2016.

Read more about these changes at www.osr.nsw.gov.au

Revenue rulings

We have issued the following revenue rulings:

Land tax

LT 071v2 - Exemption - Residential Parks Primarily Used and Occupied by Retired Persons - Applies from the 2016 tax year.

LT 098 - Exemption - Land Used and Occupied Primarily for a Boarding House - 2016 Tax Year - Updated tariffs.

LT 099 - Exemption - Land Used and Occupied Primarily for Low Cost Accommodation - 2016 Tax Year - Updated tariffs.

Payroll tax

PTA 012 - Exemption for Maternity and Adoption Leave Pay - Footnote added in relation to paternity leave.

PTA 007 - Contractor Provisions - Door-to-Door Sale of Goods - Ceased to apply from 31 December 2015.



First Home Owner Grant and duties

Due to the repeal of the *Valuers Act 2003*, the *Duties Act 1997* and the *First Home Owner Grant (New Homes) Act 2000* have been amended to remove references to 'registered valuer'.

Two new revenue rulings for duties and First Home Owner Grant have been issued to identify the persons the Chief Commissioner is satisfied are suitably qualified to provide valuations for the purposes of the *Duties Act 1997* and *First Home Owner Grant (New Homes) Act 2000*.

Read more about the revenue rulings at www.osr.nsw.gov.au

What's happening at OSR

e-Conveyancing

From 1 July 2016, conveyancing documents which are able to be processed on Electronic Duties Return (EDR), will no longer be assessed by us. Register online or through an authorised EDR agent now.

Read about e-conveyancing at www.osr.nsw.gov.au

Cheques and faxes

We have introduced two new initiatives that will make it easier for you to do business with us and provide you with better service. All OSR faxes have now been replaced with email addresses, and all refunds are now sent by electronic funds transfer providing you with quicker access to your money.

Client education

Far West Roadshow

From 8 to 12 February 2016, OSR hit the road for the OSR State Roadshow with various seminars at Bourke, Nyngan, Cobar, Broken Hill and Wentworth.

The seminars provided valuable information about grants payroll tax, land tax, unclaimed money and duties to professionals, small businesses, home owners and the local community.

OSR Literacy Launch

On 8 February 2016, we launched the new Literacy Pack Initiative as part of our Outreach program.

We provided three age-specific literacy packs tailored for the Aboriginal community.

A lot of positive feedback came back about the Launch, and the Literacy Packs. Bourke proved that it can handle such events and they really appreciated that we chose them for the launch.

'NSW Landholder Duty - Your Duty to know' seminars

In March, we launched a series of seminars on landholder duty in Sydney. We have also held seminars in Melbourne, Brisbane and Newcastle. The seminars provide all you need to know about landholder duty in NSW including what is a landholder, what are landholdings, linked entities, other constructive ownership, how may an interest be acquired, how is the duty calculated, exemptions and concessions, lodgement requirements, and case studies.



Easter Trivia

The origins of Easter

- The date of Easter varies from **22 Mar** to **25 Apr**



- The Easter name owes its origin from Eastre, the Anglo-Saxon goddess who symbolised

Hare
and **Eggs**



The Easter eggs

- The first mass produced 'dark' chocolate egg was created by Cadbury in **1875**
- The first milk chocolate egg was launched in **1905**

- The biggest chocolate Easter egg ever made weighed **7,200kg** and **10.39m** tall and was on display in an Italian mall in **2011**

The Easter bunny

- The Easter bunny originated in **Germany** among **German Lutherans**

Case summaries

Land tax

Codlea Pty Ltd v Chief Commissioner of State Revenue [2016] NSWCATAP 30 (8 February 2016)

The taxpayer appealed the decision of the tribunal to deny the primary production land exemption under section 10AA of the *Land Tax Management Act 1956* (LTMA) on non-rural land used for bee keeping. The Appeal Panel was concerned primarily with whether the commerciality test in section 10AA(2) of the LTMA was correctly applied. The decision in this case was that the leave to appeal was refused and the appeal was otherwise dismissed.

Read the decision at www.osr.nsw.gov.au

Payroll tax

Chan & Naylor Australia Pty Ltd v Chief Commissioner of State Revenue [2016] NSWCATAD 4 (5 January 2016)

The taxpayer sought a review of the Chief Commissioner's decision regarding liability for payroll tax in relation to grouping under the *Payroll Tax Act 2007* as well as penalty tax and interest imposed under the *Taxation Administration Act 1996*. The Tribunal focused on the common control of the entities when considering the grouping, and whether there were exceptional circumstances or if reasonable care was taken by the taxpayer when considering the interest and penalty tax. The assessments of the Chief Commissioner were affirmed.

Read the decision at www.osr.nsw.gov.au

Duties

Chief Commissioner of State Revenue v Webeck [2015] NSWCATAP 279 (21 December 2015)

The Chief Commissioner appealed the decision of the Tribunal at first instance to remit a single Transfer of land to be assessed under the partitioning provisions of section 30 of the *Duties Act 1997*. The Appeal Panel agreed with the Chief Commissioner that section 30 would only be effective where there were two or more transfers of land held by persons jointly.

Read the decision at www.osr.nsw.gov.au

The way we were - 1975

Cost of living basics:

Loaf of bread



Then:
\$0.24

Now:
\$2.84

Litre of milk



Then:
\$0.30

Now:
\$1.45

Litre of petrol



Then:
\$0.57

Now:
\$1.20

On the technology front:

- Microsoft was founded by Bill Gates and Paul Allen releasing a programming language for a microcomputer
- the laser printer was invented
- the first digital camera was released.

Think about this... More than half of Australia's current population were not even born in 1975!

Upcoming events

Webinars

We are running the following land tax and payroll tax webinars:

1. Continuation of the five part payroll tax webinar series with:
 - Admin Processes & Systems - **22 April**
 - Intro and the basics - **29 April**
 - Allowances and FBT - **6 May**
 - The Contractor Provisions - **13 May**
 - The Grouping Provisions - **20 May**
2. Four part land tax series:
 - Land tax overview - **3 May**
 - The principal place of residence exemption - **10 May**
 - Trusts - **17 May**
 - Primary production and other exemptions - **24 May**

Webinars are free and available to everyone, and can also earn you professional development points.

Read more and register at www.osr.nsw.gov.au

Seminars

We are running the following seminars for payroll tax and landholder duty:

- 'Payroll Tax for New Clients' (Newcastle) - **19 April**
- 'Payroll Tax for New Clients' (Sydney) - **27 April**

Seminars are free and available to everyone, and can also earn you professional development points.

Read more and register at www.osr.nsw.gov.au

Webinar recordings now available online

We now have a Webinar Library available at www.osr.nsw.gov.au, so you can view our webinars at your convenience. Webinar topics include:

- land tax
- duties
- payroll tax
- small business grant
- the OSR State Roadshow.