



# Update

## Abolition of Vendor Duty

As a result of the recent decision to abolish vendor duty, effective from 2 August 2005, the following procedure must be implemented for all land-related transactions.

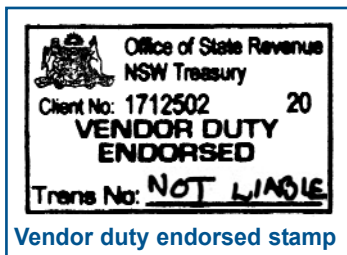
### Agreements for Sale of Land and Transfers exchanged or executed on or after 2 August

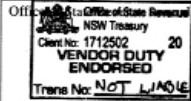
The following procedure applies to:

- Agreements for sale of land entered into or exchanged on or after 2 August 2005
- Transfers of real property executed on or after 2 August 2005 where an agreement is not entered into.

Procedure:

- The transactions listed above are not liable to vendor duty and do not require processing through EDR
- The transfer of real property, however, will require endorsement with the vendor duty endorsed stamp. This endorsement must be made on the left hand side of the "OSR use only" box (see below)
- To complete the endorsement the words "not liable" must be inserted in the Trans No. area
- This endorsement can be done by either the purchaser's or vendor's representative
- Where there is an agreement for sale this agreement does not need to be endorsed.



Form: 01T Licence: 01-09-023 Licensee: Aust. Forms P/L	<b>TRANSFER</b> New South Wales Real Property Act 1900	Leave this space clear. Affix additional pages to the top left-hand corner.								
PRIVACY NOTE: this information is legally required and will become part of the public record										
STAMP DUTY										
(A) TORRENS TITLE	If appropriate, specify the part transferred									
(B) LODGED BY	<table border="1"> <tr> <td>Delivery Box</td> <td>Name, Address or DX and Telephone</td> </tr> <tr> <td colspan="2">Reference (optional):</td> </tr> </table>	Delivery Box	Name, Address or DX and Telephone	Reference (optional):		<table border="1"> <tr> <td>CODE</td> </tr> <tr> <td>T</td> </tr> <tr> <td>TW</td> </tr> <tr> <td>(Sheriff)</td> </tr> </table>	CODE	T	TW	(Sheriff)
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**Transfer endorsed with the vendor duty endorsed stamp**



To avoid registration issues at Land and Property Information (LPI) this process must be followed until 30 September 2005. A further bulletin will be issued regarding the return of the vendor duty endorsed stamp and how to process any matters still liable to vendor duty after that date.

### **Duplicate Duty**

Duplicate duty has been reintroduced as a result of vendor duty being abolished. When calculating duty on agreements for sale of land (purchaser duty) dated on or after 2 August 2005 please remember to add \$2.00 for the vendor's copy of the agreement. The EDR system will be updated from Monday, 22 August 2005 to reflect this change.

### **Agreements for Sale of Land and Transfers exchanged or executed prior to 2 August**

These transactions are liable to vendor duty and must continue to be processed as outlined in EDR Update, Issue 2 July 2004.

Anti-avoidance provisions will be introduced to prevent persons avoiding vendor duty by cancelling contracts that were exchanged before 2 August 2005. For example, where liable contracts were exchanged before 2 August 2005, the duty will still apply even if these contracts are rescinded and a substitute contract is exchanged on or after 2 August 2005.

#### **More information**

##### **Electronic Duties Return**

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\*1300 numbers free call within NSW. Interstate clients call (02) 9689 6200

