

## Relocation – Sale or Acquisition of Dwelling Declaration

*Declaration to be made where an employee held a proprietary interest in their former residence, and in order to perform the duties of employment or to take up new employment, there is a need to relocate (for more detail see page two).*

I \_\_\_\_\_, hereby elect pursuant to Section 58 C of the  
(name of employee)  
*Fringe Benefits Tax Assessment Act 1986* that \_\_\_\_\_  
(address of former home/unit etc)

\_\_\_\_\_ was my prior usual place of residence for the purposes of the exemptions available under Section 58 C of the *Fringe Benefit Tax Assessment Act 1986*. I also declare with respect to my prior usual place of residence that ***I have sold/or propose to sell within two years of commencing the new employment position.***

I acknowledge that I have been advised that pursuant to Section 58C(5) of the *Fringe Benefits Tax Assessment Act 1986* that if my prior usual place of residence has not been sold within two years after the day of commencing the new employment position, the benefit will become FBT liable in the year of tax in which the two year period expires. I also advise that the date of commencing employment at the new location *or* the date of commencing the new employment is \_\_\_\_\_ which Section 58C(2)(aa) refers to as the ***new employment day.***

I \_\_\_\_\_, hereby elect pursuant to the Section 58C of  
(name of employee)  
the *Fringe Benefits Tax Assessment Act 1986* that \_\_\_\_\_  
(address of new home/unit etc)

\_\_\_\_\_ will be my new long term usual place of residence, and ***I hereby submit some or all of the purchase costs for this residence for reimbursement subject to the exemption limitations of Section 58C(5) as detailed above, and/or some or all of the incidental costs of sale for reimbursement subject to the general exemption limitations of Section 58 C.***

\_\_\_\_\_  
(signature of employee)

\_\_\_\_\_  
(date of signing)

**The conditions surrounding the exemption of the sale and purchase costs of dwellings as they relate to relocations are laid down in Section 58C of the FBTA 1986. They are summarised as follows:-**

**A transferred employee may be paid the incidental costs of selling a home at his/her former location and purchasing a home at the new location. A benefit arising in respect of these payments will only be exempt from FBT in certain circumstances.**

Costs incidental to the sale and or purchase of a dwelling are stamp duty, advertising, legal fees, agent's commission, discharge of a mortgage, expenses of borrowing or any similar capital expenses.

The prerequisites for these exemptions to apply are:-

1. the employee (or associate) must own a proprietary interest in a dwelling (house & land/flat/home unit);
2. the interest is sold solely because the employee is required to relocate for employment purposes;
3. the employee is notified of the transfer while he/she still owns the dwelling;
4. the dwelling was the usual place of residence;
5. the dwelling is sold within two years of commencing employment at the new location.

If these requirements are met the benefit which arises from the incidental costs of sale will be an exempt benefit.

It is a prerequisite for the exemption of the incidental costs of purchase for the employee to have sold an interest in a dwelling at the prior location, as well as the following:-

1. the employee (or associate) must acquire a proprietary interest in a dwelling (house & land/flat/home unit);
2. the interest must be acquired solely because the employee is required to change his/her usual place of residence to perform the duties of employment;
3. the employee (or associate) must have entered into a contract to acquire the dwelling within 4 years of commencing duties of employment at the new location;
4. the dwelling becomes the new usual place of residence.

If these requirements are met the benefit which arises from the incidental costs of purchase will be an exempt benefit.

All amounts to be reimbursed must be fully supported by documentary evidence which must be provided prior to reimbursement.

HR Policy provides guidance as to the University's conditions and limitations imposed on such payments (see Section E6).