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Dramatic Increase in Registration Fees as from 1 July 2010

One of the items well hidden in the NSW State Budget introduced on 8 June 2010 was the significant increase in registration fees for real property transfers above \$500,000.00 after 1 July 2010.

Real property transfer fees have been increasing steadily over the years. In 2000 they were \$58.00 and had increased to \$92.00 by July 2008. The current fee of \$190.00 (which was set on 1 July 2009) will be increased to \$194.00 as from 1 July 2010. Also as from 1 July 2010, the registration fees on transfers above \$500,000.00 will increase substantially as a result of the introduction of an additional ad valorem levy based on the purchase price of the property.

The basic fee of \$194.00 will apply to all property transfers as from 1 July 2010. The additional levy will not apply to property transfers where contracts were exchanged before 1 July 2010, irrespective of the price.

The new levy will be calculated at two different rates:

1. for transfers between \$500,000.00 and \$1 million, the levy will be \$4.00 plus 0.2% of the amount by which the purchase price exceeds \$500,000.00; and
2. for property transfers for \$1 million or more, the levy will be \$1,004.00 plus 0.25% of the amount by which the purchase price exceeds \$1 million.

By way of example, if you enter into a purchase contract on or after 1 July 2010, the following registration fees will apply:

Purchase Price	Registration Fee	Levy	Total
\$0. - \$500,000.00	\$194.00	nil	\$194.00
\$600,000.00	\$194.00	\$204.00	\$398.00
\$750,000.00	\$194.00	\$504.00	\$698.00
\$800,000.00	\$194.00	\$604.00	\$798.00
\$900,000.00	\$194.00	\$804.00	\$998.00
\$1 million	\$194.00	\$1,004.00	\$1,198.00
\$1.25 million	\$194.00	\$1,629.00	\$1,823.00
\$1.5 million	\$194.00	\$2,254.00	\$2,448.00
\$2 million	\$194.00	\$3,504.00	\$3,698.00
\$3 million	\$194.00	\$6,004.00	\$6,198.00

\$4 million	\$194.00	\$8,504.00	\$8,698.00
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When the NSW budget was announced, a lot of publicity was given to the removal of stamp duty for purchases off the plan for \$600,000.00 or less. However, little publicity was given to the dramatic increases in transfer registration fees. Our conclusion is:

"What the NSW Government giveth you with the one hand, it sluggeth you with the other."

If you require further information, please contact Norbert Schweizer.

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Norbert Schweizer Awarded German Honour

At a moving ceremony held at the home of the Consul General for Germany on 1 June 2010, the firm's founding partner, Norbert Schweizer was awarded the Order of Merit of the Federal Republic of Germany. The award was given by Consul General Hans Gnodtke on behalf of the Federal President of Germany, in recognition of Norbert's special services to Germany.

In conferring the award, the Consul General noted that for over 30 years, Norbert "has actively fostered contact with members of the German and German speaking communities in Sydney and Australia, and has voluntarily offered advice, counsel and services to the most needy organisations of these communities, regularly without claiming or expecting remuneration, reward or consideration". Mr Gnodtke particularly noted Norbert's work for the Australian German Welfare Society, the German International School Sydney, various retirement villages and nursing homes for the elderly of both Catholic and Protestant congregations and the Goethe Institut. At the same time, Norbert has been a prominent and very pro-active member of Emanuel Synagogue in Woollahra including having been president of the congregation.

The Order of Merit is the equivalent of a Medal of the Order of Australia (OAM). Norbert's work not only extends to the German community; he is also strongly involved in a number of honorary activities for both the Swiss and Jewish communities in Sydney, both as legal advisor and a volunteer worker.



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