



# Transfer duty/stamp duty on property transactions Queensland

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## What is transfer duty/stamp duty?

Transfer duty or stamp duty as it was previously known, is a government tax levied on a number of different transactions. For the purposes of this blog, we will be discussing transfer duty with respect to transferring land or real property (real estate) during the process of property purchase.

Transfer duty was previously known as stamp duty since the transfer documents and contract of sale had to be '*stamped*' as part of the assessment. It is important to note that the transfer documents and Contract are still required to be stamped and it is just the name that has changed.

Aside from the actual cost of the property you are purchasing, transfer duty is often one of the largest additional upfront costs and is often overlooked by first home buyers. Therefore, it is fundamental to know how much transfer duty you will be liable to pay the Office of State Revenue when purchasing a property. The amount will vary for each transaction depending on your individual circumstances and the property value.

## How much is transfer duty in Qld?

Transfer duty in Queensland is calculated on the price paid for the property or the market value of the property, whichever is greater, and on your individual circumstances.

The price paid for the property is the price noted in the Contract. The transfer duty is then calculated on a scale similar to the way income tax is calculated.

So, if you purchase a property worth \$250,000, using the table below (current at the time of writing), it will attract transfer duty of \$7,175. If the property was worth \$500,000, your transfer duty will be \$15,925.

Dutiable value	Duty rate
Not more than \$5,000	Nil
More than \$5,000 up to \$75,000	\$1.50 for each \$100, or part of \$100, over \$5,000
\$75,000 to \$540,000	\$1,050 plus \$3.50 for each \$100, or part of \$100, over \$75,000
\$540,000 to \$1,000,000	\$17,325 plus \$4.50 for each \$100, or part of \$100, over \$540,000
More than \$1,000,000	\$38,025 plus \$5.75 for each \$100, or part of \$100, over \$1,000,000

## Transfer duty calculators

An easy method of calculating the amount of stamp duty you are required to pay, is by using the online transfer duty estimator. The [estimator can be accessed on the following link](#).

For more complex matters it is suggested that you [use the transfer duty calculator available from the OSR \(Queensland's online system for state taxes and duties\) website](#) rather than the online estimator.

## Transfer duty concessions – when will you pay less transfer duty?

The above examples are the full rates of transfer duty payable without taking into account any concessions. These rates would apply if you are a business acquiring a property or if you are using the property for investment purposes.

The Queensland Government offers three types of concessions depending on your individual/ownership circumstances:

- 1. Home concession:** A lower rate of duty is applied when you buy a home as your principal place of residence (not your first home), move into it within 12 months of purchase and not generate an income from the property.
- 2. First home concession:** This concession applies if you are purchasing your first property (worth less than \$550,000), intend to occupy it as your principal place of residence after settlement and do not generate an income from the property for 12 months.
- 3. First home vacant land concession:** Applies if you are purchasing a vacant block of land (worth less than \$400,000) where you intend to build your first home.

Using the examples referenced earlier, applying a home concession will reduce your transfer duty liability for a property worth \$250,000 from \$7,175 to \$2,500 and a property worth \$500,000 from \$15,925 to \$8,750.

If this was your first home, you would pay \$0 in transfer duty. Likewise, if you purchased your first block of land under \$250,000 to build your first home, you will pay \$0 transfer duty.

As you can see, these concessions can save you a large amount of money and it is worth talking to a solicitor or a conveyancer to determine if you are eligible for these concessions.

## When is transfer duty payable?

Transfer duty is payable 30 days from the contract becoming unconditional.

Considering most contracts settle within 30 days, transfer duty is usually paid within the required timeframe. If transfer duty is not paid by the due date, Unpaid Tax Interest (UTI) will be added to the transfer duty amount.

## Exceptions to transfer duty

Some common exceptions for transfer duty in Queensland apply to property that transfers as a result of death or divorce.

## Hall Payne no longer provides services in property law and conveyancing

If you require assistance with your family law matter, we recommend you contact the relevant Law Society in your State or Territory for a referral:

- **Queensland:** [1300 367 757](tel:1300367757)
- **NSW:** [02 9926 0333](tel:0299260333)
- **Victoria:** [03 9607 9311](tel:0396079311)
- **Tasmania:** [03 6234 4133](tel:0362344133)
- **South Australia:** [08 8229 0200](tel:0882290200)
- **Western Australia:** [08 9324 8600](tel:0893248600)
- **Northern Territory:** [08 8981 5104](tel:0889815104)
- **ACT:** [02 6274 0300](tel:0262740300)

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