

Dear Joanne,

How are you today?

As discussed, apologies for the delay in getting these comments to you.

Thank you for the opportunity to provide the industry's views on the proposed Division 81 draft Regulations (GST exempt fees and charges).

The Property Council is the peak body representing the interests of owners and investors in Australia's \$670 billion property investment sector. The Property Council serves the interests of companies across all four quadrants of property investment, debt, equity, public and private.

The Regulations are intended to clarify how the rules in the new Division 81 apply to the industry. We have some suggestions below that will help address some minor issues in the Regulations.

- **Further explanation in Regulations**  
The examples in the attachment to the Explanatory Statement are very good. To aid understanding and increase clarity, these examples and their explanations should be moved to the new Schedules (e.g. new Schedule 9) to the regulations (i.e. in the same manner as Schedule 7 & 8 relate to regulation 40 regarding financial supplies, provides notes with explanations and tables of examples that fall within each category)
- **Specifically mention in kind contributions**  
Whilst "developer contributions" are now captured by regulation 81-15.01(1)(f), perhaps it would be helpful to mention that the developer contributions can include monetary as well as in-kind contributions;
- **Specifically mention capital assets/works gifted to Australian Governments**  
It is not very clear which regulation would apply to capital assets/works gifted to an Australian Government authority – if any.

Please feel free to contact me with any queries.

Kind regards

Elaine Abery | Senior Policy Manager Tax & Capital Markets | Property Council of Australia

Phone: 02 9033 1929 | Mob: 0400 356 140 |

Property Council of Australia House | 11 Barrack Street, Sydney, NSW, 2000

