

REV - Q - NEWS

Issue 14
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From the Executive Director

At OSR we have recently embarked on a major project - the implementation of our IT Strategic Plan (ITSP). The plan outlines a program of major systems redevelopment extending over the next four years and will ultimately replace our existing systems, deliver an e-business interface with clients and provide OSR with a greater capacity to manage Queensland's revenue base.

The ITSP team has recently finalised a rigorous tendering process for the selection of a prime contractor. This process culminated in the signing of a contract on 25 June with Computer Sciences Corporation Australia Pty Ltd (CSC). CSC officially commenced work on Phase 1 of the project on 1 July 2002.



OSR's James Green and CSC's Matt McGuire

The ITSP Implementation Project is an integral part of the OSR future vision of "First choice as innovative revenue managers for the Government and the community". Strategically it will assist us in a number of ways. The project will allow OSR to maintain the core business of revenue collection, provide taxpayer certainty and value-for-money services by supporting clients. It will also be a part of Government-wide initiatives for electronic services delivery. The project is closely aligned with the current overall OSR Strategic Directions Project.

Also at the moment representatives from Investigations and the Returns Branch are conducting an educational audit of registered self assessors. This program was initiated by feedback received from the *Duties Act 2001* and *Taxation Administration Act 2001* seminars and workshops. The educational audit teams commenced visiting clients from 1 September 2001.

OSR's Client Contact Centre (CCC) continues its success and has greatly assisted our clients in settling into the new legislation introduced earlier in the year. CCC staff undertake extensive training and development to equip them to assist clients with the vast majority of queries they may have with regards to duties and administration.

There is a lot happening at the moment with ITSP and the Client Relationship Management (CRM) strategy and it is pleasing to see everyone getting involved and supporting the organisation's development. OSR staff are looking forward to the challenges ahead.

James Green

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ITSP UPDATE

The IT Strategic Plan (ITSP) Implementation Project is now full steam ahead. In August, the Implementation project team invited all OSR staff to attend a presentation outlining the objectives and progress of the project. ITSP Implementation Business Manager Peter Healy explained to staff that by the end of the ITSP Implementation Project OSR will have an IT system that is common for all legislation administered by OSR.



The ITSP Contract Negotiation Team

At the presentation OSR staff were introduced to representatives from the recently appointed prime contractor organisation Computer Sciences Corporation Australia Pty Ltd (CSC). CSC Australia Pty Ltd is a wholly owned subsidiary of CSC (a US company) and includes the Victorian State Revenue Office and US Internal Revenue Service as its clients. A team of 15 CSC staff are currently sharing accommodation with the OSR ITSP team on Level 15, 200 Mary St and the combined team is working against an aggressive timetable in the Discovery and Design stages of Phase 1.

Phase 1 of the plan will involve the development of a strategic revenue management system to support identified generic business processes and specific pay-roll tax requirements. Phases 2 and 3 will result in:

- development of a system to support the remaining revenue streams;
- development of the intranet; and
- full e-business development and deployment.

Subsidiary projects that traverse all years include those of Client Management, Change Management and IT Governance and Security.

In line with OSR's self progressive shift in direction, taxation liabilities to the government are now predominantly assessed by clients. Consequently, our role has changed from assessing to providing timely and accurate information to facilitate self assessing. In line with this, the ITSP Implementation Project will result in a single IT system that will be shared by OSR staff and clients outside OSR.

In the planned e-business environment, OSR staff and registered persons will be empowered through simple, user-friendly systems and processes. This will result in better data with which we can manage the State's revenue.

The team is currently in the design stage of Phase 1 of the implementation project. OSR staff are working with CSC staff to detail the design elements for the generic, specific and administrative functional applications. OSR staff will contribute to all aspects of the design stage through their comprehensive knowledge of current processes and vision of how these processes could be made more effective under the new system.

The ITSP Implementation Project is a great opportunity for everybody to have direct involvement in the implementation of the system that will be the IT platform supporting our future business direction.



THE LAND TAX AMENDMENT ACT 2002

The *Land Tax Act 1915* has been amended by the *Land Tax Amendment Act 2002*, effective from 1 July 2002. The Land Tax Amendment Act 2002 implements the following land tax initiatives announced in the 2002-2003 State Budget:

- The 15 per cent general land tax rebate for companies, trustees and absentees is no longer available. The 15 per cent general rebate still applies for non-absentee individuals.
- The land tax exemption threshold for taxpayers who are companies, trustees and absentees has increased from \$100,000 to \$150,000.
- The phasing in rebate for companies and absentees has been extended to taxpayers who are absentees.
- The method of calculating the phasing in rebate has changed. The phasing in rebate will now be a maximum of 36 per cent, reducing by 0.5 per cent for every \$1000 of taxable value over \$150,000, and cutting out when the taxable value reaches \$215,000.

The above changes will apply for the 2002-03 financial year and subsequent years.

If you require further information regarding the land tax changes, please contact us on 1300 301 547.



CHANGES TO OSR CALCULATORS

In the June issue of Rev-Q-News, we introduced you to the new OSR calculator package as part of the introduction of the *Duties Act 2001* and the *Tax Administration Act 2001*. This was extremely well received.

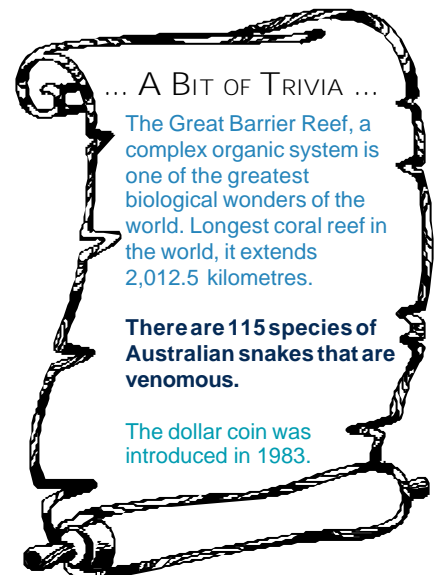
In response to client feedback, we have started a process to convert the calculators to a new operating environment. The new operating environment will have the following benefits:

- ✓ The calculator will not be limited to Microsoft operating systems;
- ✓ Simple installation from the OSR web site;
- ✓ Interactive use over the OSR web site.

If you have a Macintosh operating system, you will be able to download and use the calculators in the future. Installation will be easier and difficulties which may have been experienced previously have been addressed.

The new calculator package is scheduled to be released in December 2002.

We have also become aware of a small problem with the lease calculator when using lease start and lease end dates to determine the term of the lease. An upgrade to the calculators remedying this problem has been available from early September 2002. If you have already downloaded the calculator package, you will be able to upgrade your version so that it is problem free.





EDUCATIONAL AUDITS OF STAMP DUTY SELF ASSESSORS

The Office of State Revenue (OSR) is conducting an educational audit of self assessors registered under the *Duties Act 2001*.

During the *Duties Act 2001* and *Taxation Administration Act 2001* seminars and workshops, clients requested OSR to later evaluate self assessors' returns and identify any problems that may be occurring.

The program will identify any self assessors who may have experienced difficulty adjusting to and complying with the new legislation. Assistance will be given to self assessors in areas where adjustment may be necessary to self assessing systems and processes.

OSR representatives commenced visiting self assessors from 1 September 2002. At least two weeks notice will be provided prior to any visit.

If you have any queries regarding the Educational Audit Program, please contact Kelly McKelvey on 3227 6339.



CLIENT CONTACT CENTRE (CCC) UPDATE

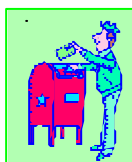
The CCC came online in February of this year, only weeks before the introduction of OSR's new legislation - *Duties Act 2001* and *Taxation Administration Act 2001*. To the end of September 2002, the centre has handled over 63,000 enquiries. The CCC was set up to assist in the implementation of the new duties legislation introduced in March this year and it now acts as a focal point for OSR clients on duties matters.

To ensure that all client questions are resolved quickly, an escalation process has been put in place for both legislative and administrative issues. If one of our client contact officers cannot answer your question, the matter is logged electronically and referred to a more senior officer for consideration and prompt response. At present, over ninety per cent of enquiries are being resolved by the CCC as the first point of contact.

The CCC also deals with a number of enquiries sent via email and has a five day response service standard for these enquiries. Even complex queries are more often than not responded to well within this service standard.

Being a relatively new area, the CCC has been engaging in several skill development and training activities to provide new staff with a solid grounding and understanding of the Duties Act and its application.

For those clients who deal with us on a regular basis, it is suggested that you enter the CCC's number 1300 300 734 into a quickdial position on your phone.



Have you Changed your Address?

Please contact OSR if your details need updating

email - communication@osr.treasury.qld.gov.au or fax - (07) 3836 0442

Please quote the reference number on the envelope.



GRANTS AND SUBSIDIES

FIRST HOME OWNER GRANT

END TO ADDITIONAL GRANTS

Additional grants of \$7,000 and \$3,000 were made available to eligible applicants who entered into a contract to build or buy a new home during the periods 9 March 2001 to 31 December 2001 and 1 January 2002 to 30 June 2002 respectively. Applicants who executed contracts to build or buy new homes during these periods can still apply for the additional grant up to 12 months after the completion or construction of the home or the completion of the contract. To qualify for an additional grant, applicants must be eligible for the original grant.

Eligible applicants who have entered into contracts to build or buy new homes or purchase established properties after 30 June 2002 continue to be entitled to the original grant of \$7,000.

Details regarding the original and additional grants are available from our website www.osr.qld.gov.au or by phoning the First Home Owner Grant Hotline on 1300 300 118.

EDUCATION AND AUDIT PROGRAM

OSR has recently commenced an extensive education and audit program of financial institutions that process applications for the grant on behalf of the Commissioner. The program involves checks of financial institution procedures and processes, as well as the accuracy of information provided in relation to grant applications. This is part of the ongoing compliance program undertaken by the Office in relation to all applications for the grant.

Applicants or their agents who are unsure of eligibility should disclose the full circumstances of their case to the Office with any application for the grant.

FUEL SUBSIDY SCHEME

From 1 October 2002 - Payment of subsidy in advance under the Bulk End User Scheme

An annual return form and explanatory notes were sent to all Bulk End Users who claimed the provisional payment of up to \$500 in advance for the 2001/02 financial year. The information provided in the annual return form is used to reconcile actual use of eligible fuel used against the provisional payment made. It is also used to calculate any provisional subsidy payment for the 2002/03 financial year.

Time limits on claims – A claim for bulk end user fuel must be made within two years of using the fuel. The scheme for Bulk End Users commenced on 1 October 2000.



RECENTLY RELEASED REVENUE RULINGS

Revenue Rulings (Duties):

1531	DA 11.1	02/08/02 Corporate Trustee Duty – Benefit relating to property held on trust by a corporate trustee
1540	DA 20.1	27/05/02 Self Assessors, the <i>Duties Act 2001</i> and the <i>Taxation Administration Act 2001</i>

Revenue Rulings (Pay-roll Tax):

152	PY 2.2	09/08/02 Exclusion from Grouping – Related Corporations, commonly controlled businesses, head and branch businesses, smaller groups subsumed into larger groups
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Revenue Rulings (Land Tax):

180	LT 1.1	24/06/02 Meaning of : “Held for sale” in section 3CA(1)(D) of the <i>Land Tax Act 1915</i>
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Revenue Rulings (First Home Owner Grant):

1303	FHOG 3.1	07/06/02 Rental purchase agreements
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RECENTLY RELEASED PRACTICE DIRECTIONS

Practice Directions (Duties):

2741	DA 26.2	01/07/02 Upstamping of mortgages – Transitional arrangements
2753	DA 38.2	22/06/02 Securitisation transactions
2759	DA 44.2	09/08/02 De Facto Relationship Instruments and De Facto Relationship Property
2762	DA 47.1	30/07/02 Administration of Commercial Native Hardwood Plantation Duty Rebate and Exemption Scheme
2763	DA 48.1	21/05/02 Transfer Duty – Trusts – Exemption for distribution of trust property to a beneficiary
2764	DA 49.1	17/05/02 Business Assets – Residence of a company
2765	DA 50.1	05/06/02 Mortgage Duty & Credit Business Duty – House and land packages



RECENTLY RELEASED PRACTICE DIRECTIONS

Practice Directions (Duties) (cont'):

2767	DA 52.1	14/06/02 Transfer Duty – Transfers and agreements for the transfer of dutiable property from a person to the person as trustee
2768	DA 53.1	22/06/02 Surrender of an option to purchase land in Queensland

Practice Directions (New Fuel Subsidy Scheme):

3504	NFSS 4.1	13/08/02 Meaning of "retailer" – Sale to the public
3505	NFSS 5.1	13/08/02 Meaning of "retail quality" for the retail scheme

Practice Directions (Land Tax):

249	LT 9.1	10/05/02 Principal Place of Residence Deduction – House Demolished or Vacant Due to Renovations
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Practice Directions (Stamp Duty):

354	PD 54.2	30/07/02 Administration of Hardwood Plantation Rebate Scheme
1108	PD 108.1	31/07/02 Abolition of Stamp Duty on transfers of marketable securities quoted on a recognised stock exchange

Practice Directions (First Home Owner Grant):

1403	FHOG 3.1	17/05/02 An interest that is subject to a trust
1404	FHOG 4.1	27/06/02 Residential Property
1408	FHOG 8.1	06/09/02 The eligibility of sublessees and sub-sublessees of certain crown leasehold land for the first home owner grant



INTERNET SUBSCRIPTION SERVICE

OSR offers free of charge, a subscription service that automatically notifies subscribers of newly issued rulings, practice directions and other publications on our website.

If you wish to register to receive automatic notification of changes to OSR's website via Email, send a blank email message (subject and body not required) to:

whatsnew-subscribe@osr.qld.gov.au

You will be sent a confirmation message which you must reply to. Once confirmed, you will receive a welcome message.

Contact Directory

OFFICE HOURS

8.00 am - 5.00 pm Client Contact Centre
8.00 am - 5.00 pm Counter Services
8.30 pm - 4.30 pm Cashiers

REGIONAL OFFICES

Rockhampton

General Address: Level 3,
State Government Building
209 Bolsover Street,
Rockhampton
Postal Address: PO Box 1276,
Rockhampton Qld 4700
Telephone: 1300 300 734
Facsimile: (07) 4938 4912

Townsville

General Address: Level 1,
State Government Building
187-209 Stanley Street,
Townsville
Postal Address: PO Box 988,
Townsville Qld 4810
Telephone: 1300 300 734
Facsimile: (07) 4721 1976

Cairns

General Address: Level 9, Cairns Corporate Tower
15 Lake Street, Cairns
Postal Address: PO Box 2378, Cairns Qld 4870
Telephone: 1300 300 734
Facsimile: (07) 4031 2170

BRISBANE OFFICE

Address: Level G2
200 Mary Street, Brisbane
General Postal Address: GPO Box 2593
Brisbane Qld 4001
Email: enquiries@osr.treasury.qld.gov.au

DUTIES

Client Contact Centre

Address: GPO Box 2593
Brisbane Qld 4001
Telephone: 1300 300 734
Facsimile: (07) 3836 0903
Email: ClientContactCentre@osr.treasury.qld.gov.au
duties@osr.treasury.qld.gov.au

Duty Returns (Brisbane Registrations)

Address: GPO Box 2475
Brisbane Qld 4001
Telephone: 1300 300 734
Facsimile: (07) 3227 7871
Email: returns@osr.treasury.qld.gov.au

LAND TAX

General Land Tax

Address: GPO Box 2476
Brisbane Qld 4001
Telephone: 1300 301 547
(07) 3227 6044
Facsimile: (07) 3227 7577
Email: landtax@osr.treasury.qld.gov.au

Land Tax Clearances

Telephone: 1300 301 548
(07) 3227 6039
Facsimile: (07) 3227 6783

PAY-ROLL TAX

Address: GPO Box 2248
Brisbane Qld 4001
Telephone: 1300 301 546
(07) 3227 8903
Facsimile: (07) 3227 6822
Email: payrolltax@osr.treasury.qld.gov.au

FIRST HOME OWNER GRANT

Address: GPO Box 2593
Brisbane Qld 4001
Telephone: 1300 300 118
(07) 3404 3956
Facsimile: (07) 3227 8292
Email: firsthomeownergrant@osr.treasury.qld.gov.au

DEBITS TAX

Address: GPO Box 2475
Brisbane Qld 4001
Telephone: 1300 300 734
Facsimile: (07) 3227 7871
Email: debitstax@osr.treasury.qld.gov.au

FUEL SUBSIDY

Address: GPO Box 953
Brisbane Qld 4001
Telephone: 1800 814 657
Facsimile: (07) 3227 8769
Email: fuelsubsidy@osr.treasury.qld.gov.au

INVESTIGATIONS

Address: GPO Box 955
Brisbane Qld 4001
General Enquiries: 3227 6177
Informant Line: 3227 8704
Facsimile: (07) 3227 7706

Website: www.osr.qld.gov.au
Client Contact Centre: 1300 300 734
Rev-Q-Fax: 1300 300 089
Client Complaints: 1800 500 263