

# Buying real property in Queensland

## Transfer duty

Under the provisions of the *Duties Act 2001*, when you buy property in Queensland, you may need to pay transfer duty.

### How is transfer duty on real property calculated?

Transfer duty payable on real property acquisitions (including improvements) is calculated on the purchase price or the unencumbered value (whichever is the greater).

### Non-owner occupied property

Transactions entered into before 1 July 2006

Purchase price/value	Duty
Up to \$20,000	\$1.50 for every \$100 or part of \$100
\$20,001 to \$50,000	\$300 + \$2.25 for every \$100 or part of \$100 over \$20,000
\$50,001 to \$100,000	\$975 + \$2.75 for every \$100 or part of \$100 over \$50,000
\$100,001 to \$250,000	\$2,350 + \$3.25 for every \$100 or part of \$100 over \$100,000
\$250,001 to \$500,000	\$7,225 + \$3.50 for every \$100 or part of \$100 over \$250,000
Over \$500,000	\$15,975 + \$3.75 for every \$100 or part of \$100 over \$500,000

Transactions entered into on or after 1 July 2006

Purchase price/value	Duty
Up to \$20,000	\$1.50 for every \$100 or part of \$100
\$20,001 to \$50,000	\$300 + \$2.25 for every \$100 or part of \$100 over \$20,000
\$50,001 to \$100,000	\$975 + \$2.75 for every \$100 or part of \$100 over \$50,000
\$100,001 to \$250,000	\$2,350 + \$3.25 for every \$100 or part of \$100 over \$100,000
\$250,001 to \$500,000	\$7,225 + \$3.50 for every \$100 or part of \$100 over \$250,000
\$500,001 to \$700,000	\$15,975 + \$4.00 for every \$100 or part of \$100 over \$500,000
More than \$700,000	\$23,975 + \$4.50 for every \$100 or part of \$100 over \$700,000

For assistance in calculating transfer duty, please refer to the calculators on the Office of State Revenue website at [www.osr.qld.gov.au](http://www.osr.qld.gov.au). or call the Client Contact Centre on 1300 300 734.

### Owner occupied

If you buy a residence and intend to make it your home, you pay a concessional rate of transfer duty.

#### What is a 'residence'?

A residence is a building or part of a building that is:

- fixed to land, and
- designed, or approved by a local government, for human habitation by a single family unit, and
- used for residential purposes.

#### What is a 'home'?

A residence is your home if you live in it as your principal place of residence within one year of possession of the property under the acquisition.

**Note:** All claims are subject to an audit to ensure that the occupancy conditions are complied with (see Reassessment).

### Concessional rate

If you buy a residence and intend to make it your home, the concessional rate of transfer duty is calculated as follows:

Transactions entered into before 1 August 2004

Purchase price/value	Duty
Up to \$250,000	\$1.00 per \$100 or part of \$100
\$250,001 to \$500,000	\$2,500 + \$3.50 per \$100 or part of \$100 over \$250,000
Over \$500,000	\$11,250 + \$3.75 per \$100 or part of \$100 over \$500,000

Transactions entered into on or after 1 August 2004 but before 1 July 2006

Purchase price/value	Duty
Up to \$300,000	\$1.00 per \$100 or part of \$100
\$300,001 to \$500,000	\$3,000 + \$3.50 per \$100 or part of \$100 over \$300,000
Over \$500,000	\$10,000 + \$3.75 per \$100 or part of \$100 over \$500,000

## Transactions entered into on or after 1 July 2006

Purchase price/value	Duty
Up to \$320,000	\$1.00 per \$100 or part of \$100
\$320,001 to \$500,000	\$3,200 + \$3.50 per \$100 or part of \$100 over \$320,000
\$500,001 to \$700,000	\$9,500 + \$4.00 per \$100 or part of \$100 over \$500,000
More than \$700,000	\$17,500 + \$4.50 per \$100 or part of \$100 over \$700,000

For assistance in calculating transfer duty, please refer to the calculators on the Office of State Revenue website at [www.osr.qld.gov.au](http://www.osr.qld.gov.au). or call the Client Contact Centre on 1300 300 734.

## First home buyers

If the home will be your first home, you may be entitled to a further concession in the form of a rebate.

### Transactions entered into before 1 May 2004

The rebate may not be available if:

- you receive the home as a gift, or
- you paid less than market value of the property (for example, a partial gift).

### Transactions entered into on or after 1 May 2004

To claim the first home transfer concession, you must be at least 18 years of age for transactions entered into on or after 1 May 2004. However, the Commissioner of State Revenue may exempt someone from this requirement in some circumstances.

The rebate is not available if:

- the market value of the land is over \$250,000, and
- you paid less than market value for the property (a partial gift) or if you received it as a gift.

### What is a 'first home'?

A residence is your first home if, before buying the home, you do not hold and have never owned or part-owned residential land anywhere.

Transactions entered into before 1 May 2004:

Purchase price/value	Duty
Up to \$80,000	\$800 (i.e. no duty)
\$80,001 to \$150,000	\$500
\$150,001 to \$155,000	\$300
\$155,001 to \$160,000	\$200
Over \$160,000	Nil

## Transactions entered into on or after 1 May 2004:

Purchase price/value	Duty
Up to \$250,000	\$2,500 (i.e. no duty)
\$250,000 to \$259,999	\$2,500
\$260,000 to \$269,999	\$2,400
\$270,000 to \$279,999	\$2,300
\$280,000 to \$289,999	\$2,200
\$290,000 to \$299,999	\$2,100
\$300,000 to \$309,999	\$2,000
\$310,000 to \$319,999	\$1,900
\$320,000 to \$329,999	\$1,800
\$330,000 to \$339,999	\$1,700
\$340,000 to \$349,999	\$1,600
\$350,000 to \$359,999	\$1,500
\$360,000 to \$369,999	\$1,400
\$370,000 to \$379,999	\$1,300
\$380,000 to \$389,999	\$1,200
\$390,000 to \$399,999	\$1,100
\$400,000 to \$409,999	\$1,000
\$410,000 to \$419,999	\$900
\$420,000 to \$429,999	\$800
\$430,000 to \$439,999	\$700
\$440,000 to \$449,999	\$600
\$450,000 to \$459,999	\$500
\$460,000 to \$469,999	\$400
\$470,000 to \$479,999	\$300
\$480,000 to \$489,999	\$200
\$490,000 to \$499,999	\$100
\$500,000	Nil
Over \$500,000	Nil

For assistance in calculating transfer duty, please refer to the calculators on the Office of State Revenue website at [www.osr.qld.gov.au](http://www.osr.qld.gov.au). or call the Client Contact Centre on 1300 300 734.

**Note:** Conditions of occupancy of the residence apply as for the concessional rate above.

First home buyers may also be eligible for the First Home Owner Grant. Applications for the grant may be made on the *First Home Owner Grant Application Form*.

## How to claim

A declaration in the approved form is to be completed and submitted at the time of lodgement. Claims by multiple parties may also be made depending on the number of purchasers and their entitlement to the various concessions available.

## Lodgement

You must lodge your contract or transfer documents within 30 days from the date of execution. The documents can be lodged by post or personally at any OSR service centre.

## Payment

Duty must be paid within 30 days from the date of issue of the assessment notice, and payment can be made by:

- cash
- bank cheque
- solicitor's trust account cheque
- credit union or building society's own cheque (not drawn on customer's account).

If other types of cheques for \$100 or more are used, OSR will hold your documents for five working days to allow the cheque to clear.

## Unpaid Tax Interest (UTI) and penalty tax

If you don't pay the correct amount of duty, you may need to pay unpaid tax interest and/or penalty tax.

UTI is imposed on a daily basis at the rate of 13.87 per cent on any unpaid portion of tax, until the tax is paid in full. UTI does not accrue on amounts other than tax and is unaffected by the granting of an extension of time by the Commissioner for lodging documents, providing information or making payments.

OSR has developed a UTI Calculator, which can be downloaded from the calculators webpage. Additional information about UTI can also be found on the OSR website at [www.osr.qld.gov.au](http://www.osr.qld.gov.au).

Penalty tax also applies in some cases of non-compliance with the duties legislation. The rate of penalty tax is 75 per cent but the amount on which penalty tax is calculated depends on the nature of the assessment. Additional information about penalty tax can be found on the OSR website.

## If occupancy requirements are not met

If the occupancy requirements are not met within the required timeframes, the amount of duty you have to pay may be reassessed. For detailed information please refer to our website [www.osr.qld.gov.au](http://www.osr.qld.gov.au).

## More information

To help you pay the correct amount of duty:

Read the revenue rulings, practice directions, information sheets and approved forms now available on the OSR website [www.osr.qld.gov.au](http://www.osr.qld.gov.au) or Call our Client Contact Centre on 1300 300 734.

### Queensland Office of State Revenue locations:

Brisbane Upper Plaza 33 Charlotte Street (GPO Box 2593) Brisbane 4001	Rockhampton Level 3 209 Bolsover Street (PO Box 1276) Rockhampton 4700	Townsville Level 1 187-209 Stanley Street (PO Box 988) Townsville 4810	Cairns Level 9 15 Lake Street (PO Box 2378) Cairns 4870
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**Client Contact Centre for all offices: Ph: 1300 300 734**

For access to further information and forms relating to this and other State taxation subjects, visit the Queensland Office of State Revenue Website at: [www.osr.qld.gov.au](http://www.osr.qld.gov.au)

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