

# Real Estate ATO Threshold Changes

Members are advised of new changes coming in on 1 July 2017 relating to CGT foreign residents withholding tax.

The CGT threshold for foreign capital gains tax withholding is reducing to include all sales of \$750,000 or more and the rate is increasing if no exemption certificate is produced to 12.5% from 10% withholding by the purchaser.

This will create compliance for more vendors as an exemption will be required by all resident vendors (Aussies) for all property sales over this amount, indeed most sales these days.

The Society on line forms ([reaforms.com.au](http://reaforms.com.au)) are being changed to reflect the new threshold.

It is after 1 July when new Contracts are entered into.

**Old Contracts (pre 1 July) still can apply the \$2m threshold.**



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