



Australian Government

Commonwealth Grants Commission

2020 REVIEW

STAMP DUTY ON CONVEYANCES

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STAMP DUTY ON CONVEYANCES

- 1 The paper provides Commission staff proposals for the assessment of Stamp duty on conveyances for the 2020 Review.

2015 REVIEW APPROACH

- 2 The Stamp duty category comprises revenue from stamp duties imposed on the transfer of property ownership and motor vehicles ownership. The concept of property is broad, comprising both real and non-real property.¹ The duty was based on the value of the property transferred and was paid by the purchaser.
- 3 The category excluded:
 - taxes on land ownership, which were assessed in the Land taxes category
 - revenue from other stamp duties (such as stamp duty on the transfer of marketable securities²), which were assessed in the Other revenue category
 - payments to and concessions for first home owners (such as First Home Owners' Scheme payments, First Home Owners' Bonus payments and concessional duties offered to first home owners), which were assessed in the Housing category.³
- 4 Table 1 shows the composition of the Stamp duty category in 2016-17. The equal per capita and property components comprised revenue from conveyance duties. The vehicle component comprised revenue from vehicle transfer duties.

¹ Real property is land and buildings (including houses, apartments, shops and factories). Non-real property comprises property that is not land or buildings. Examples include non-fixed plant and equipment, receivables, goodwill, business assets, statutory licences, intellectual property, aquaculture leases, copyright, patents, partnership interests and options to purchase.

² At the time, only New South Wales and South Australia raised duty on the transfer of marketable securities and an assessment of their duties was not material. Consequently, they were included in the Other revenue category.

³ While States report concessional duties as lower collections, the Commission treated them as an expense. This had the effect of increasing the category size for both the Stamp duty and Housing categories.

Table 1 Stamp duty revenue by component, 2016-17

Component	Revenue	Proportion of total revenue
	\$m	%
Equal per capita	1 005	4
Property	21 737	85
Vehicles	2 755	11
Total	25 497	100

Source: Australian Bureau of Statistics, Government Finance Statistics, Cat No 5512.0. State data returns.

How was revenue capacity assessed?

- 5 The assessment recognised a State’s revenue capacity was related to the value of property and vehicles transferred. As States imposed conveyance duties at progressive rates, the distribution of a State’s property transfers by value was also important.
- 6 In the 2015 Review, stamp duty revenue was assessed in three components:
- an equal per capita (EPC) component. These were duties for which a differential assessment was not made. This approach meant:
 - States were assessed to have equal capacities to raise revenue from them
 - their assessment did not affect States’ GST shares
 - a property component. State capacity was assessed using the value of property transferred.
 - a vehicle component. State capacity was assessed using the value of vehicles transferred.

The equal per capita (EPC) component

- 7 This component comprised revenue from duties on:
- the sale of major State assets
 - corporate reconstructions⁴
 - land rich transactions of listed companies.⁵ Attachment A sets out the Commission’s treatment of State land rich/land holder provisions.

⁴ Most States refund or exempt duty on corporate reconstructions to encourage economic reform. Terms of reference in previous reviews instructed the Commission not to allow these transactions to affect States’ GST shares. This was achieved by assessing them EPC.

⁵ States introduced land rich duty provisions to deal with the avoidance of duty. This occurred when owners transferred their interest in land rich entities instead of transferring the land itself. States progressively replaced land rich duty with landholder duty. Landholder duty broadened the tax base by doing away with the land rich percentage threshold and replacing it with a simple land value threshold.

- 8 The Commission assessed duties on the sale of major State assets EPC because those duties arose from differences in State policies on the ownership of assets. It assessed duties from corporate reconstructions and land rich transactions of listed companies EPC because the ad hoc nature and volatility of these transactions made it difficult to construct a reliable estimate of revenue capacity for States that did not impose duty on those transactions.
- 9 The Commission sought data from State Revenue Offices (SROs) on the duty raised from these transactions. Table 2 shows the data provided for 2016-17.

Table 2 EPC component, 2016-17

Duties from	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
	\$m								
Sale of major State assets	710	0	0	0	0	0	0	0	710
Corporate reconstructions	0	0	0	0	0	0	0	0	0
Land rich transactions of listed companies	13	0	4	277	1	0	0	0	295
Component total	723	0	4	277	1	0	0	0	1 005

Source: State provided data, 2018 Update.

- 10 As this component was assessed EPC, States were assessed to have the same revenue capacity per capita (a component factor of 1.000).

The property component

- 11 This component comprised the remaining duties on the transfer of property ownership. It comprised duties relating to:
- real property transfers
 - non-real property transfers
 - concessions for first home owners.
- 12 The Commission sought data from State Revenue Offices (SROs) on the duty raised from these transactions. Table 3 shows the data provided for 2016-17.

Table 3 Property component, 2016-17

Duties from	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Real property transfers	8 853	6 113	3 001	1 125	839	231	316	99	20 577
Non-real property transfers	111	0	271	95	4	0	0	6	487
Concessions for first home owners	91	190	249	123	0	0	10	11	673
Component total	9 055	6 303	3 521	1 343	843	231	326	116	21 737

Source: State provided data, 2018 Update.

- 13 This component was assessed using the value of property transferred. The Commission sought data from SROs on both value of property transferred and duty raised by value range.
- 14 To obtain a policy neutral measure of the tax base, the Commission made adjustments to SRO value data to account for:
- differences in the range of property that were subject to duty
 - the progressivity of States' rates of duty.
- 15 ***Adjustments for differences in the range of properties subject to duty.*** Some transactions were dutiable in some States, but not others. In these circumstances, the Commission made adjustments to the value data provided by SROs to improve their comparability. If these adjustments were not made, a State's decision to tax a different range of transactions could have led to an over- or under-estimation of its revenue capacity.
- 16 In the 2015 Review, only three adjustments were material.⁶ They were:
- a non-real property adjustment
 - an off-the plan adjustment
 - a unit trusts adjustment.
- 17 As part of the Intergovernmental Agreement on Federal Financial Relations (the IGA), States agreed to abolish duty on non-real transactions, but they have different timetables for its abolition. Most States continued to apply duty. The size of the adjustment was determined by State data. In the 2010 Review, the States that taxed non-real property provided data that indicated these transactions accounted for 6% of the total value of property transferred. Consequently, this adjustment increased by 6% (1% in the case of the ACT⁷) the revenue bases of States that exempted these transactions.
- 18 An 'off-the-plan' adjustment was assessed for Victoria because it provided a concession to buyers buying off-the-plan apartments.⁸ The size of the adjustment was determined by data provided by Victoria in the 2010 Review. Its data indicated that the concession reduced its tax base by 2.75%. Consequently, this adjustment increased its revenue base by 2.75%.

⁶ These adjustments were recommended as part of a consultancy by Blake Dawson for the 2010 Review.

⁷ The ACT provided data, covering the years before it abolished the duty, that indicated that non-real property transactions were a smaller proportion than other States and a smaller adjustment was applied to the ACT's revenue base.

⁸ South Australia introduced a similar concession in May 2012 for inner-metropolitan areas of Adelaide. It forecast it would lose around 0.2% of revenue. An adjustment of this size would not have been material and so it was not made. The eligibility area was expanded to the whole of the State for contracts entered into between 20 June 2016 and 30 June 2017.

- 19 Queensland, Western Australia and South Australia taxed a wider range of unit trusts⁹ than other States. The size of the adjustment was determined by data provided by Western Australia in the 2010 Review. Its data indicated that the wider trusts accounted for about 3% of its total value of property transferred. Consequently, the adjustment reduced by 3% the revenue bases of these three States.
- 20 **Adjustment for progressive rates of duty.** States imposed conveyance duties using progressive rates. The Commission assessed revenue capacity across 16 value ranges using SRO data on the value of transactions and the duty raised. This approach ensured a higher effective rate of duty was applied to properties in higher value ranges.
- 21 Table 4 shows the derivation of the component factor for 2016-17 once these adjustments had been made. It shows the assessed per capita value of taxable land holdings in New South Wales and Victoria exceeded the average (\$21 996 per capita). These States were, therefore, assessed to have above average revenue raising capacity in that year.

Table 4 Stamp duty on conveyances component assessment, 2016-17

		NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Value of property transferred	\$b	228	145	99	28	19	6	9	2	536
Value of property transferred per capita	\$pc	29 179	23 271	20 302	10 921	11 108	11 426	21 736	9 879	21 996
Component factor (a)		1.327	1.058	0.923	0.496	0.505	0.519	0.988	0.449	1.000

(a) A State's component factor is its per capita value of property transferred divided by the average per capita value of property transferred.

Source: State data returns, 2018 Update.

The vehicle component

- 22 This component comprised revenue from the duty on the transfer of vehicle ownership.¹⁰

⁹ Unit trusts are a device whereby the title to property can be held in a trust rather than directly. Ownership of units in the trust can be transferred at lower than conveyance rates of duty. To prevent or minimise this avoidance strategy, States adopted a combination of unit trust and land rich provisions that taxed land held by trusts.

¹⁰ Most States imposed duty on the value of the vehicle. One State varied its rates of duty depending on the number of cylinders. Rates of duty could also vary according to the use of the vehicle and whether it is a new registration or a used vehicle transfer. A broadly common range of vehicles were exempt from duty across States (such as vehicles acquired for resale by used car dealers, transfers arising from settling estates and family law arrangements and vehicles acquired by benevolent institutions).

- 23 The value of the vehicles transferred reflects the base that States tax. While it was possible that differences between States in the value distribution of vehicles transferred could affect their actual revenue raising capacity, an adjustment would not have been material.
- 24 The Commission sought data from States on the total value of vehicles transferred and the total duty paid. All States except Victoria and the Northern Territory were able to provide data on the value of vehicles transferred. The Commission estimated the missing value data for these two States using their total duty collected data and their legislated tax rates.
- 25 Table 5 shows the derivation of the component factor for 2016-17. It shows the assessed per capita value of vehicles transferred in Queensland and Western Australia exceeded the average (\$3 293 per capita) and so these States were assessed to have above average revenue raising capacity in that year.

Table 5 Stamp duty on vehicles component assessment, 2016-17

		NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Value of vehicle transferred	\$b	25	20	17	10	5	2	1	1	80
Value of property transferred per capita	\$pc	3 232	3 269	3 381	3 831	2 858	2 941	2 864	2 993	3 293
Component factor (a)		0.982	0.993	1.026	1.163	0.868	0.893	0.870	0.909	1.000

(a) A State's component factor is its per capita value of vehicles transferred divided by the average per capita value of vehicles transferred.

Source: State data returns, 2018 Update.

GST redistribution

- 26 Table 6 shows the extent to which the assessment moves the GST distribution away from an EPC distribution in 2018-19. It shows GST revenue is redistributed from States with an above average revenue raising capacity (New South Wales and Victoria) to States with a below average revenue capacity.

Table 6 GST distribution, Stamp duty, 2018 Update

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Redist
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
EPC component	0	0	0	0	0	0	0	0	0
Property component	-2 130	-252	436	792	759	239	48	108	2 383
Vehicle component	44	13	-25	-79	31	8	7	1	104
Total	-2 086	-239	411	713	789	247	56	109	2 326
Total (\$pc)	-260	-37	82	272	454	471	133	443	93

Source: Commission calculation, 2018 Update.

ISSUES AND ANALYSIS

27 There are two assessment issues to be resolved for the 2020 Review. They are:

- which revenues should be included in the category?
- what are the drivers of revenue capacity?

Which revenues should be included in the category?

28 The Commission has yet to consider whether taxes on the transfer of vehicle ownership should be assessed and reported in a Stamp duty category (as they were in the 2015 Review) or in a Motor taxes category (as they were prior to the 2015 Review). This issue is discussed in Staff Draft Assessment Paper *CGC 2018-01/06-S Motor taxes*.

29 As a starting point, the Commission would include all revenue raised from taxes on the transfer of property ownership, both real and non-real property. Taxes on real property include duty on the sale of major State assets, corporate reconstructions, land rich/land holder transfer duty and foreign investor transfer duty surcharges.

30 From this starting point, there may be reasons for including other revenue. In the 2015 Review, the Commission treated concessional duty for first home buyers as an expense. This had the effect of increasing the category size of both the Stamp duty and Housing categories. This treatment ensured assistance provided to first home owners was assessed in the same way, regardless of whether it was provided in the form of a grant or in the form of a concessional rate of duty. This adjustment was material. Commission staff propose to recommend the Commission continue this treatment in the 2020 Review. Therefore, the Stamp duty on conveyance category will include the concessional duties provided to first home buyers. As a result, the revenue in this category may exceed the revenue States report as conveyance duty — States report concessional duties as lower collections.

31 Since the 2015 Review, it has become more common for States to impose a surcharge on the duty for foreign purchasers. Five States have a surcharge on residential property purchases by foreign buyers — New South Wales (4%), Victoria (7%), Queensland (3%), Western Australia (4%) and South Australia (3%). A separate assessment of this revenue stream would require the Commission to separately collect information on the properties purchased by foreign owners. Alternatively, the Commission could treat the surcharges like a progressive rate of tax. On practicality grounds, Commission staff propose to recommend the Commission not undertake a separate foreign owner surcharge assessment in the 2020 Review. Thus, the surcharges will affect the assessment through higher effective rates of duty.

Staff propose to recommend the Commission include in the category:

- revenue from duties on the transfer of real and non-real property, including foreign owner surcharges
- an amount equal to the concessional duty provided to first home owners.

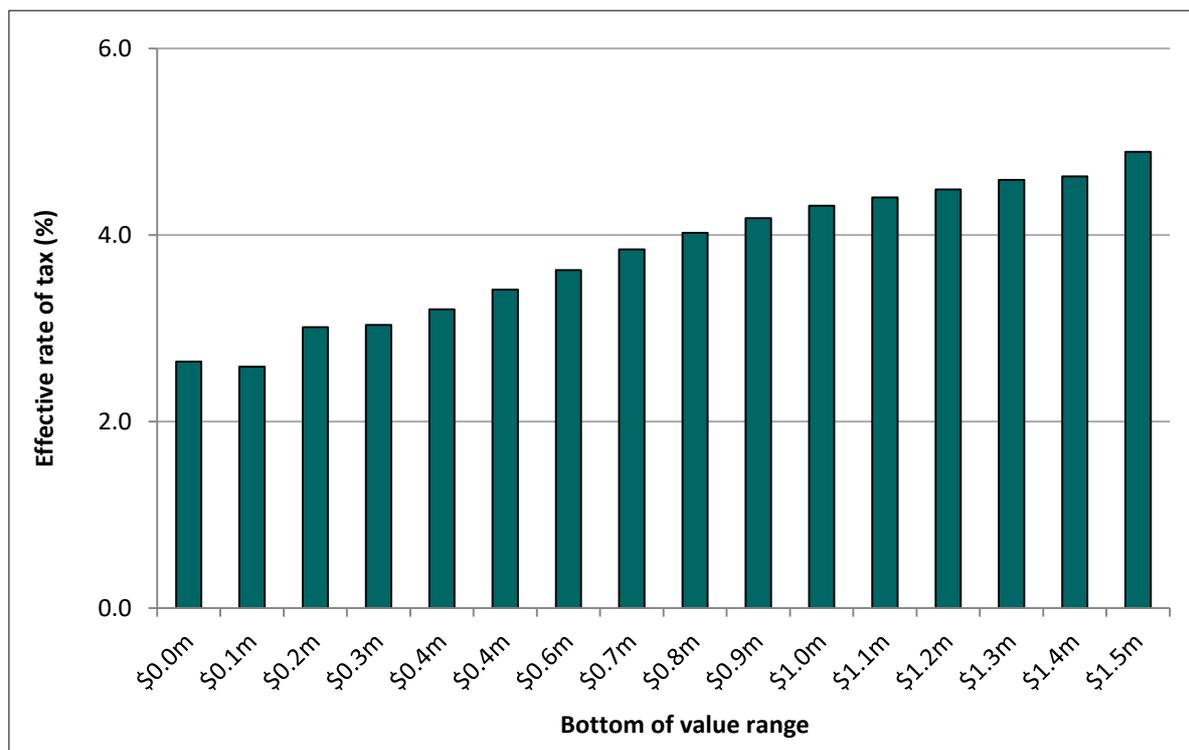
What are the drivers of revenue capacity?

- 32 Under a tax approach, revenue capacity should be measured using the tax base States use to impose conveyance duty — the value of property transferred.
- 33 The value of property transferred is a direct measure of the activity that States tax. Commission staff have not found an alternative capacity measure that captures differences in States' revenue raising capacities and is less policy influenced. Commission staff propose to recommend the Commission continue to use the value of property transferred as its capacity measure. SROs are the sole source of these data.
- 34 As in the 2015 Review, Commission staff propose to assess revenue in two components:
- a property component.
 - an EPC component

The property component

- 35 Since SRO data reflect the policies of the individual States, adjustments may be required to account for differences in:
- States' progressive rates of duty
 - the range of transactions subject to duty.
- 36 ***Adjustment for progressive rates of duty.*** States impose stamp duty on conveyance progressively (see Figure 1 and Table 7), with the rate increasing as the value of taxable land holdings increases.

Figure 1 Progressive rate of conveyance duty, 2016-17



Source: State Revenue Office data, 2016-17.

Table 7 Stamp duty regimes

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT
	%	%	%	%	%	%	%	%
Minimum rate (a)	1.25	1.40	1.50	1.90	1.00	1.75	1.48	1.50
Maximum rate	5.50	5.50	5.75	5.15	5.50	4.50	5.09 (b)	5.45

(a) Some States have concession rates for very low property values.

(b) A higher marginal transfer duty rate applies for properties valued between \$0.750 million and \$1.455 million. A flat rate of 5.09% applies for properties valued \$1.455 million and above.

Source: New South Wales Treasury, Interstate comparison of taxes, 2016-17, page 16.

37 Table 8 shows the materiality of the adjustment in the 2018 Update.

Table 8 Effect of adjustment for progressive rates of tax, 2018 Update

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Redist
Dollars million	-457	90	189	51	76	33	16	2	457
Dollars per capita	-57	14	38	20	44	62	39	10	18

Source: Commission simulation.

38 Commission staff propose to include an adjustment for the progressivity of conveyance duty using SRO data on the value of property transferred and the duty raised, by value range.

39 ***Adjustments for differences in the range of transactions subject to duty.***

If a State does not tax a specific range of transactions, then the value of transactions data provided by its SRO will be missing those transactions and so will not be comparable with data provided by other SROs. The purpose of these adjustments is to improve the comparability of SRO data.

40 Commission staff propose a framework for dealing with missing transactions. Under this framework, one of three approaches would be applied:

- adjust the State's SRO data to impute the missing transactions
- adjust States' SRO data to remove the transactions for all States, but continue to assess the duty collected in the property component
- assess the duty collected in the EPC component.

41 Under the adjustment framework, the preferred option is to impute the missing transactions if this can be done reliably. If the missing transactions cannot be reliably imputed, then the next best option is to remove the range of transactions for all States. At this point there would be a choice to make. If it is appropriate to assess the duty raised using the property component's capacity measure then the duty raised should be assessed in the property component, otherwise it should be assessed in the EPC component.

42 For the 2020 Review, Commission staff propose to apply the adjustment framework to the adjustments made in the property component in the 2015 Review:

- non-real property
- off-the-plan concessions
- unit trusts.

43 As part of the *Intergovernmental Agreement on Federal Financial Relations 1999*, States agreed to abolish transfer duty on non-real property transactions, but they are pursuing different timeframes for its abolition. From 2016-17, these transactions are exempt in five States — New South Wales, Victoria, South Australia, Tasmania and the ACT. Commission staff propose to remove non-real property transactions from all States' SRO data. This change means the property component capacity measure will be the value of real property transferred. As the real and non-real property bases are different, it is unlikely that a real property capacity measure is an appropriate measure for assessing non-real property duty. Commission staff propose to recommend the Commission remove non-real property transactions from SRO data and assess non-real property duties in the EPC component.

44 Victoria provides a concession to buyers of off-the-plan apartments. From 1 July 2017, the concession is being retargeted and will only be available for principal places of residence. Victoria's budget papers suggest that as a result of this change, the concession's tax expenditure will fall from \$342 million in 2017-18 to \$92 million

in 2020-21.¹¹ This would mean an adjustment would no longer be material. Commission staff propose to recommend the Commission discontinue the off-the-plan adjustment in the 2020 Review.

- 45 Queensland, Western Australia and South Australia tax a wider range of unit trusts than other States. In the 2010 Review, Western Australia provided data that indicated the transactions caught by its wider unit trusts provision was equivalent to about 3% of its revenue base. This adjustment removes these transactions from all States. These transactions are real property transactions so it is appropriate to assess the duty raised using the property component capacity measure. Commission staff propose to recommend the Commission continue to remove wider unit trust transactions from SRO data and assess the duty raised in the property component.
- 46 ***New adjustments.*** As States amend the scope of the transactions that are subject to conveyance duty, new adjustments may be required.
- 47 Two States are phasing out commercial transfer duty. The ACT is phasing out the duty over 20 years, so its SRO data will continue to include these transactions. The duty will cease in South Australia from 1 July 2018. If, at that time, South Australia's SRO data cease to contain these transactions then an adjustment would be required. In its State Tax Review discussion paper, South Australia indicated non-residential land accounted for 12.7% of conveyance duty in 2013-14.¹² An adjustment could be made to impute the missing transactions using this information. Commission staff propose to recommend the Commission introduce a new adjustment for commercial property transactions in South Australia. This adjustment would increase its revenue base by 12.7%.

The equal per capita component

- 48 For the 2020 Review, Commission staff propose to apply the adjustment framework to the duties assessed in the EPC component in the 2015 Review. They were duties on:
- land rich transactions by listed companies
 - corporate reconstructions
 - sales of major State assets.
- 49 The land rich transactions by listed companies adjustment was introduced when only Western Australia applied duty to these transactions. Since then, all States (other than Tasmania) have amended their legislation to apply duty to similar transactions. Commission staff propose to recommend to the Commission to include land rich transactions by listed companies in the property revenue base. Under the adjustment

¹¹ Victoria, Budget Paper No 5, Statement of Finances, 2017-18, Table 5.2, page 172.

¹² State Tax Review Discussion Paper, February 2015, page 38.

framework, an adjustment would be required to impute the missing transactions for Tasmania. Over the last four years, States raised \$697 million (about 1% of real property duties) in duties from these transactions. A 1% adjustment for Tasmania would not be material, it would fail the \$10 data materiality threshold.

- 50 Most States refund or exempt duty on corporate reconstructions to encourage economic reform. A corporate reconstruction arises when a corporate group reorganises its business structure by transferring assets between companies within the group. As these transactions are about reorganising assets rather than a disposal of those assets, Commission staff do not consider it appropriate to assess the duty raised using the property component capacity measure. Consequently, Commission staff propose to recommend the Commission continue to assess the duty from corporate reconstructions in the EPC component.
- 51 States raise duty from the sale of major State assets. These transactions are about States divesting themselves of major assets. These transactions bear no connection to the real property transfers. Therefore, Commission staff do not consider it appropriate to assess the duty raised using the property component capacity measure. Consequently, Commission staff propose to recommend the Commission continue to assess the duty from these transactions in the EPC component.

Staff propose to recommend the Commission:

- assess stamp duty on conveyances using the value of property transferred
- adjust the value of property transferred:
 - to remove values relating to non-real property, corporate reconstructions and sales of major State assets
 - for the wider scope of unit trusts and commercial real property in selected States
 - for the progressivity of transfer duty
- assess duty from transactions on non-real property, corporate reconstructions and sales of major State assets in the EPC component.

Other issues considered

- 52 ***Elasticity adjustment.*** The Commission has engaged consultants to provide advice on whether it should consider reinstating elasticity adjustments and, if so, for which categories. The question whether an elasticity adjustment could be assessed in the Stamp duty on conveyances assessment will be addressed by that consultancy.

Staff propose to recommend the Commission defer consideration of:

- an elasticity adjustment until it has considered the consultant’s report on elasticities.

CONCLUSION AND WAY FORWARD

Proposed assessment structure

53 Staff propose the following assessment structure for this category in the 2020 Review.

Table 9 Proposed Stamp duty on conveyances category structure

Component	Disability	Influence measured by disability
EPC	Population	Assumes each State has the same per capita revenue capacity.
Property	Value of land transferred	Recognises the additional revenue capacity of States with a greater number of properties transferred and a greater land value
	Progressive rates of duty	Recognises the additional revenue capacity of States with proportionally more properties in higher value ranges.
	Range of transactions subject to duty	Recognises that there are differences in the type of transactions that are taxed in each State.

ATTACHMENT A: THE COMMISSION'S TREATMENT OF STATE LAND RICH/LANDHOLDER PROVISIONS

- 1 This attachment sets out the Commission's treatment of State land rich and landholder provisions.

Land rich provisions

- 2 States introduced land rich provisions to deal with a situation where purchasers sought to avoid stamp duty on the transfer of land. They did this by holding the land asset in a company and purchasing shares in the company.
- 3 Before the introduction of land rich duty, share purchases were subject to a duty of around 0.6% compared with rates of stamp duty of up to 5.5% on the transfer of land. The land rich duty provisions imposed the same rate of duty on the share purchase as on the land transfer.
- 4 State's land rich provisions comprised two thresholds — the value of land and the proportion that the land comprised of the company's total property (referred to as a land rich test).

Land holder provisions

- 5 After initially introducing land rich provisions, States progressively moved to landholder provisions. Landholder duty broadened the tax base. It did this by doing away with the land rich test and replacing it with a simple land value threshold.
- 6 For example, Victoria's land rich provisions applied to companies that had \$1 million or more of land in Victoria and had 60% or more of their assets (worldwide) in land. Its landholder model removed the 60% land rich threshold. So, a company is liable for duty if it has \$1 million or more of land in Victoria. Almost any land holding is potentially large enough to trigger the provision when shares are purchased in the company holding a land asset.
- 7 Western Australia provided data in the 2010 Review that indicated landholder duty increased its revenue base by about 2%. The Commission used this information to make an adjustment to the revenue bases of States that had land rich provisions rather than land holder provisions. As more States adopted land holder provisions, the materiality of this adjustment declined and it was discontinued when it fell below the Commission's \$10 materiality threshold. Tasmania was the last State to adopt a landholder model. It did so in December 2016.

Land rich provisions in listed companies

- 8 While land rich transactions involving companies listed on the stock exchange are not common, they can be large when they occur. Western Australia was the first State to introduce this provision.
- 9 Initially, the Commission chose not assess these transactions on practicality grounds.
 - While only Western Australia imposed duty on such transactions, an assessment was not material. The transactions represented only a minor source of duty.
 - A reliable assessment could not be made for States that did not impose duty. The volatility of these transactions meant it was difficult to develop a reliable assessment for States that did not impose duty.
- 10 The Commission implemented its treatment by asking States to separately identify any land rich transactions on listed companies. The Commission assessed the revenue raised in the EPC component.
- 11 Other than Tasmania, all States now impose duty on these transactions. In the last four years, each of the seven States raised revenue from this source. These revenues accounted for around 1%, on average, of all conveyance revenues. An adjustment of this size is not material for Tasmania. It fails the \$10 per capita data materiality threshold.