

QRO Online guide: Precious stones and other minerals

Corundum, gemstones, precious stones and all other minerals

To demonstrate all fields relating to this commodity, in this guide ruby has been selected as the mineral type and private royalty has been selected as payable.

< Coal Bauxite Mineral sands Particular minerals Phosphate rock Iron ore Other metallic minerals Processed oil shale
All precious stones & other minerals
∨

Mineral Type

Ruby
x

*Is any private royalty payable? Yes No

∨ Ruby

Gross Value and Quantity

| | | |
|-----------------------------|--|--|
| <small>*Volume unit</small> | <small>*Quantity sold, disposed of or used</small> | <small>*Gross value of mineral</small> |
| <input type="text"/> | <input type="text"/> | \$ <input type="text"/> |

Deductions

| | | |
|-----------------------------|---|---------------------------------|
| <small>Marine costs</small> | <small>Any other approved costs</small> | <small>Total deductions</small> |
| \$ <input type="text"/> | \$ <input type="text"/> | \$ <input type="text"/> |

Exemption

| | |
|---------------------------------------|------------------------------------|
| <small>Value before exemption</small> | <small>Threshold exemption</small> |
| \$ <input type="text"/> | \$ <input type="text"/> |

Royalty

| | |
|-------------------------|-----------------------------|
| <small>Value</small> | <small>Royalty rate</small> |
| \$ <input type="text"/> | <input type="text"/> |

Royalty payable

\$

Private Royalty

| | |
|---|--|
| <small>*Private royalty payable</small> | <small>*Private royalty quantity</small> |
| \$ <input type="text"/> | <input type="text"/> |

Royalty payable to State

\$

Total royalty payable to the State for Precious stones and other minerals

\$

Calculate

General information

Relevant data is to be entered in relation to all mineral sourced from the operation for which the return is being lodged and sold, disposed of or used during the return period. This applies irrespective of:

- whether the mineral was extracted before or during the return period
- whether the mineral was extracted by the producer or some other person
- whether the mineral was sold, disposed of or used by the producer or some other person
- when (or if) the producer receives full or partial payment for any sale.

For the purpose of calculating royalty, mineral that is transferred from one of the producer's mining operations to another is deemed to have been sold or disposed of by the first operation (depending on whether the second operation pays for the mineral).

All amounts must be expressed in Australian dollars. The conversion of foreign currency into Australian dollars should use an exchange rate for the appropriate date obtained from a consistent, reasonable source. Examples of an exchange rate that is considered reasonable include the hedge settlement rate (the WM/Reuters Australia Fix 10.00am rate for the particular day), the WM/Reuters Australia Fix 4.00pm rate for the particular day, or a rate published by a major Australian commercial bank or financial institution.

If more than one type of mineral listed in the 'Mineral Type' drop-down list has been sold, disposed of or used during the return period, select it from the list and repeat the following entries as relevant.

Gross value and quantity

| Field | Guidance |
|---|--|
| Volume unit | Select the appropriate volume unit for the selected mineral from the drop-down list. |
| Quantity sold, disposed of or used | Enter the total quantity of the selected mineral sold, disposed of or used during the return period. |
| Gross value of mineral | <p>Enter the gross value of all the selected type of mineral sold, disposed of or used during the return period.</p> <p>Public Ruling MRA003 provides guidance about how the gross value of mineral is to be determined in particular circumstances.</p> <p>For determining the gross value, note the following:</p> <ul style="list-style-type: none"> • In certain circumstances (especially where the mineral is not sold on an arm's length basis, or is sold to a related party), the gross value will be the amount determined by the Commissioner under a gross value royalty decision. • The gross value includes any amount recovered from the purchaser of the mineral in relation to the royalty payable for the mineral. • Where the gross value is determined with reference to the amount for which the mineral is sold, that amount includes all amounts paid or payable by the buyer in relation to the sale (including, but not limited to, production or other costs of the producer that are explicitly recovered from the buyer in addition to the stated sales price), even if such amounts are invoiced separately. Amounts paid by a buyer on account of GST, or interest in relation to mineral sold on an extended credit basis, are excluded. |

| Field | Guidance |
|-------|--|
| | <ul style="list-style-type: none"> The gross value is not reduced by any amount payable by the producer to the buyer (even if the parties agree to offset that amount against the sale price) or invoiced by the producer but not recovered from the buyer (i.e. a bad debt). |

Deductions

The Mineral Resources Regulation 2013 (the Regulation) provides that certain expenses can be deducted when calculating the value of mineral that is subject to royalty.

Deductions must be claimed on a GST-exclusive basis.

| Field | Guidance |
|---------------------------------|--|
| Marine costs | <p>Enter the amount of any freight or insurance cost payable by the producer relating to the transport of the selected mineral by water to a port outside Queensland.</p> <p>Only freight and insurance costs attributable to activities occurring, or risks arising, after the mineral is loaded on a vessel may be deducted. Any other freight or insurance-related costs payable by the producer may not be deducted in this category, including but not limited to costs associated with:</p> <ul style="list-style-type: none"> transporting the mineral to the point of loading, or insuring the mineral before that point preparing the mineral for loading, or loading the mineral, onto a vessel. |
| Any other approved costs | Enter the amount of any cost that the Commissioner has decided is a type of cost that should be subtracted from the gross value. |
| Total deductions | This will populate on clicking 'Calculate'. |

Exemption

The Regulation provides that, for certain minerals mined as part of an operation (threshold minerals), no royalty is payable on the first \$100,000 of the combined value of all such minerals sold, disposed of or used in a financial year (1 July to 30 June).

The exemption:

- applies to the first \$100,000 of the combined value of threshold minerals sold, disposed of or used in a financial year, not the first \$100,000 of royalty on threshold minerals
- is assessed with reference to the total value of all threshold minerals (i.e. the exemption is not \$100,000 per threshold mineral)
- cannot be apportioned across return periods in the financial year (e.g. \$25,000 per quarter).

See [Public Ruling MRA003](#) for more information, including a list of threshold minerals.

| Field | Guidance |
|-------------------------------|--|
| Value before exemption | This will populate on calculation. |
| Threshold exemption | Enter the amount of the threshold exemption being claimed in relation to the selected mineral for the return period. |

Royalty

| Field | Guidance |
|--|---|
| Value | This will populate on clicking 'Calculate'. |
| Royalty rate | This will populate on clicking 'Calculate'. |
| Royalty payable | This will populate on clicking 'Calculate'. |
| Royalty payable to State | This will populate on clicking 'Calculate'. |
| Total royalty payable to state for precious stones and other minerals | This will populate on clicking 'Calculate'. |

Private royalty

Mineral rights in Queensland are generally held by the state. However, if freehold title to the land was granted before 1 March 1910, a private holder may hold the mineral rights.

If this is the case, royalties are payable directly to the private holder, not to the state (except where any of the land is or becomes a road). However, details of mineral subject to private royalty must be recorded in the royalty return.

| Field | Guidance |
|---------------------------------|---|
| Private royalty payable | Enter the amount of private royalty payable in relation to the selected mineral sold, disposed of or used during the return period. |
| Private royalty quantity | Enter the total quantity of the selected mineral sold, disposed of or used during the return period that is subject to private royalty. |