

# Transfer Duty (Amendment) Act, 2023

Date of commencement - 3 May 2023

Following approval of the Transfer Duty (Amendment) Act, 2023 on 3 May 2023, amendments became effective immediately. The main amendments are summarised below.

- i) New allocations of tribal land and state land are now **exempt** from transfer duty.
- ii) The rate of transfer duty payable by non-citizens has now been **reduced** from 30% to:
  - a) 10% - where the purchase price or value of the property is P2 million or less;
  - b) 15% - where the purchase price or value of the property exceeds P2 million.
- iii) Prior approval of the Commissioner General, BURS is now **required** before registration of a transfer or change of name by the Registrar of Deeds.
- iv) All records relating to the sale, exchange, donation or transfer of the chargeable benefit for a period are to be kept for 10 years.
- v) It **excludes** specified transferors (spouses and heirs on inheritance), who are currently exempt from transfer duty, from the requirement to:
  - a) Provide a valuation certificate to the Commissioner General (BURS);
  - b) Apply to the Commissioner General for approval of the exemption; and
  - c) Provide a certificate of exemption prior to registration of transfer or change of name by the Registrar of Deeds.
- vi) Transfer duty payable is **waived** where Value Added Tax (VAT) is payable on the transaction.
- vii) The Commissioner General is directed to use the local council valuations or appoint some competent and disinterested person to ascertain the fair value of immovable property situated in a tribal land and where he deems fit, require a valuation certificate issued by a property valuer registered in accordance with the Real Estate Professionals Act.
- viii) The amendment exempts the first P1.5 million of a transaction from the Transfer Duty payable by citizens.



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## Key contacts



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