



COMMISSIONER'S PRACTICE TAA 10.1

VALUATION OF PASTORAL LEASE PROPERTY FOR STAMP DUTY AND DUTIES PURPOSES

Commissioner's Practice History

Commissioner's Practice	Issued	Dates of effect	
		From	To
SD 10.0	21 October 2003	21 October 2003	30 June 2008
SD 10.1	1 July 2008	1 July 2008	13 February 2014

This Commissioner's practice outlines the circumstances when pastoral lease properties will be valued for stamp duty and duties assessment purposes.

Stamp duty valuations will be made for all *Stamp Act 1921* liabilities that arise on or before 30 June 2008. Duties valuations will be made for all *Duties Act 2008* liabilities that arise on or after 1 July 2008.

Background

Section 21 of the *Taxation Administration Act 2003* ("TAA") gives the Commissioner the power to require the taxpayer to provide information in his or her possession or control that is relevant for ascertaining the value of any property, consideration or benefit for the purposes of a taxation Act.

Section 22 of the TAA gives the Commissioner the power to have a valuation made or adopt any available appropriate valuation of any property, consideration or benefit for the purposes of a taxation Act.

Various provisions of the *Stamp Act 1921* and the *Duties Act 2008* allow the Commissioner to assess duty based on the value of the property or the consideration, rather than on the actual monetary consideration paid.

Pastoral leasehold properties may be valued on the basis of:

- “walk-in walk-out” which includes the pastoral leases, improvements, stock, stores and plant; or
- value of lease and improvements only.

Commissioner’s Practice

Circumstances when valuations are required:

1. A Stamp Duty or Duties Valuation Form (Country Land) and other evidence of value considered relevant, is required where a transaction involves:
 - 1.1 parties that are related or not otherwise dealing at “arm’s length”. This includes, but is not limited to -
 - 1.1.1 parties related by blood or marriage;
 - 1.1.2 companies associated through common ownership of a significant portion of voting capital or common director(s);
 - 1.1.3 partners in a partnership;
 - 1.1.4 joint venture participants;
 - 1.1.5 trusts with common beneficiaries; and
 - 1.1.6 entities with other significant business relationships;
 - 1.2 consideration paid for the property which does not appear to be adequate;
 - 1.3 allocation of the consideration which appears to be heavily weighted to non-dutiable items; or
 - 1.4 any other matter where the Commissioner considers a valuation would be appropriate.
2. Upon receipt by the Commissioner, the completed valuation form, associated evidence, copies of relevant documents and correspondence will be referred to the Valuer General or other expert valuer for valuation.

Date of Effect

This Commissioner’s practice takes effect from 1 July 2008.

Bill Sullivan
COMMISSIONER OF STATE REVENUE

1 July 2008