

# Refund or reduction of stamp duty for unpaid contingent consideration

**IMPORTANT:**

- Before completing the application, please read the Guidance Notes carefully.
- All sections must be completed and supporting information provided, otherwise the application will not be processed.

## LODGING PARTY

Name:

Lodgement Number:

## DETAILS OF PURCHASER(S)

	Purchaser 1	Purchaser 2
Name(s):	<input type="text"/>	<input type="text"/>
Postal address:	<input type="text"/>	<input type="text"/>
	<input type="text"/>	<input type="text"/>
Telephone no:	<input type="text"/>	<input type="text"/>

## DETAILS OF SELLER(S)

	Seller 1	Seller 2
Name(s):	<input type="text"/>	<input type="text"/>

## INSTRUMENT DETAILS

1. Date of execution of the instrument:	<input type="text"/>
2. Total consideration payable under the original contract including contingent consideration:	\$ <input type="text"/>
3. Amount of the contingent consideration:	\$ <input type="text"/>
4. Final amount paid as consideration by the purchaser:	\$ <input type="text"/>
5. Description of the contingent event:	\$ <input type="text"/>

  
  

- |  |                              |                             |
|--|------------------------------|-----------------------------|
| 6. Has the contingent consideration been paid?     | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 7. Did the contingent event happen?                | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 8. Could the contingent event occur in the future? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

## TERRITORY REVENUE OFFICE

## ACCOUNT DETAILS FOR REFUND OF DUTY *(if applicable)*

Name of financial institution:	<input type="text"/>		
Name of account:	<input type="text"/>		
Branch:	<input type="text"/>		
BSB:	<input type="text"/>	Account no:	<input type="text"/>

## DECLARATION – MUST BE COMPLETED BY ALL PARTIES OR THEIR AGENTS

We, the parties to the instrument or agents thereof, declare that the statements contained herein are to the best of our knowledge and belief, true and correct in every particular.

<input type="text"/>	<input type="text"/>
Signature ( <i>Purchaser/Agent</i> )	Date
<input type="text"/>	<input type="text"/>
Signature ( <i>Seller/Agent</i> )	Date

**WARNING:** It is an offence under the *Taxation Administration Act* to provide information that you know is misleading in a material particular (maximum penalty 400 penalty units – current penalty unit values are available from [www.revenue.nt.gov.au](http://www.revenue.nt.gov.au)).

### PRIVACY STATEMENT

The information requested in this application is required by law to determine your stamp duty refund. The information may be communicated to persons authorised under the *Taxation Administration Act*. You may review or correct any personal information provided by contacting the Territory Revenue Office.

# GUIDANCE NOTES

## Introduction

Where a contract for the sale of any estate or interest in property provides for a payment that is contingent upon the happening of a future event, stamp duty is charged on the maximum possible consideration ('the contingent consideration') that might be payable, regardless of whether that amount is ultimately paid.

For example, if a contract for the sale of a vacant lot that is currently zoned 'Residential' specifies that the consideration is \$400,000 plus an additional \$100,000 if the land is rezoned 'Commercial' within 12 months, stamp duty is chargeable on \$500,000.

However, section 4AB(3) of the *Stamp Duty Act* ('the Act') provides that if it is later shown that the consideration actually given is less than the contingent consideration, and there is no further scope for contingent increase, the Commissioner of Territory Revenue may reassess the dutiable value of the property taking into account the amount or value of the consideration actually given.

## How to apply for a reassessment where contingent consideration is not paid

Where the contingent consideration has not been paid and there is no further scope for it to be paid, the person liable to pay the duty may seek a reassessment of the duty payable by completing and lodging this application form with the Territory Revenue Office.

Where the duty has been paid, all documents (e.g. the contract of sale and copies thereof) that have been endorsed with the amount of duty paid must also be lodged. If the initial assessment has not been paid, only the application and the assessment notice need be lodged. All parties to the transaction or their agents must complete the application. If signatures of all parties cannot be obtained, full details of the reasons for their inability to do so must be provided.

The application must be made within five years after the date of the initial assessment as under section 21(4) of the *Taxation Administration Act*, the Commissioner cannot consider applications received outside of this period.

## Basis of reassessment

Duty is assessed on the consideration payable or the unencumbered value of the dutiable property conveyed, whichever is the greater. In making a reassessment, the Commissioner will have regard to the amount of consideration actually paid and the unencumbered value of the dutiable property at the date of the conveyance.

## Important information

A reassessment can only be considered where the contingency results in the non-payment of the contingent consideration. Where a rebate or reimbursement is provided to a purchaser due to the happening of an event, (eg construction of a dwelling within 12 months of the purchase of a vacant lot) there is no entitlement to a reassessment under section 4AB(3) of the Act.

## HOW TO CONTACT TRO

**Office:** Level F4  
19 The Mall  
DARWIN NT 0800

**Post:** GPO Box 1974  
DARWIN NT 0801

**Email:** [ntrevenue@nt.gov.au](mailto:ntrevenue@nt.gov.au)

**Telephone:** 1300 305 353

**Facsimile:** (08) 8999 5577

**Web site:** [www.revenue.nt.gov.au](http://www.revenue.nt.gov.au)