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Public Ruling Duties Act:

ADMINISTRATIVE ARRANGEMENT—DUTY EXEMPTIONS FOR ELIGIBLE SMALL BUSINESS RESTRUCTURES

A public ruling, when issued, is the published view of the Commissioner of State Revenue (the Commissioner) on the particular topic to which it relates. It therefore replaces and overrides any existing private rulings, memoranda, manuals and advice provided by the Commissioner in respect of the issue(s) it addresses. Where a change in legislation or case law (the law) affects the content of a public ruling, the change in the law overrides the public ruling—that is, the Commissioner will determine the tax liability or eligibility for a concession, grant or exemption, as the case may be, in accordance with the law.

What this ruling is about

1. The purpose of this ruling is to withdraw Public Ruling DA000.16.2.
2. Public Ruling DA000.16.2 sets out the terms of an administrative arrangement that, pending amendment of the *Duties Act 2001* (Duties Act), enables the Commissioner to administer the Duties Act as if it provides for an exemption from transfer duty and vehicle registration duty for certain transactions relating to restructures of small business entities.
3. The administrative arrangement was first approved on 25 September 2020. It provided exemption for eligible transactions entered into on and from 7 September 2020, relating to a transfer or agreement for transfer of small business property to an unlisted corporation from any of:
 - (a) an individual, where the individual is a shareholder of the corporation
 - (b) one or more members of a partnership, where all the partners of the partnership are shareholders of the corporation
 - (c) the trustee of a discretionary trust, where all the beneficiaries of the trust are shareholders.
4. On 28 June 2021, an expansion of the administrative arrangement was approved to provide an exemption to eligible transactions entered into on and from that date relating to the transfer or agreement for transfer of small business property from the trustee of a discretionary trust to an unlisted corporation of which the trustee is the sole shareholder.

5. The *Revenue Legislation Amendment Act 2022* amended the Duties Act to include ss.413A-413I to give effect to the administrative arrangement.
6. The amendments in ss.413F-413H of the Duties Act are taken to have had effect from 7 September 2020.¹
7. The amendment in s.413I of the Duties Act is taken to have had effect from 28 June 2020.²
8. Public Ruling DA000.16.2 is to be withdrawn.

Ruling and explanation

9. Public Ruling DA000.16.2 is no longer in effect.

Date of effect

10. This public ruling takes effect from 30 June 2022.

Mark Jackson
Commissioner of State Revenue
Date of issue: 30 June 2022

References

Public Ruling	Issued	Dates of effect	
		From	To
DA000.16.3	30 June 2022	30 June 2022	Current
DA000.16.2	21 July 2021	21 July 2021	29 June 2022
DA000.16.1	9 October 2020	9 October 2020	20 July 2021

¹ Section 677(1) of the Duties Act

² Section 678(1) of the Duties Act