

No. 25 of 2008.

Stamp Duties (2009 Budget Amendment) Act 2008.

Certified on : 12.05.09



No. of 2008.

Stamp Duties (2009 Budget Amendment) Act 2008.

ARRANGEMENT OF SECTIONS.

1. New Section 16A.

"16A. SPLITTING OF TRANSACTIONS."

2. Splitting of transactions (Amendment of Section 48C).
3. Abolition of Duty on Policies of Insurance (Amendment of Section 101).



No. of 2008.

AN ACT

entitled

Stamp Duties (2009 Budget Amendment) Act 2008.

Being an Act to amend the *Stamp Duties Act* (Chapter 117),

MADE by the National Parliament to come into operation -

- (a) in respect of Section 3 deemed to come into effect on 1 January 2008; and
- (b) in respect of the rest of the sections to come into effect on 1 January 2009.

1. NEW SECTION 16A.

The Principal Act is amended by inserting the following new section after Section 16 -

"16A. SPLITTING OF TRANSACTIONS.

"(1) Where there are executed two or more agreements for sale or conveyance of separate parts of, or separate estates or any interests in any property in Papua New Guinea -

- (a) pursuant to one transaction relating to the whole of the property; or
- (b) that together evidence or give effect to what is, substantially, one transaction relating to the whole of the property, one of the agreements shall be charged with the same ad valorem duty to be paid by the purchaser or person to whom the property is agreed to be conveyed as if it were a conveyance of the property agreed to be sold or conveyed for the total consideration for the whole of the property to which the transaction relates and shall be stamped accordingly and the other agreement or agreements shall not be charged with the duty.

- "(2) For the purposes of Subsection (1) the executed agreements shall be -
- (a) between the same parties; or
 - (b) between different parties, who are related persons (within the meaning of "related persons" contained in Section 78B; and,
 - (c) within or apparently within a period of 12 months of each other, the agreements shall, unless the Collector of Stamp Duties is satisfied that it would not be just and reasonable in the circumstances, be deemed to have been executed pursuant to one transaction relating to the whole of the property.

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"(3) A person -

(a) who executes or is otherwise engaged or concerned in the preparation of an agreement referred to in Subsection (1); and

(b) who does not disclose, in writing to the Collector of Stamp Duties -

(i) upon submission by him or any other person of the agreement to the Collector of Stamp Duties for stamping; or

(ii) when required by the Collector of Stamp Duties to do so,
the total consideration on which Subsection (1) requires ad valorem duty to be charged in respect of that agreement,

is guilty of an offence.

"Penalty: A fine not less than K650.00 and not exceeding K6,500.00".

2. SPLITTING OF TRANSACTIONS (AMENDMENT OF SECTION 48C).

Section 48C of the Principal Act is amended in Subsection (1) by repealing from Paragraph (c) the words "the same" and replacing them with the word -
"any".

3. ABOLITION OF DUTY ON POLICIES OF INSURANCE (AMENDMENT OF SECTION 101).

Section 101(2) of the Principal Act is amended by repealing the word and numbers "1 January 2008" and replacing them with the following word and numbers: -

"1 April 2008".

I hereby certify that the above is a fair print of the *Stamp Duties (2009 Budget Amendment) Act 2008*, which has been made by the National Parliament.

Clerk of the National Parliament

I hereby certify that the *Stamp Duties (2009 Budget Amendment) Act 2008* was made by the National Parliament on 26 November 2008.

Speaker of the National Parliament