

Duties Form 2 Goods statutory declaration

www.sro.vic.gov.au

Need help? Contact us.

Phone 13 21 61

Email contact@sro.vic.gov.au

Part A - Do you need to complete this form?

What is the purpose of this form?

To assist the SRO in determining the duty payable on the sale of land or land use entitlement, and all goods, whether included or excluded from the contract price, which form substantially one arrangement.

Who can complete this form?

This form can be completed by:

- The vendor/transferrer* (or a director or authorised officer of a transferor company), or
- The purchaser/transferee* (or a director or authorised officer of a transferee company), or
- A person acting under a power of attorney for a transferor if that person has full knowledge of all the facts relating to the transaction.

* The purchaser/transferee may complete this form in circumstances where there is a good reason the transferor can not.

Please note: This statutory declaration **can not** be made by a solicitor or any other representative for a transferor or a transferee.

How do I complete this form?

- This form can be completed on screen, printed and signed, or printed and completed by hand. Either way, the form must be physically signed prior to submission to the SRO
- If completing this form by hand, please print neatly in block letters with a black or blue ballpoint pen only. Print 'X' in the appropriate boxes
- To reduce paper usage, please submit pages 1-8 only
- This form must be witnessed and signed by a person authorised under section 107A(1) of the *Evidence (Miscellaneous Provisions) Act 1958* to witness the signing of statutory declarations
- For a glossary of the terms used in this form, please consult 'Part G - Explanatory notes'. For further clarification (if required), contact the SRO directly on 13 21 61

Will I require additional documentation?

Please answer the following questions:

1. Is the sale for less than the unencumbered or market value? Yes No
2. Is the sale between associated persons, cousins or friends? Yes No
3. Is the sale for less than the full interest? (e.g. 25%, 50%) Yes No
4. If the sale includes a business, does the consideration for land and business together exceed \$1 million? Yes No

For sale of a business (if applicable)

If you answered 'Yes' to any of the above questions, evidence of value is required when you submit this form. See 'Part G - Explanatory notes', point 6.

For sale of water entitlements (if applicable)

5. Is there a sale of water entitlements? Yes No

If you answered 'Yes', in addition to this form, complete SRO Duties Form 12 (Primary production and water entitlements (for all land types) statutory declaration).

Part B - Declarant details

Name
I,

Address
of

Suburb/Town State Postcode

do solemnly and sincerely declare in the matter of the *Duties Act 2000* and a transfer of land or land use entitlement that:

Please complete the relevant section:

I make this declaration as or on behalf of the transferor(s) and

I am a transferor, **or**

I am a director or authorised officer of a transferor company, namely:

, **or**

I am the attorney appointed by a transferor by power of attorney dated:

Date (DDMMYYYY)

and have full knowledge of all the facts relating to this transaction

or

I make this declaration as or on behalf of the transferee(s) and the reason why no transferor is able to make this declaration is:

, **and**

(e.g. all the transferors are overseas)

I am a transferee, **or**

I am a director or authorised officer of a transferee company, namely:

, **or**

I am the attorney appointed by a transferee by power of attorney dated:

Date (DDMMYYYY)

and have full knowledge of all the facts relating to this transaction.

Part C - Particulars of the transaction

The property

Address

1. The street address of the property is:

Address

Suburb/Town

State

Postcode

Title particulars

being land described in:

(Please supply either the Volume/Conveyance and Folio/Book or Lot and Plan references)

Volume/Conveyance

Folio/Book

Lot

Plan

If there is insufficient space, please attach a schedule.

The interest being transferred is (e.g. 25%, 50%):

The property type is (see 'Part G - Explanatory notes', point 10):

and (if applicable),

For land use entitlements 2. Details of the land use entitlement:

Name of company or unit trust

ACN/ABN (if applicable)

Number/class of shares or units being transferred

The transferee(s)

3. The transferee(s) in the transfer is:

Name

ACN/ABN (if applicable)

Name

ACN/ABN (if applicable)

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If there is insufficient space, please attach a schedule.

The contract details

Attach complete copy of the contract of sale including all special conditions.

Vendor(s)

4. The vendor(s) in the contract is:

Name

ACN/ABN (if applicable)

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Name

ACN/ABN (if applicable)

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If there is insufficient space, please attach a schedule.

Purchaser(s)

5. Is the purchaser(s) in the contract the same as the transferee(s) listed in question 3?

Yes, go to next question

No. Enter the details of the purchaser(s) below:

Name

ACN/ABN (if applicable)

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Name

ACN/ABN (if applicable)

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If there is insufficient space, please attach a schedule.

Please note: If the purchasers in the contract are different from the transferees named in the transfer, SRO Duties Form 6A (Transactions treated as sub-sales of land statutory declaration) must be submitted with this form.

Transfer details

6. Options – See ‘Part G - Explanatory notes’, point 9.

If this statement is made as or on behalf of the transferors, answer (a). If this statement is made as or on behalf of the transferees, answer (b).

(a) I declare that an option **was** **was not** granted in relation to the property.

(b) I have inquired with the person with whom I negotiated to purchase the property whether an option was granted in relation to the property, and I believe that an option

was **was not** granted in relation to the property.

7. Does the transfer involve a contract?

Yes, go to next question

No, go to question 10

8. The contract date is:

Date (DDMMYYYY)

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9. When is settlement due to occur under the contract?

Date (DDMMYYYY)

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, go to question 11

10. The transfer date is:

Date (DDMMYYYY)

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The settlement date will be taken to be the date on which the transfer occurred, unless evidence is provided by the transferee that the settlement occurred on another date (e.g. settlement statement, letter from lender).

Consideration and value

11. The consideration stated in the contract for the land or land use entitlement, together with any goods, is:

\$

12. Is there a sale of business?

Yes, go to next question

No, go to question 14

13. If the consideration includes the sale of business, the value attributable to the goodwill is:

\$

14. Does the consideration amount stated in the contract include any amount for GST?

Yes, go to question 18

No, go to next question

15. Is the vendor registered or required to be registered for GST?

Yes, go to next question

No, go to question 18

16. Does the vendor make a taxable supply under the contract for the purposes of GST?

Yes, go to question 17

No, explain why there is no taxable supply, then go to question 18

17. GST calculation

GST exclusive price:

\$

Amount of GST payable in relation to the taxable supply:

\$

Total:

\$

Additional goods not included in the contract

Attach a complete copy of any contract for the sale of goods, including any contract for sale of business, other than already declared on this form.

18. Other than the goods referred to under the 'Consideration and value' section, is there a sale of any goods (including a sale of any goods as part of a sale of business) to one of the transferees listed in Part C (3), or to any other person, that forms substantially one arrangement with the sale of the property declared in Part C (1) or (2)?

Yes, complete this section

No, go to question 24

19. The date of the contract for the sale of goods (including any contract for the sale of business) is:

Date (DDMMYYYY)

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20. The purchaser(s) in the contract is:

Name

ACN/ABN (if applicable)

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Name

ACN/ABN (if applicable)

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If there is insufficient space, please attach a schedule.

21. Is this purchaser(s) related to the transferee(s) previously listed in Part C (3)?
(See 'Part G - Explanatory notes', point 1)

Yes, go to next question

No, go to next question

22. In relation to the contract in Part C (4 - 17) and the contract identified in this section for the sale of these goods, was one conditional on the other?

Yes, go to next question

No, go to next question

23. The value of these goods (plant and equipment) and goodwill other than the goods already referred to in the 'Consideration and value' section is:

Goods (plant and equipment): \$

Goodwill: \$

Additional land not included in the contract

24. Is there an additional sale of land which forms substantially one arrangement?

Yes, please complete SRO Duties Form 1 or 2 (as applicable)

No, go to part D

Part D - Supporting documents

This form must be submitted to the SRO and be accompanied by:

1. The original completed transfer of land, or land use entitlement transfer form, signed and dated,
and (if applicable):
2. A complete copy of the contract of sale (including all the special conditions) and complete copies of any option agreement referred to in Part C,
3. Any lease and/or sale of business agreement referred to in Part C (12), and/or Any commercial lease related to Part C(16),
4. Any contract for the sale of goods (including any contract for sale of business) referred to in Part C 'Additional goods not included in the contract',
5. For sales at less than market value, sales involving associated persons, sales of fractional interests or sales where the consideration for land and business exceeds \$1 million-evidence of the value (See 'Part G - Explanatory notes', point 6), and
6. SRO Duties Form 4A (Off-the-plan sales statutory declaration),
7. SRO Duties Form 6A (Transactions treated as sub-sales of land statutory declaration),
8. For sales involving water entitlements, also provide SRO Duties Form 12 (Primary production and water entitlements (for all land types) statutory declaration)

Part E - Declaration

I acknowledge that this statutory declaration is true and correct, and I make it in the belief that a person making a false declaration is liable to the penalties of perjury.

Declared at in the State of Victoria

on this

--	--

Day

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Month

--	--	--	--

Year

Signature of declarant

*Before me

Signature of witness

Qualification to witness

Full name of witness

Address

Suburb/Town

State

Postcode

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*A person authorised to witness a statutory declaration under section 107A(1) of the *Evidence (Miscellaneous Provisions) Act 1958*.

Part F - Privacy statement

This information is collected by the SRO for the general administration of land transfer duty, including the calculation of any duty that may be payable on the transfer of dutiable property. If you do not provide the information required, we may not be able to process this transaction. The information collected may be used for the purposes of other legislation administered by the SRO. Where authorised by law to do so, we may also disclose this information to other Victorian government agencies, State and Territory revenue offices, law enforcement agencies and certain Commonwealth agencies. You can find out more about how we use and protect your information in our Privacy Policy, available at www.sro.vic.gov.au. If you require access to the information relating to you held by the SRO, please contact the SRO on 13 21 61.

Part G - Explanatory notes

All section numbers are references to the **Duties Act 2000**:

1. Associated and/or related persons (section 3)

Associated and/or related persons include, but are not limited to relatives and related bodies corporate. Some examples include:

- a. Spouses, domestic partners, parents, grandparents, children, aunts, uncles, nieces, nephews, adopted or step children of a person, and
- b. Business relationships including partnerships and companies who are related by common shareholders/directors, and
- c. Trusts and their beneficiaries or trusts with common beneficiaries, and
- d. Natural persons and companies where the person is the majority shareholder or director of that company or a related body corporate.

2. Consideration

Consideration means the price paid for a dutiable transaction.

3. Dutiable goods (section 10(1)(d) - Refer to 'Revenue Ruling DA.054')

Goods are dutiable if they are the subject of an arrangement that includes a dutiable transaction over an estate or interest in land (such as an estate in fee-simple or a land use entitlement).

Goods can be defined as 'chattels', or items that can be removed from the property, such as fridges or display shelving in a business.

If goods are transferred at the same time as an estate or interest in land but it is claimed that their transfer is not the subject of the same arrangement as for the estate or interest in land, a submission should be provided explaining the basis of the claim. If a submission is not lodged, the additional goods are required to be assessed with the estate or interest in land.

4. Dutiable property (section 10)

Dutiable property includes but is not limited to:

- Estates or interests in land such an estate in fee simple, a life estate, a land use entitlement or certain leases, and
- Certain goods.

When an item of dutiable property is sold or transferred to a new owner the transaction is liable to duty unless an exemption applies.

5. Dutiable value of dutiable property (sections 20 and 22(1))

The dutiable value of dutiable property is the greater of:

- a. The consideration (if any) for the dutiable transaction (being the amount of a monetary consideration or the value of a non-monetary consideration), and
- b. The unencumbered or market value of the dutiable property.

In determining the dutiable value of dutiable property there is to be no discount for the amount of GST (if any) payable on the supply of that property. If the vendor makes a taxable supply under the contract for the purposes of GST, the amount paid for that taxable supply is dutiable.

6. Evidence of value and purchase price

For sales involving nominations and for sales where the vendor and the purchaser are associated or related persons, the following must be produced with this form:

- a. Proof of payment of the purchase price e.g. bank statements, loan agreements and receipts,
- b. Evidence of market value of the property:
 - i. A letter of appraisal from a licensed real estate agent,
 - ii. A valuation by a certified practising valuer who is a member of the Australian Property Institute or by a member of the Real Estate Institute of Victoria with sworn valuer accreditation, or

- iii. In circumstances where a letter of appraisal or sworn valuation could not be obtained, complete SRO Duties Form-3 (Real property value declaration). This form requires an explanation of the steps taken to obtain either a letter of appraisal or a valuation, and
- c. For any nominations complete SRO Duties form 6A (Transactions treated as sub-sales of land statutory declaration).

7. Interdependent sale of land and business goods (section 22B)

Business goods are goods used in connection with a business carried on or in connection with land.

Business goods are normally dutiable. However, business goods are not dutiable, subject to section 22B(3), if:

- a. An estate or interest in land and business goods relating to that land are sold to different persons who are not associated persons, and
- b. The Commissioner of State Revenue is satisfied that the contract of sale for the land and the contract of sale for the business goods are not substantially one transaction, and
- c. At least one of the contracts is conditional on the other.

8. Land use entitlement (section 10(1)(a)(v))

A land use entitlement is an entitlement to occupy land in Victoria conferred through an ownership of shares in a company or units in a unit trust scheme, or a combination of a shareholding or ownership of units together with a lease or licence.

9. Options (section 32A)

For the purposes of this form, the relevant types of option are put options, call options and put and call options in their generally accepted commercial sense, namely:

- a. A right, granted by an owner of property to another person, that entitles that other person (or their assignee) to require the owner to enter into a contract of sale of the property with that other person (or their assignee) or transfer the property to that other person (or their assignee), and/or
- b. A right, granted to an owner of property by another person, that requires that other person (or their nominee) to enter into a contract to buy the property from the owner or accept a transfer of the property from the owner.

10. Property Type

- a. Residential - Private dwelling
- b. Residential - Vacant land
- c. Commercial – Retail premises
- d. Commercial - Vacant land
- e. Residential and commercial - Mixed use
- f. Industrial - Building
- g. Industrial - Vacant land
- h. Primary production - Vacant land with no implements, stock or water entitlements
- i. Primary production - With building, implements, stock or water entitlements
- j. Other property type - With water entitlement

11. Unencumbered value (section 22)

The unencumbered value of a dutiable property is the amount for which the property might reasonably have been sold in the open market, free from any encumbrances such as a charge on the land or a mortgage.

Part H - Additional information

1. **Aggregation** (section 24) see Revenue Ruling DA.026

Transactions relating to separate items of dutiable property (which includes dutiable goods) may be aggregated and treated as a single transaction if:

- a. Either:
 - i. In the case of transfers on a sale of items of dutiable property — the contracts of sale are entered into within 12 months, or
 - ii. In any other case — the transactions occur within 12 months, and
- b. The transactions together form substantially one arrangement.

If transactions are aggregated, the dutiable value of the dutiable property is the sum of the dutiable values of the items of dutiable property. The amount of duty payable will be apportioned between the transactions.

Part I - Lodgement

This form can be lodged:

Online: via Duties Online (if you are a registered organisation) on www.sro.vic.gov.au

Mail: State Revenue Office
GPO Box 1641
MELBOURNE VIC 3001
or DX 260090 Melbourne VIC
