

Duties Amendment Regulation 2025

Explanatory notes for SL 2025 No. 24

made under the

Duties Act 2001

General Outline

Short title

Duties Amendment Regulation 2025

Authorising law

Sections 156D, 508(1) and Schedule 6 of the *Duties Act 2001*

Policy objectives and the reasons for them

The policy objectives of the *Duties Amendment Regulation 2025* are to amend the *Duties Regulation 2023* to:

- prescribe the New York Stock Exchange (NYSE) as a recognised stock exchange from 21 February 2014 for the purposes of determining the transfer duty and landholder duty consequences under the *Duties Act 2001* of certain transactions involving entities listed on a recognised stock exchange; and
- update the list of prescribed concessions for electronic conveyancing from 1 May 2025 to reflect the changes made to the transfer duty home concession framework in the *Duties Act 2001* from that date.

Recognised stock exchanges

Under the *Duties Act 2001*, relief from transfer duty and a concessional rate of landholder duty is available for certain transactions in entities listed on a recognised stock exchange.

For the purposes of the *Duties Act 2001*, a 'recognised stock exchange' is defined to mean the Australian Securities Exchange or another stock exchange prescribed under a regulation.

The following stock exchanges are currently prescribed in section 9 of the *Duties Regulation 2023* as recognised stock exchanges:

- the Sydney Stock Exchange Limited;
- the National Stock Exchange of Australia Limited;
- the New Zealand Exchange Limited;

- the London Stock Exchange plc;
- Euronext N.V.;
- a stock exchange that is a member of the World Federation of Exchanges (WFE).

The NYSE was formerly a member of the WFE, however ceased its membership on 21 February 2014. Consequently, the NYSE ceased to be a recognised stock exchange from that date. As a consequence of ceasing its WFE membership, from 21 February 2014, the transfer duty relief and concessional rate of landholder duty referred to above stopped applying to transactions involving entities listed on the NYSE.

The listing requirements and ongoing obligations of the NYSE are considered sufficient to satisfy the standard of a recognised stock exchange as intended under the *Duties Act 2001* and are consistent with those of current recognised stock exchanges.

Retrospective prescription of the NYSE as a recognised stock exchange with effect from 21 February 2014 will ensure that transactions involving entities listed on the NYSE remain eligible for the concessional duty treatment that was available when it was a member of the WFE.

Transfer duty concessions for electronic conveyancing

In Queensland, parties can elect to use a web-based Electronic Lodgement Network (ELN) to electronically settle certain transactions, as an alternative to attending physical settlement.

The *Duties Act 2001* contains a transfer duty framework to support electronic conveyancing. The framework provides for certain dutiable transactions which are subject to transfer duty to be self-assessed for duty and electronically settled in an ELN.

Where a dutiable transaction is eligible for a concession, exemption or other reduction in transfer duty, it can only be lodged electronically if the relevant concession is prescribed by regulation. The prescribed concessions are listed in Schedule 2, Part 1 of the *Duties Regulation 2023*.

The existing transfer duty home concessions in sections 91 and 92 of the *Duties Act 2001* are currently prescribed concessions in Schedule 2, Part 1 of the *Duties Regulation 2023*.

The *Revenue Legislation Amendment Act 2025* amended the *Duties Act 2001* with effect from 1 May 2025 so that, for certain dutiable transactions that involve first home owners purchasing residential land that contains a new home or vacant land on which they will build a home, full transfer duty relief will be available in respect of the first home owners' interests and to the extent they use the new home as their home.

To implement this relief, section 92 of the *Duties Act 2001*, which provided the transfer duty concessions for first homes and for vacant land on which a first home will be constructed, was amended. From 1 May 2025, section 92 will provide a concession only for certain dutiable transactions involving first home owners purchasing existing homes. Whereas, new sections 92A and 92B, as inserted by the *Revenue Legislation Amendment Act 2025*, will provide concessions for certain dutiable transactions involving first home owners purchasing new homes and vacant land on which to build a home respectively.

The transfer duty home concession changes made by the *Revenue Legislation Amendment Act 2025* necessitate amendments to the *Duties Regulation 2023* to ensure transactions involving a first home concession for a new home or vacant land on which to build a home under new sections 92A and 92B of the *Duties Act 2001* can be lodged electronically, following commencement of the amendments in the *Revenue Legislation Amendment Act 2025*.

Achievement of policy objectives

Recognised stock exchanges

The objective will be achieved by amending the *Duties Regulation 2023* to prescribe the NYSE as a recognised stock exchange in section 9 of the *Duties Regulation 2023*, to enable the concessional duty treatment to apply to transactions involving entities listed on the NYSE.

The amendment will ensure the NYSE has recognised stock exchange status with retrospective effect from 21 February 2014, being the date it ceased to be a recognised stock exchange as a member of the WFE. This will ensure continuity of the NYSE's recognised stock exchange status and remove any potential uncertainty due to a lapse in recognition between the NYSE ceasing to be a member of the WFE and when the *Duties Regulation 2023* is amended. It will also ensure consistency with the treatment of Euronext N.V., the London Stock Exchange and the New Zealand Stock Exchange when they were each prescribed as recognised stock exchanges after ceasing to be members of the WFE.

Transfer duty concessions for electronic conveyancing

The objective will be achieved by amending the *Duties Regulation 2023* to include new sections 92A and 92B in the list of prescribed concessions in Schedule 2, Part 1 from 1 May 2025, to align with commencement of the amendments in the *Revenue Legislation Amendment Act 2025*.

Consistency with policy objectives of authorising law

Recognised stock exchanges

The amendments are consistent with the policy objectives of the *Duties Act 2001*, which contemplate certain stock exchanges being prescribed under a regulation as 'recognised stock exchanges' for duty purposes. This necessarily includes that the list be updated from time to time to ensure it remains current.

Transfer duty concessions for electronic conveyancing

The amendments are consistent with the policy objectives of the *Duties Act 2001*, which contemplate certain transfer duty concessions in that Act being prescribed under a regulation for the purposes of electronic conveyancing. This necessarily requires changes to the concessions listed where appropriate to align with relevant changes to the *Duties Act 2001*.

Inconsistency with policy objectives of other legislation

The amendments are not inconsistent with the policy objectives of other legislation.

Alternative ways of achieving policy objectives

Any change to the list of recognised stock exchanges for duty purposes or prescribed transfer duty concessions for electronic conveyancing can only be effected by amendment of the *Duties Regulation 2023*.

Benefits and costs of implementation

Recognised stock exchanges

Once a stock exchange is prescribed as a recognised stock exchange, concessional duty treatment applies to certain transactions involving entities listed on that exchange. The amendments will ensure that transactions involving entities listed on the NYSE remain eligible for the concessional duty treatment that was available when the NYSE was a member of the WFE, so will be beneficial for taxpayers. As the amendments will restore the position that existed prior to the NYSE ceasing to be a member of the WFE, they will not result in significant additional costs to Government. Further, it is intended that concessional duty treatment will apply to transactions involving entities listed on a stock exchange that qualifies for recognised stock exchange status.

Transfer duty concessions for electronic conveyancing

The amendments will ensure changes to the transfer duty home concession framework made by the *Revenue Legislation Amendment Act 2025* interact appropriately with the existing electronic conveyancing framework under the *Duties Act 2001*. It will enable transactions involving a first home concession for a new home or vacant land on which to build a home to be lodged electronically, following commencement of the amendments in the *Revenue Legislation Amendment Act 2025*.

The amendments will not result in any additional costs to Government.

Consistency with fundamental legislative principles

Recognised stock exchanges

Section 34 of the *Statutory Instruments Act 1992* provides that a beneficial provision of a statutory instrument may be given retrospective operation if the statutory instrument expressly provides for that operation. Under section 34(2) of the *Statutory Instruments Act 1992*, a 'beneficial provision' means a provision that does not operate to disadvantage a person (other than the State, a State authority or a local government) by decreasing a person's rights or imposing liabilities on the person.

The amendment to the *Duties Regulation 2023* to prescribe the NYSE as a recognised stock exchange will have retrospective effect from 21 February 2014, being the date the NYSE ceased to be a recognised stock exchange as a member of the WFE.

This does not breach fundamental legislative principles as it ensures continuity of the NYSE's recognised stock exchange status and affords concessional duty treatment for certain transactions involving entities listed on the NYSE. It also removes any potential uncertainty due to a lapse in recognition between the NYSE ceasing to be a member of the WFE and when the *Duties Regulation 2023* is amended. In this regard it is considered this amendment would be a beneficial provision as it would not operate to disadvantage a person by decreasing their rights or imposing liabilities on them.

Transfer duty concessions for electronic conveyancing

The amendments are not considered to be inconsistent with fundamental legislative principles.

Consultation

Community consultation was not undertaken in relation to the *Duties Amendment Regulation 2025*, as the amendments are beneficial for taxpayers and necessary to support taxation administration.

In accordance with *The Queensland Government Better Regulation Policy* (the Better Regulation Policy), the Office of Best Practice Regulation was notified of the regulatory proposal and an Impact Analysis Statement prepared. The amendments to the *Duties Regulation 2023* fall within categories which do not require further impact analysis under the Better Regulation Policy, as they relate to taxation (prescribing the NYSE as a recognised stock exchange for duty purposes) or are machinery in nature (updating the list of prescribed transfer duty concessions for electronic conveyancing).