

Masters and the wife

Add the wife's name on title, don't forget the masters.

Don't forget that you have to pay stamp duty!

You see, many single men get married and at the time he has an existing property in his name alone.

Now, he wants to make his wife feel secure so after a year or so they are settled into their marriage. He wants (he know she wants it too), so he adds her name on to the title.

But wait...

This is not automatic. You need permission from the masters. Who are the masters?

One of the real masters is the **bank**.

The bank will demand to see the man's latest payslip and they will calculate to see if his income can support himself, his wife and the repayment of the mortgage.

If his income is sufficient that is well and good. If his income is not enough, the bank will ask for evidence of his wife's income. If all incomes are sufficient, the bank (the master) will allow you to add the wife's name. If the master says no, there is nothing that you can do.

If the master agrees, then you can easily add your beloved wife on the title.

Now, if you have more than one property, the second property was an investment property and let's say the bank agree to add your wife's name on title...

There is a catch. There is a second master. The second master is also a gatekeeper. That second master is the Office of State Revenue. This second master makes the law.

The law states that the first property that you live in; there is no stamp duty if you add your wife's name.

However, any subsequent property, your wife has to pay a stamp duty. The stamp duty is the proportion of the transfer price. Example; you might transfer 1% or you might transfer 50%.

In that case, can you say that the property is worth \$2? That way you can avoid a big stamp duty cost.

You see, second master (OSR) is very smart.

This master, will have their own registered and authorised valuers to do the valuation. Your transfer amount is based on that valuation. Of course, you can transfer only 50% or if you are generous you can transfer more. However, most people would seek taxation advice first.

They try to get the best tax benefits. Therefore, you should see your tax accountant before you make the decision to transfer.

Please note that the second Master (OSR) changes their policy regularly and what you are reading here can be obsolete any time.

For the relevant and updated information, please contact Office of State Revenue, NSW. They are the expert and they always give you accurate advice.

Let me emphasise that you must get the right information. The right information is from the source. This is only a general guide and it could be out of date by now because OSR is very capricious with their rules so check with them now!

