

Question on Notice

No. 864

Asked on 18 August 2004

MR JOHNSON asked the Deputy Premier, Treasurer and Minister for Sport (Mr MACKENROTH) –

QUESTION:

With reference to stamp duty charges—

- (1) Does he intend to extend the stamp duty relief to drought declared rural producers who convert their Grazing Homestead Perpetual Leases to freehold tenure for the purposes of consolidation?
- (2) Does he intend to alleviate the financial duress for rural producers who will pay stamp duty for the tenure conversion and then again for the amalgamation of the same properties?

ANSWER:

- (1) Under the *Duties Act 2001*, transfer duty is payable for dutiable transactions involving land in Queensland unless an exemption applies. Section 136(b) of the *Duties Act 2001* provides an exemption from transfer duty for a grant under the *Land Act 1994*, in fee simple, of land comprised in a grazing homestead perpetual lease to a lessee. This exemption applies regardless of the reason for the change of tenure and therefore a conversion of a grazing homestead perpetual lease to a freehold tenure undertaken for the purpose of a consolidation would be exempt from transfer duty.

An extension in transfer duty relief is therefore unnecessary.

- (2) See (1) above. Transfer duty does not apply to a freehold tenure conversion involving a grazing homestead perpetual lease.

Nor is the amalgamation of land titles held in the same name a dutiable transaction.