



Stop Press!

COAG has deferred the introduction of Personal Property Securities (PPS) until October 2011. Madgwicks will provide regular updates on PPS in the coming months.

In the mean time here are some common duty issues you should be aware of...

Transfer

All States except Victoria charge stamp duty on transfers of most assets (not just land).

This means:

- a sale of business
- the purchase of a partnership interest
- the granting of an intellectual property licence

may attract stamp duty.

Share Transfer Duty

New South Wales continues to charge duty on the transfer of shares and units in a unit trust on unlisted New South Wales companies and trusts.

Beware Land Rich Duty

In Victoria, if you transfer or allot shares or change the right of shareholders in a company which when aggregated with the transfers, allotments and changes of rights which have occurred in the preceding three years equivalent to 50% of the shares on issue (20% for a trust) and the company (or trust) holds land the unencumbered value of which is at least \$1m and the land exceeds more than 60% in value of the assets of the company (or trust) a duty liability will arise in respect of the share (or unit) transfer.

All states and territories impose land rich duty, although the mechanism of calculation varies.

Should you have any questions or would like further advice, please contact:

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