



Land Tax Clearance Certificate Changes

Land Tax Clearance Certificate changes effective 1 July 2016.

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

This applies to all contracts entered into on or after the 1 July 2016.

The Land Tax Clearance Certificate must be provided to the purchaser as follows:

- For contracts completing in 14 days or less, the vendor must provide the certificate on the day of exchange
- For contracts completing in more than 14 days or with no completion date, the vendor must serve a Land Tax Clearance Certificate at least 14 days before completion.

The certificate does not have to be clear when provided to the purchaser.

A current certificate is one in which the charge is determined up to and including the year in which settlement is to occur or one that is not more than 3 months old.

How do I get a Land Tax Clearance Certificate?

Effective **1 July 2016**, paper applications for Land Tax Clearance Certificates will no longer be accepted at OSR.

All Land Tax Clearance Certificates (Clearance and Valuation) must be lodged electronically through an OSR approved Client Service Provider (CSP):

- GlobalX Information
- Hazlett Information Services
- InfoTrack
- SAI Global Property
- Tri-Search.

Ordering a Vendor Land Tax Clearance Certificate

At enquiry type the Vendor option should be selected. There is a requirement to provide additional information as part of the Commonwealth Reporting Requirements – see more details overleaf. Additional data is required for each entity now selling their interest in the land.

The certificate will be processed at OSR and returned to the client or their representative via a CSP.

If the certificate shows a charge two copies of the certificate may be provided – a purchaser and a vendor copy. One can be retained by the vendor to arrange clearance, the other provided to the purchaser as per requirements of the *Conveyancing (Sale of Land) Regulation 2010*.

The Enquiry ID shown on the top right hand corner of the certificate should be entered by the purchaser's representative when arranging for the stamp duty assessment.

Upon receipt of a certificate showing a charge a vendor should follow the instructions shown on the front of the certificate. This should be done to as early as possible to allow sufficient time to arrange clearance prior to or at settlement. If there are no instructions on the certificate, contact the OSR call centre on 1300 139 816.

A purchaser of land under contract can rely on the certificate provided by the vendor. If a purchaser wishes to validate the certificate they can do so using OSR online services at www.osr.nsw.gov.au/taxes/land/clearance. The Enquiry ID and Correspondence ID shown on the top right hand corner of the certificate can be used to log in. The service can also be used to reprocess the certificate once payment has been made by the vendor. You should allow up to two days for the payment to be processed.

If the certificate is clear, only one copy of the certificate will be generated which should be provided to the purchaser in accordance with the *Conveyancing (Sale of Land) Regulation 2010* changes.

Requesting a non-vendor Land Tax Clearance Certificate

The existing certificate options continue to exist for purchasers and mortgagees. These certificates will only be available through a CSP after 1 July 2016.

The process for these certificates remains unchanged, when requesting you will just need to nominate the enquiry type. The additional information does not apply to these types of certificates.