


scoop

entertaining the law



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The Fair Work Act 2009 (Cth) and Modern Awards under that Act have commenced operation. Further, South Australia has referred its industrial relations powers to the Commonwealth for the private sector. This has introduced significant changes to this area of law.

Are your client's employment affairs in order?



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RevenueSA gets serious tough times, tough measures

If you have followed the media in the last 18 months, you will appreciate that our State's finances could be better. This is manifested at the sharp end by renewed enthusiasm at RevenueSA – perhaps motivated by an upstairs directive to protect the revenue base.

In particular, we have noticed the following:

- Increased audit activity and requests for further information/ documentation in respect of Revnet stamp duty 'self-assessments' by lawyers/ accountants. Responding to such demands is time consuming and may reveal non-compliance which may be the subject of interest/ penalties.
- Increased assertions by RevenueSA that the stamp duty anti-contract splitting provisions in Section 67 apply.
- The need to liaise with RevenueSA for the reissue of Notices of Assessment with an overstated liability.
- Assessments of stamp duty required to be lodged over the counter being delayed in more complicated cases such as partnership transactions.
- Optimistic valuations of goodwill in business transfers.
- The exercise of the Commissioner's discretion to ignore land holdings under 50% for land tax purposes.
- Broadbrush inclusion of exempt property in land tax assessments.
- The initial denial or delay of FHOG applications that are not 'vanilla'.

There is no private rulings system in South Australia for State taxes. Therefore the administration and practice of State taxes is just as important as the law of State taxes.

The objections and appeals process in South Australia is rigid. As regards stamp duty, an assessment crystallises a debt due to the Commissioner. Following an assessment by the Commissioner, a taxpayer has 2 months in which to make a formal objection. After that, the only way to reverse an assessment is by legal proceedings in the Supreme Court – a costly and time consuming exercise with no guarantees.

The effect of this is uncertainty and frustration for you and your clients... and a few grey hairs!

The lesson here is to have eyes in the back of your head when dealing with State taxes... assume nothing, check everything and get expert advice early on.

If you require any advice, or have any issues or complications as regards State taxes, please let us know.