

**Summary of main changes made in the Contract for the Sale and Purchase of Land 2017 Edition  
(from the 2016 Edition)**

The Contract for the Sale and Purchase of Land 2017 Edition takes into account changes made in the *Conveyancing (Sale of Land) Regulation 2017* (“Regulation”), which commences on 1 September 2017. The 2017 edition also includes other legislative updates eg. strata legislation.

The edition column indicates the edition in which the change was first made. Changes first made in the 2016/17 edition are also included in the 2017 edition.

ITEM	EDITION	CHANGE	RATIONALE
Page 2, List of Documents	<b>2017</b>	<p>The following Documents have been revised:</p> <ul style="list-style-type: none"> <li>• 8 sewerage infrastructure location diagram (service location diagram);</li> <li>• 9 sewer lines location diagram (sewerage service diagram);</li> <li>• 31 strata by-laws;</li> <li>• 50 information certificate under Strata Schemes Management Act 2015; and</li> <li>• 51 information certificate under Community Land Management Act 1989.</li> </ul>	<p>The description of Documents 8, 9 and 31 has been revised to reflect changes to the prescribed documents in Schedule 1 of the Regulation, effective from 1 September 2017.</p> <p><b>IMPORTANT NOTES</b></p> <ul style="list-style-type: none"> <li>• The effect of revised Item 2 of Schedule 1 of the Regulation is that where the two specified diagrams are available from the relevant recognised sewerage authority, <b>both diagrams</b> must be attached to the contract as prescribed documents.</li> <li>• Under revised Items 6 and 7 of Schedule 1 of the Regulation, <b>any by-laws</b> in force for the relevant strata scheme must be attached to the contract as prescribed documents. Previously under the <i>Conveyancing (Sale of Land) Regulation 2010</i>, only certain by-laws, exclusive use by-laws, needed to be attached to the contract.</li> <li>• Failure to include a prescribed document in the contract allows a purchaser to rescind the contract within 14 days of exchange.</li> </ul> <p>The description of Documents 50 and 51 has been updated for changes in terminology in the <i>Strata Schemes Management Act 2015</i>.</p>
Page 3 Warnings	<b>2017</b>	<p>At the top of page is the new prescribed loose-fill asbestos insulation warning notice.</p>	<p>This new loose-fill asbestos insulation warning is prescribed under Item 16, Schedule 1 of the Regulation. <b>This new warning must be included in contracts exchanged on or after 1 September 2017.</b> Failure to include a prescribed document in the contract allows a purchaser to rescind the contract within 14 days of exchange.</p> <p>The loose-fill asbestos insulation warning is available as a separate document from the <a href="#">Law Society ECOS portal</a> to add to contracts drafted using a prior edition.</p>

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Page 5, Warning 6	<b>2017</b>	Warning 6 has been amended to refer the potential liability for surcharge purchaser duty.	To remind purchasers (and their advisors) of the potential liability for surcharge purchaser duty, which was introduced in 2016. See the <a href="#">OSR website</a> for further details regarding surcharge purchaser duty.
Page 5, Warning 11	<b>2016/17</b>	Warning 11 in relation to the <a href="#">Foreign resident capital gains withholding measure</a> has been amended to remove the reference to \$2 million, and insert instead a generic reference to the legislative threshold from time to time.	To update the warning to take into account the change to the threshold from 1 July 2017 from \$2 million to \$750,000. The warning has been drafted in more generic terms to reflect the change to the threshold and any future changes to the legislated threshold amount.  See section 14-215 of Schedule 1 to the <i>Taxation Administration Act 1953</i> .
Clause 1 Definitions	<b>2016/17 and 2017</b>	New definitions have been inserted in relation to the foreign resident capital gains withholding measure for: <ul style="list-style-type: none"> <li>• “FRCGW percentage” and</li> <li>• “remittance amount”.</li> </ul>	These changes reflect a more generic drafting approach to the applicable FRCGW rate from time to time.  From 1 July 2017 the FRCGW rate increased from 10% to 12.5%. See the <a href="#">ATO website</a> for further details of the changes.
Clauses 7.2.5 and 7.2.6 Claims by purchaser	<b>2017</b>	Minor additional wording has been added to the end of clauses.	To provide additional clarification in relation to the operation of this clause.
Clause 13	<b>2017</b>	Changes have been made to the following clauses: <ul style="list-style-type: none"> <li>• clause 13.1;</li> <li>• clause 13.3 (including changes to subclause 13.3.2 and addition of new subclause 13.3.3);</li> <li>• clause 13.4.3; and</li> <li>• addition of new clause 13.12.</li> </ul>	A different and more commonly used approach to definitions has been adopted in Clause 13.1.  The changes to clause 13.3 and new clause 13.12 are to better reflect the GST calculations necessary to determine adjustments or payments involving third parties, such as rent.  The change to clause 13.4.3 is necessary so that the subclause does not operate where the registration takes effect after supply.
Clause 14.4 Land tax adjustment	<b>2016/17</b>	This clause has been revised to exclude surcharge land tax from any adjustment of land tax pursuant to clause 14.4.	If the contract specifies land tax will be adjusted, any amount payable by a vendor for surcharge land tax will be excluded from an adjustment of land tax. See the <a href="#">OSR website</a> for further details regarding surcharge land tax.
Clause 16.7	<b>2017</b>	A minor simplifying change has been made to clause 16.7	Clarity.

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Clause 20.11 Miscellaneous	<b>2016/17</b>	This clause has been revised to expressly clarify that legislative references to percentages or rates include corresponding amended percentages or rates.	This will expressly capture future changes to legislative rates or percentages.
Clause 23 Strata and Community Title	<b>2017</b>	Changes have been made to the terminology used in this clause, together with changes to the layout, including greater use of subheadings and numbering.	The clause has been updated to reflect the changes in terminology and relevant section references in the <i>Strata Schemes Management Act 2015</i> . Layout changes have been made for clarity.
Clause 23.6 Strata and Community Title – liability for non- regular periodic contributions	<b>2017</b>	Subclause 23.6.2 has been deleted in the 2017 Edition, removing the reference to work having started before the contract date.	The clause has been simplified by removing the need to consider whether work commenced before or after the contract date, in determining liability for a non-regular periodic contribution that was not disclosed in the contract. Under the revised clause 23.6, if the non-regular periodic contribution is not disclosed in the contract, but was determined on or before the contract date, the vendor will be liable for the contribution.
Clause 31.1 Foreign Resident Capital Gains Withholding	<b>2016/17</b>	Clause 31.1 has been revised to remove the reference to the commencement date of the FRCGW measure of 1 July 2016.	The reference is no longer necessary.
Clause 31.2.1 and clause 31.5 Foreign Resident Capital Gains Withholding	<b>2017</b>	Clauses 31.2.1 and 31.5 have been amended to deal with certain scenarios not previously expressly covered in the clause.	<p>The amendment to clause 31.2.1 is to reflect the particulars required in a purchaser payment notification where a direction under clause 4.3 has been served.</p> <p>The amendment to clause 31.5 is to reflect that where a variation to 0.00 percent is served, the purchaser's obligations to withhold and comply with the other obligations in subclause 31.2 do not apply.</p>