



## What is the Foreign Investor Duty Surcharge?

The Foreign Investor Duty Surcharge (FIDS) is an additional amount of duty charged under the *Duties Act 2001* when residential or primary production property is acquired by a foreign person, either directly or indirectly. Property includes vacant land which may meet the definition of residential or primary production property. Land which is neither residential property nor primary production property does not attract FIDS.

## What is the Foreign Investor Land Tax Surcharge?

The Foreign Investor Land Tax Surcharge (FILTS) is an additional amount of land tax charged under the *Land Tax Act 2000* (the Act) on land classified as [General Land](#) under the Act which is:

- a) acquired by a foreign person on or after **1 July 2022**; or
- b) owned by a company or trust which becomes foreign on or after **1 July 2022**; and
- c) may be, or is capable of, being lawfully used solely or primarily for residential purposes.

Refer to the [Foreign Investor Land Tax Surcharge \(FILTS\) Guideline](#) for more details.

To enable the assessment of FILTS, additional questions have been added in TRO on the transferee information screen.

## Can TRO Agents self-endorse transactions where the FIDS applies?

No. All transactions which involve FIDS are required to be submitted to the State Revenue Office for approval.

To assist, the fields from the former paper-based Foreign Acquisition Statement have been built into TRO. They appear on the Duties calculation page.

## More information

- [Foreign investor duty surcharge property type guideline.](#)
- [FIDS - Reporting citizenship and nationality - TRO factsheet No. 6.](#)
- [FIDS - Sections 30HA, 30HB, 30J and 30K of the Duties - TRO factsheet No. 14.](#)
- [Foreign investor duty surcharge fact sheet.](#)
- [Foreign investor duty surcharge.](#)

## Entering a transaction with FIDS

If the transferee to the transaction is foreign as described in [Section 3 of the Duties Act 2001](#), enter the transaction as follows:

1. Select the transaction type.
2. Enter all relevant fields.
3. If the transferee/s is:
  - (a) **An individual:** select 'Other' from the *Citizenship/Nationality status*, and complete the remaining fields.

- (b) **a Company / Organisation / Foreign corporation incorporated outside Australia:** enter 'No' for the *Are you incorporated in Australia?* field and enter the Country of incorporation and other relevant details.

- (bii) **a Company / Organisation / Foreign corporation incorporated in Australia:** select 'Yes' for '*Does a foreign person as defined in the Duties Act have a significant interest in the entity?*'.

- (c) **a Trust,** select 'Yes' for '*Is this a foreign trust as defined in the Duties Act?*'

4. Enter the "Other transferee information". Also answer the FILTS question/s in relation to Section 16C of the *Land Tax Act 2000*.

### Guidance notes

- A. Refer to the [FILTS Guideline](#) to determine if the property meets the requirements of 16C(1)(a) of the *Land Tax Act 2000*.
- B. Refer to the [Factsheet - How to calculate FILTS for multi-title](#) for examples.

5. In the *Duty calculations* tab, apportion the total dutiable value and enter the values on the foreign investor screen.

Enter '0' for all unused fields.

FIDS Calculator Table

Because one or more Transferees have been identified as a foreign party, this Duties Transaction is subject to FIDS. Please enter the appropriate dollar amounts in the FIDS-related cells below.

[Foreign Investor Duty Surcharge foreign person guideline](#)

[Foreign Investor Duty Surcharge property type guideline](#)

	Foreign party	Non-foreign party	Total
Primary production property (1.50%)			0.00
Residential property (8.00%)			0.00
Non FIDS property			
			<b>Total</b> 0.00

Surcharge for Primary Production Property \$ 0.00

Surcharge for Residential Property \$ 0.00

Total FIDS Surcharge \$ 0.00

## SCENARIOS

In the following scenarios, the duty surcharge calculation is an estimate based on the information entered into TRO.

The additional duty for foreign persons will be determined when an assessment is issued by the State Revenue Office.

### Scenario 1

Two foreign persons are purchasing primary production property for \$500 000.

Enter \$500 000 in the *Foreign party* field for the *Primary production property* label.

FIDS Calculator Table

Because one or more Transferees have been identified as a foreign party, this Duties Transaction is subject to FIDS. Please enter the appropriate dollar amounts in the FIDS-related cells below.

[Foreign Investor Duty Surcharge foreign person guideline](#)

[Foreign Investor Duty Surcharge property type guideline](#)

	Foreign party	Non-foreign party	Total
Primary production property (1.50%)	500000	0	500,000.00
Residential property (8.00%)	0	0	0.00
Non FIDS property			0
			<b>Total</b> 500,000.00

Surcharge for Primary Production Property \$ 7,500.00

Total FIDS Surcharge \$ 7,500.00

Duty on dutiable value \$ 18,247.50

FIDS Subtotal \$ 7,500.00

### Scenario 2

A couple is purchasing residential property for \$500 000 as joint tenants. One of the parties is a foreign person. Enter \$250 000 in the *Foreign party* field for the *Residential property* label.

FIDS Calculator Table

Because one or more Transferees have been identified as a foreign party, this Duties Transaction is subject to FIDS. Please enter the appropriate dollar amounts in the FIDS-related cells below.

[Foreign Investor Duty Surcharge foreign person guideline](#)

[Foreign Investor Duty Surcharge property type guideline](#)

	Foreign party	Non-foreign party	Total
Primary production property (1.50%)	0	0	0.00
Residential property (8.00%)	250000	250000	500,000.00
Non FIDS property			0
			<b>Total</b> 500,000.00

Surcharge for Residential Property \$ 20,000.00

Total FIDS Surcharge \$ 20,000.00

Duty on dutiable value \$ 18,247.50

FIDS Subtotal \$ 20,000.00

**Scenario 3**

A couple is purchasing residential property for \$500 000 as tenants in common in unequal shares. One of the parties is foreign and is receiving an 80% share. Enter \$400 000 in the *Foreign party* field for the *Residential property* label.

FIDS Calculator Table

Because one or more Transferees have been identified as a foreign party, this Duties Transaction is subject to FIDS. Please enter the appropriate dollar amounts in the FIDS-related cells below.

[Foreign Investor Duty Surcharge foreign person guideline](#)  
[Foreign Investor Duty Surcharge property type guideline](#)

	Foreign party	Non-foreign party	Total
Primary production property (1.50%)	0	0	0.00
Residential property (8.00%)	400000	100000	500,000.00
Non FIDS property			0
		<b>Total</b>	500,000.00

Surcharge for Residential Property \$ 32,000.00

Total FIDS Surcharge \$ 32,000.00

Duty on dutiable value \$ 18,247.50

FIDS Subtotal \$ 32,000.00

**Scenario 4**

A foreign person is purchasing commercial property for \$750 000. Enter \$750 000 in the field for the *Non FIDS property* label.

FIDS Calculator Table

Because one or more Transferees have been identified as a foreign party, this Duties Transaction is subject to FIDS. Please enter the appropriate dollar amounts in the FIDS-related cells below.

[Foreign Investor Duty Surcharge foreign person guideline](#)  
[Foreign Investor Duty Surcharge property type guideline](#)

	Foreign party	Non-foreign party	Total
Primary production property (1.50%)	0	0	0.00
Residential property (8.00%)	0	0	0.00
Non FIDS property			750000
		<b>Total</b>	750,000.00

Total FIDS Surcharge \$ 0.00

Duty on dutiable value \$ 18,247.50

FIDS Subtotal \$ 0.00

Total duty outstanding (including any FIDS) \$ 18,247.50

See next page for Questions and Answers.

## Questions and Answers

**Q. Why can't I see the foreign investor table in the *Duty Calculations* tab?**

A. To use the foreign investor table in the *Duty Calculations* tab, ensure that the individual and/or entity is entered in as foreign.

**For a Natural person**

Select *Other* in *Citizenship/Nationality status*.

**For a Company**

Select either (or both) *No* to *Are you incorporated in Australia?* and *Yes* to *does a foreign person as defined in the Duties Act have a significant interest in the entity?*

**For a Trust**

Select *Yes* to *Is this a foreign trust as defined in the Duties Act?*

**Q. I have entered the dutiable value in a field in the foreign investor table the *Duty Calculations* tab. However, I am unable to submit the transaction to State Revenue Office.**

A. All fields in the foreign investor table require numeric values. Please enter '0' in any unused fields in the foreign investor table.

**Q. Are my foreign clients required to apply for FILTS?**

A. No. The information you provide on the dutiable document will determine if FILTS is applicable, including any part percentage where applicable, which will be applied to your client's land tax account.

**Q. How do I calculate the percentage of land which can be used for residential purposes for FILTS?**

A. Refer to the [Foreign Investor Land Tax Surcharge \(FILTS\) Guideline](#) for further information.

**Q. The land has multiple titles and will be used for multiple purposes. How do I calculate the percentage of land which can be used for residential purposes for FILTS?**

A. Refer to the [Fact Sheet - how to calculate FILTS for multi-title properties](#).