



Foreign Investor Duty Surcharge

The Foreign Investor Duty Surcharge (FIDS) was introduced on 1 July 2018. FIDS is an additional amount of duty charged when residential or primary production property is acquired (either directly or indirectly) by a foreign person on or after 1 July 2018. The *Duties Amendment Bill 2019* introduced some changes that commenced on 1 April 2020.

What has changed?

Rates

Where settlement occurs or a written contract is entered into prior to 1 April 2020, the FIDS rates are as follows:

- 0.5% for primary production land; and
- 3% for residential land.

Where settlement occurs on or after 1 April 2020, and there is no written contract that was entered into prior to 1 April 2020, the FIDS rates are as follows:

- 1.5% for primary production land; and
- 8% for residential land.

Other changes

The following new sections were introduced. For more information, including relevant application forms, please see the SRO website at sro.tas.gov.au

30HA Reassessment and refund of FIDS if a natural person is no longer a foreign person.

30HB Reassessment and refund of FIDS if a trust is taken to not be a foreign trust.

30J Exemption from FIDS relating to a dwelling used as a principal residence in certain circumstances.

30K Reassessment and refund of FIDS paid on vacant land where a principal residence is built in certain circumstances.

How do I apply for a reassessment or refund under the new sections?

To apply for the reassessment or refund under sections 30HA, 30HB, 30K, or 30J (where FIDS has already been assessed) you will need to complete the relevant application form and lodge the form electronically or via mail to the State Revenue Office.

An application for section 30J where FIDS has not already been paid, can be processed using Tasmanian Revenue Online (TRO) by TRO Agents where all conditions of the section are met.

IMPORTANT - all transactions other than section 30J of the *Duties Act 2001* relating to FIDS must still be submitted to the State Revenue Office for assessment.



Lodge the application via TRO

To apply for a refund or a reassessment via TRO, attach the completed application form to the communication link.

If you are not sure how to do this, see the [Communications - TRO factsheet no 1](#).

Endorsing a transaction using 30J

1. The transaction should be entered as a *Property Transfer*.
2. Select the tenancy type of *Joint Tenancy* or *Tenants in Common in equal shares*.
3. Enter both transferees
 - a. One transferee will be a foreign natural person; and
 - b. one transferee will be an:
 - i. Australian Citizen; or
 - ii. Permanent Visa Holder; or
 - iii. New Zealand Citizen with Special Category Visa.

Single transferee

Joint transferee

Transferee as tenants in common

Combination

Varied across titles

Australian Citizen

Permanent Visa Holder

New Zealand Citizen with Special Category Visa

- On the *Transaction information* screen:
 - enter the *Transfer date* (this will be reflected on the transfer instrument);
- On the *Exemptions and concessions* screen:
 - enter the section as 30J;
 - enter the *Relationship type* (This refers to the relationship between the transferees.); and
 - enter the “*Date the marriage/relationship commenced*”.

Exemptions and concessions

Is an exemption or concession being sought? Yes

For the relevant exemption/concession category and section, use the drop-down menu, and then enter a space in the 'section' search field to make a selection.

Alternatively, you can simply make a selection from a list of all exemptions and concessions by entering a space in the 'section' search field.

Exemption/concession category Select...

Exemption/concession section 30J Exemption relating to dwellings used as principal residence
Category Type: Acts of Parliament

Evidence Type:

Links:
Documentary evidence guideline
Select
Married
Significant Relationship
Caring Partners

Relationship type

Date the marriage/relationship commenced

- Attach the relevant evidence as per the “[Documentary Evidence Requirements Guideline](#)”.

If submitting either of the transactions to the SRO or self-endorsing the transaction, please ensure you attach all supporting evidence. To submit a transaction, use one of following options: i) the *Add file* function, or ii) the *Duty transaction mail* function.

File Limit: The combined file size should not exceed 50 MB.



Frequently asked questions

- Q. I purchased my property on 17 August 2018 and I paid FIDS on my transaction. However, on the 2 February 2019 I became non-foreign. Am I eligible for the refund of the FIDS I paid?**
- A.** Yes, providing you have not sold or transferred all or part of the property. You will need to complete the [“Refund of duty for a natural person who is no longer a foreign person application”](#).
- IMPORTANT** - if you become foreign again within 3 years of the dutiable transaction you must notify the Commissioner within 14 days.
- Q. I am Australian, but my partner is foreign for the purposes of the Duties Act 2001. We are buying our family home, do I need to pay FIDS?**
- A.** No, if you and your partner are going to reside in the property as your principal place of residence and hold the property in equal shares (either Joint Tenants or Tenants in Common) FIDS will not be payable.
- To apply complete the [“Exemption from foreign duty surcharge on principal residence land application”](#).
- IMPORTANT** - you must commence residing in the property as your principal place of residence within 6 months of the transaction.
- Q. What if we purchased the property intending on living in the property as our principal place of residence, but we were unable to move in within 6 months?**
- A.** You must notify the Commissioner in writing as soon as practicable that you will not be able to move into the property within 6 months. It is possible that FIDS may then be applied to the transaction.
- Q. Our Family Trust purchased a property and at the time of the transaction, the Trust was deemed foreign. The property was purchased on 6 January 2020, however I amended the Trust Deed on 4 August 2020 to make the Trust non foreign. Am I eligible for the refund of the FIDS I paid?**
- A.** Yes, providing that the trust deed amendment was undertaken within six months of either the relevant transaction or 31 March 2020, and as a result of the amendment, the trust is no longer foreign and the trust, since the date of the relevant transaction, has not transferred or distributed to a foreign person or entered into an agreement to transfer or distribute to a foreign person any part of the dutiable property.
- Q. When my partner and I purchased a vacant block of land on 1 September 2018, we paid FIDS at the time of settlement as I was deemed foreign for the purposes of the Duties Act 2001. In March 2020 we completed and moved into our family home. We hold the property as tenants in common in equal shares. Am I eligible for a refund of the FIDs paid?**
- A.** Yes, if you and your partner are going to reside in the property as your principal place of residence and hold the property in equal shares (either Joint Tenants or Tenants in Common) FIDS will not be payable.
- To apply complete the [“Exemption from foreign duty surcharge on principal residence land application”](#).