



Archived at the Flinders Academic Commons:
<http://hdl.handle.net/2328/27231>

This is a scan of a document number DUN/Speeches/2524
in the Dunstan Collection, Special Collections, Flinders University Library.
<http://www.flinders.edu.au/library/info/collections/special/dunstan/>

Title:

Statement: Death duties

Please acknowledge the source as:
Dunstan Collection, Flinders University Library.
Identifier: DUN/Speeches/2524

© Copyright Estate Donald Allan Dunstan

STATEMENT FROM THE PREMIER, MR. DUNSTANSUBJECT: DEATH DUTIES

3.5.74

Senator Negus has been reported in both our local papers as saying that "without a doubt S.A. is the worst State in Australia as far as death duties are concerned".

He has also claimed that in S.A., only estates up to \$12,000 are exempt from death duties whereas the figure is \$50,000 in N.S.W. and Queensland, \$24,000 in Victoria and \$15,000 in W.A.

Both these points need answering. Strictly speaking, there can be no comparisons between the States because the basis of assessment is different in each State. Whereas the other States impose estate duty on the entire estate regardless of succession, in S.A. a succession duty is imposed on each individual bequest. This works to the advantage of South Australians-as people can divide their estates in such a way that no tax or very little is due.

Published figures for 1972-1973 show that S.A. collected less death duty per capita than most other states. The per capita collection in N.S.W. was \$14.86, in Victoria \$13.66, in Queensland \$10.28. The amount in S.A. was only \$9.79.

The \$12,000 figure mentioned by Senator Negus applies only in the most limited cases where a widow or dependent child is left only cash and no property or insurance. In most cases other generous rebates are also allowed.

Take the case of a widow who is left a \$20,000 house in her name and her husband's. Her interest in this would be \$10,000. In addition, she is left an insurance policy of \$5,000 and cash and personal effects to the value of another \$5,000. The total value of her bequests, therefore is \$20,000. On this she will be required to pay NO tax at

all. In addition, each of her children can inherit \$12,000 from their father without having to pay duty.

The whole issue of death duties is a complex one and no purpose is served by distorting figures for political ends. The promise made by Mr. Whitlam to review the situation should he be returned in the next elections is a welcome move.

STATEMENT FROM THE PREMIER, MR. DUNSTANSUBJECT: DEATH DUTIES

3.5.74

Senator Negus has been reported in both our local papers as saying that "without a doubt S.A. is the worst State in Australia as far as death duties are concerned".

He has also claimed that in S.A., only estates up to \$12,000 are exempt from death duties whereas the figure is \$50,000 in N.S.W. and Queensland, \$24,000 in Victoria and \$15,000 in W.A.

Both these points need answering. Strictly speaking, there can be no comparisons between the States because the basis of assessment is different in each State. Whereas the other States impose estate duty on the entire estate regardless of succession, in S.A. a succession duty is imposed on each individual bequest. This works to the advantage of South Australians, as people can divide their estates in such a way that no tax or very little is due.

Published figures for 1972-1973 show that S.A. collected less death duty per capita than most other states. The per capita collection in N.S.W. was \$14.86, in Victoria \$13.66, in Queensland \$10.28. The amount in S.A. was only \$9.79.

The \$12,000 figure mentioned by Senator Negus applies only in the most limited cases where a widow or dependent child is left only cash and no property or insurance. In most cases, other generous rebates are also allowed.

Take the case of a widow who is left a \$20,000 house in her name and her husband's. Her interest in this would be \$10,000. In addition, she is left an insurance policy of \$5,000 and cash and personal effects to the value of another \$5,000. The total value of her bequests, therefore is \$20,000. On this she will be required to pay NO tax at

all. In addition, each of her children can inherit \$12,000 from their father without having to pay duty.

The whole issue of death duties is a complex one and no purpose is served by distorting figures for political ends. The promise made by Mr. Whitlam to review the situation should he be returned in the next elections is a welcome move.

FILE
(22)

STATEMENT FROM THE PREMIER, MR. DUNSTAN

SUBJECT: DEATH DUTIES

3.5.74

Senator Negus has been reported in both our local papers as saying that "without a doubt S.A. is the worst State in Australia as far as death duties are concerned".

He has also claimed that in S.A., only estates up to \$12,000 are exempt from death duties whereas the figure is \$50,000 in N.S.W. and Queensland, \$24,000 in Victoria and \$15,000 in W.A.

Both these points need answering. Strictly speaking, there can be no comparisons between the States because the basis of assessment is different in each State. Whereas the other States impose estate duty on the entire estate regardless of succession, in S.A. a succession duty is imposed on each individual bequest. This works to the advantage of South Australians, as people can divide their estates in such a way that no tax or very little is due.

Published figures for 1972-1973 show that S.A. collected less death duty per capita than most other states. The per capita collection in N.S.W. was \$14.86, in Victoria \$13.66, in Queensland \$10.28. The amount in S.A. was only \$9.79.

The \$12,000 figure mentioned by Senator Negus applies only in the most limited cases where a widow or dependent child is left only cash and no property or insurance. In most cases, other generous rebates are also allowed.

Take the case of a widow who is left a \$20,000 house in her name and her husband's. Her interest in this would be \$10,000. In addition, she is left an insurance policy of \$5,000 and cash and personal effects to the value of another \$5,000. The total value of her bequests, therefore is \$20,000. On this she will be required to pay NO tax at

all. In addition, each of her children can inherit \$12,000 from their father without having to pay duty.

The whole issue of death duties is a complex one and no purpose is served by distorting figures for political ends. The promise made by Mr. Whitlam to review the situation should he be returned in the next elections is a welcome move.