



Office of State Revenue  
NSW TREASURY  
ISO 9001-Quality Certified

## Revenue Ruling No. DUT 20

# Exemption from Duties – Corporate Reconstructions

### Ruling history

Ruling no.	Issued date	Dates of effect		Status
		From	To	
<a href="#">DUT 3</a>	01 July 1998	01 July 1998	10 November 1998	Replaced by DUT 9
<a href="#">DUT 9</a>	03 December 1998	11 November 1998	12 October 2000	Replaced by DUT20
DUT 20	10 November 2000	13 October 2000	31 December 2003	Replaced by <a href="#">DUT 26</a>

### Preamble

1. Section 281 of the *Duties Act 1997* states that duty is not chargeable on certain transactions between the members of a group of corporations. Exemption may be approved by the Chief Commissioner in accordance with guidelines approved by the Treasurer.
2. The purpose of this exemption is to provide relief from duty when property is transferred within a corporate group, in approved circumstances, where there is no change in the ultimate beneficial ownership of the property.
3. Earlier guidelines published in revenue ruling DUT 003 contained a requirement that the transaction would not proceed unless the exemption was granted, and a 'net benefit' test. These arose from Commonwealth Grants Commission determinations on the revenue 'forgone' by New South Wales in granting an exemption for a corporate reconstruction. The Commonwealth Grants Commission subsequently advised that the revenue 'forgone' as a result of granting exemptions for corporate reconstructions will not be taken into consideration in determining financial assistance grants to the States. As a result, the guidelines were revised, and the 'net benefit' test was deleted. These guidelines were published in revenue ruling [DUT 009](#).
4. The Treasurer has now approved new guidelines that expand the concept of a corporate group to include stapled securities that are quoted on the Australian Stock Exchange.
5. This ruling replaces revenue ruling [DUT 009](#).

### Ruling

6. The attached guidelines apply to transactions effected on or after 13 October 2000.
7. In addition to the transactions referred to in the attached guidelines, a corporate restructure can involve a transaction that is not a 'dutiabale transaction' in New South Wales, but which triggers a liability under Part 2 of Chapter 3 (land-rich duty). Such a transaction will be considered for exemption under subsection 119 (3) of the Duties Act, on the basis that it would not be just and reasonable to impose duty.

### Peter Achterstraat

Chief Commissioner of State Revenue  
10 November 2000