



Guide to completing a *Notice for AFAD reassessment— Pre-incorporation contract—company becomes a foreign corporation within 3 years*

Keep this guide for future reference

Meanings of terms used in this form are on page 2 of this guide.

When to complete this form

As an authorised person of a company, you must complete this form for a reassessment of additional foreign acquirer duty (AFAD) if the following apply.

- A transferee enters into an agreement for the transfer of dutiable property for, or for the benefit of, a company to be registered under the *Corporations Act 2001* (Cwlth).
- The company is named in the agreement.
- The company, or one that is reasonably identifiable with it, is registered under the Corporations Act.
- Transfer duty is not imposed on the dutiable transaction to transfer the property to the company because transfer duty was paid on the agreement.
- AFAD is not imposed on the agreement.
- The dutiable property is AFAD residential land.
- The company is not a foreign corporation when the dutiable property is transferred to the company.
- The company becomes a foreign corporation within 3 years after the dutiable property is transferred to the company.

Your obligations

You must lodge this form with the stamped agreement (an original is preferred) and a copy of the stamped transfer to the Commissioner of State Revenue within 28 days after the company becomes a foreign corporation.

Failing to give notice is an offence.

Unpaid tax interest (UTI) and penalty tax may apply. For more information, read the public rulings about:

- the remission of unpaid tax interest (TAA060.1)
- penalty tax (TAA060.2).

How to complete this form

Part B

- Provide the date when the company's status changed to a foreign person for the purposes of AFAD.
- Provide details of the events that caused the company to become a foreign person. For example, the company has become a foreign company because a purchase of shares resulted in foreign persons having a controlling interest.

Part C

- Enter the transaction number (for the agreement), which can be found on the duty stamp on the original agreement.
- Enter the transaction number (for the transfer), which can be found on the duty stamp on the Form 1.
- Provide details for the AFAD residential land, including:
 - the description of the land, including the address and lot and plan number
 - the dutiable value of the AFAD residential land (i.e. the greater of the consideration payable for the transfer and the unencumbered value).

Meaning of terms

AFAD residential land

AFAD residential land is land in Queensland that is, or will be, solely or primarily used for residential purposes when certain other criteria are met (see the Duties Act). A reference to AFAD residential land includes chattels that are acquired in the same dutiable transaction as the land where the use is directly linked to, or is incidental to, the use and occupation of the land.

Foreign person

Each of the following is a foreign person.

- **Foreign individual**

You are a foreign individual if you are not an Australian citizen or permanent resident.

- **Foreign corporation**

A foreign corporation is one that is incorporated outside Australia or in which foreign persons, or related persons of foreign persons, have a controlling interest of at least 50%.

- **Foreign trust**

A trust is foreign trust if at least 50% of its interests are trust interests of:

- foreign individuals
- foreign corporations
- trustees of a foreign trust
- related persons of any of the above, including partners in a partnership.

Queensland Revenue Office is collecting the information on this form on behalf of the Commissioner of State Revenue for the purposes of administering state revenue. This is authorised by the *Duties Act 2001*, the *Land Tax Act 2010* and the *Taxation Administration Act 2001*. Your personal information may be disclosed without your consent in circumstances outlined in the Taxation Administration Act or as otherwise authorised by law. It is Queensland Revenue Office's usual practice to disclose personal information collected on this form to the Australian Taxation Office and other Australian state and territory revenue offices in accordance with the *Taxation Administration Act 2001*.

Commissioner of State Revenue
GPO Box 2593
Brisbane Qld 4001
Email: duties@treasury.qld.gov.au
Ph: 1300 300 734

Visit qro.qld.gov.au for information about duties and other state taxes.

**Notice for AFAD reassessment—Pre-incorporation contract—
company becomes a foreign corporation within 3 years*****About this form***

As an authorised person of a company, you must complete this form for a reassessment, if the following apply.

- A transferee enters into an agreement for the transfer of dutiable property for, or for the benefit of, a company to be registered under the *Corporations Act 2001* (Cwlth).
- The company is named in the agreement.
- The company, or one that is reasonably identifiable with it, is registered under the *Corporations Act*.
- Transfer duty is not imposed on the dutiable transaction to transfer the property to the company because transfer duty was paid on the agreement.
- AFAD is not imposed on the agreement.
- The dutiable property is AFAD residential land.
- The company is not a foreign corporation when the dutiable property is transferred to the company.
- The company becomes a foreign corporation within 3 years after the dutiable property is transferred to the company.

You must lodge this form with the stamped agreement (an original is preferred) and a copy of the stamped transfer to the Commissioner of State Revenue within 28 days after the company becomes a foreign corporation.

Before you begin, read the 'Guide to completing a *Notice for AFAD reassessment—Pre-incorporation contract—company becomes a foreign corporation within 3 years*'.

Part A—Foreign person detailsEntity name ABN ACN ARBN ***Contact details***Care of Current street address Suburb State Country Postcode Mobile number + () Phone number + () Email Contact name

Provide name of person responsible
for the entity (e.g. name of director
or company secretary).

Interest acquiredInterest acquired

The ownership share of the property acquired expressed as a fraction, such as 1/2, 1/3, 1/4, or 1 if all of the property is acquired.

Part B—Status change

Date the company became a foreign person

Provide details of events that resulted in the company becoming a foreign person.

Part C—AFAD residential land

Provide details of the AFAD residential land being transferred.

Agreement transaction number

Transfer transaction number

If a Form D2.2 is lodged with this form and the real property description has been included, you do not need to provide this information below.

Real property description (lot and plan number) and street address			Dutiable value of AFAD residential land	Total interest acquired by all acquirers in the AFAD residential land
Lot no.	Plan no.	Street address		

Part D – Declaration

You must personally sign this declaration in the presence of a qualified witness. Qualified witnesses include a justice of the peace, commissioner for declarations or solicitor.

I/we declare that, as the authorised person(s) of the company:

- I/we have read the guide relating to this form and will keep it for future reference.
- The information supplied to the Commissioner of State Revenue in this form is true and correct.

I/we make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the *Oaths Act 1867*.

Authorised person signature

Date

Authorised person name

Qualified witness signature

Date

Qualified witness name

Authorised person signature

Date

Authorised person name

Qualified witness signature

Date

Qualified witness name

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