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Dear Sir/Madam

Transfer Duty: Plot and Plan Transactions

It has come to our attention that there appears to be some confusion in the industry with regard to the consideration that must be reflected on the transfer duty declaration in respect of what is commonly referred to as the "plot and plan" transactions.

In order to provide some clarity in this regard, the following is applicable:

- Where the sale agreement provides for the sale of a plot and a completed building (dwelling) on date of transfer i.e. registration in the Deeds Office, the total consideration of the plot and plan (i.e. land and building) must be reflected on the transfer duty declaration.
- Where the sale agreement provides for the purchase of a plot as at date of registration in Deeds Office and the subsequent construction of the building (regardless of who the building contractor is), the consideration payable for the plot ONLY must be reflected on the transfer duty declaration, irrespective of whether the building is completed on or before date of registration at Deeds Office.
- The transfer duty receipt will therefore reflect the consideration as guided by the transaction concerned.

We trust you find the above in order. Please communicate this to your members.

Sincerely

Mark Kingon

Group Executive: Operational Service Escalations & Support