



Release Notes for e-Dealing Users

Changes for lawyers and conveyancers as part of Landonline Release 3.21

(.)_Changes to the Land Transfer Tax Statement

LINZ Ref LOLCM-1798

Description

The [Land Transfer Tax Statement](http://www.linz.govt.nz/land/land-registration/prepare-and-submit-your-dealing/land-transfer-tax-statements) (<http://www.linz.govt.nz/land/land-registration/prepare-and-submit-your-dealing/land-transfer-tax-statements>) has been changed to reflect recent amendments to the Land Transfer Act 2017 so consequential changes have also been made to the equivalent form in Landonline. For further information on these changes refer to [Landwrap November 2019](http://www.linz.govt.nz/news/2019-11/landwrap-november-2019) (<http://www.linz.govt.nz/news/2019-11/landwrap-november-2019>).

Details

Changes to the Land Transfer Tax Statement will come into effect from 1 January 2020 specifically:

- Splitting question 3 into two separate questions (3A & 3B)
- Removing the Main Home exemption from question 15

To give time to lodge existing dealings there will be 3 time periods associated with the change.

1. 25 November to 31 December 2019 (Pre-transition)
2. 1 January 2020 to 1 July 2020 (Transition Period)
3. 2 July 2020 onwards (fully implemented)

During the first two periods there are different requirements for answering question 3B and claiming a main home exemption:

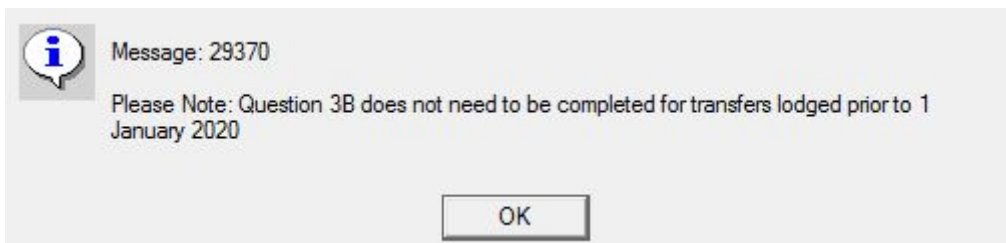
1. Pre-transition Period (25 November Until 1 January 2020)

Property Details

3A. Does the transfer include any land that has a home on it? ☐ Yes ☐ No

3B. Is the transfer a 'main home transfer'? ☐ Yes ☐ No ☐ n/a - transitional period applies

- Question 3B will be optional to answer (it can be left blank regardless of the answer to 3A)

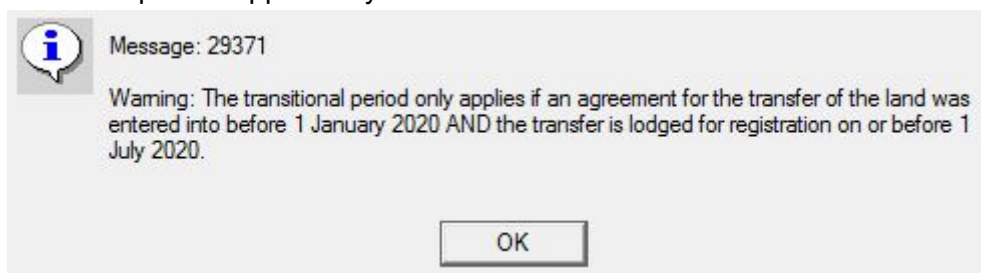


- Message 29370 will display if either 'yes' or 'no' is selected as it is optional to answer.
- Question 15 - Main home exemption will remain selectable.

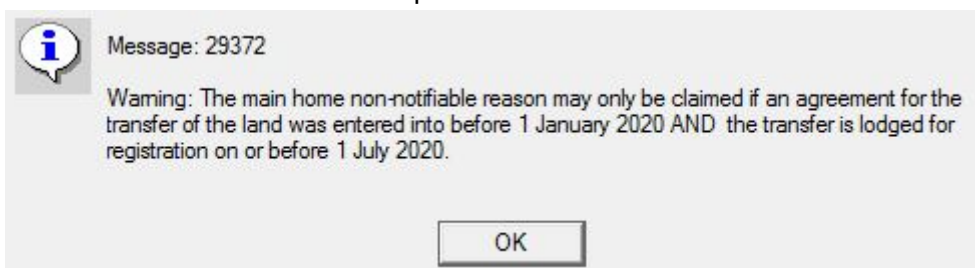
2. Transition Period (1 January 2020 to 1 July 2020)

Property Details	
3A. Does the transfer include any land that has a home on it?	<input type="radio"/> Yes <input type="radio"/> No
3B. Is the transfer a 'main home transfer'?	<input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> n/a - transitional period applies

- Question 3B becomes compulsory if the answer to 3A is 'yes'
 - There is still a 'n/a –transitional period applies' but this should only be used if the 'transition period' applies to your instrument.



- Message 29371 displays if N/A is selected for 3B and "Yes" is selected at 3A
 - Business rule T048 will fail at pre-validation and you will be unable to sign the instrument if 3B is not completed.
- Question 15 – Main home exemption remains available



- Message 29372 displays if the main home exemption is selected.
- If a previously lodged dealing is requisitioned, rejected or withdrawn and the answer to question 3A is 'yes' then you will need to answer 3B prior to re-submitting.

3. Post Transition (2 July 2020 onwards)

Property Details	
3A. Does the transfer include any land that has a home on it?	<input type="radio"/> Yes <input type="radio"/> No
3B. Is the transfer a 'main home transfer'?	<input type="radio"/> Yes <input type="radio"/> No

- Question 3B
 - N/A option is removed in Landonline and the print preview tax form is changed to reflect this.

- Business rule T048 will fail at pre-validation and you will be unable to sign the instrument if 3B is not completed when the answer to 3A is yes.
- Question 15 – Main Home exemption will be removed from the list of exceptions.
- If a previously lodged dealing is requisitioned, rejected or withdrawn and the answer to question 3A is 'yes' then you will need to answer 3B prior to re-submitting if it has not already been answered.

()_Caveat Preparation Changes

LINZ Ref LOLCM-637

Description

Changes have been made to the Prepare Caveat screen as a first step towards allowing certain caveat types to auto-register.

Details

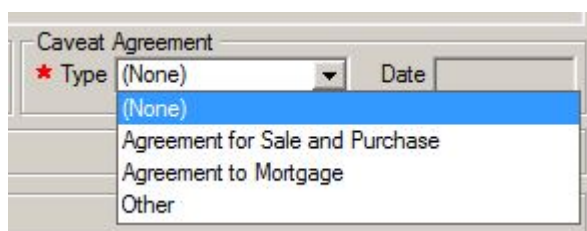
As a result of the 3.21 Landonline release, as from Monday 25 November 2019 those caveats based on Agreements to Mortgage and Agreements for Sale and Purchase will require additional information to enable auto-registration in the future.

This is because from Monday 25 November 2019, Landonline will include new functionality which will provide for entry of Agreement to Mortgage or Agreement for Sale and Purchase information and population of the estate or interest claimed. This is the first step to eventually allow for these caveat types to be automatically registered, provided they meet business rules.

The Prepare Caveat screen has been changed to allow for this information and there will be new fields to complete to ensure the interest claimed is sufficiently clear and linked back to the registered owner if the interest is based on one of these Agreements.

New Prepare Caveat screen

The Prepare Caveat screen will change to allow a customer to select an "Agreement to Mortgage" or "Agreement for Sale and Purchase" agreement type and enter the date of the agreement. As this field is mandatory, you will need to select 'other' if your interest claimed is not based on one of these two agreements.

A screenshot of a software interface showing a dropdown menu for 'Caveat Agreement'. The menu is open, displaying four options: '(None)', 'Agreement for Sale and Purchase', 'Agreement to Mortgage', and 'Other'. The '(None)' option is currently selected and highlighted in blue. To the left of the dropdown is a red star icon and the label 'Type'. To the right is a 'Date' field.

For "Agreement for Sale and Purchase" or "Agreement to Mortgage" you will also need to answer whether there is a 3rd Party involved

A screenshot of a software interface showing two sections. The 'Caveat Type' section has two radio button options: 'Against dealings with land under s138 Land Transfer Act 2017' (selected) and 'Forbidding issue of title removing limitation under s207(1) Land Transfer Act 2017'. The 'Caveat of' section has three radio button options: 'All' (selected), 'Part of Land/Complex', and 'Lease/Mortgage/Other'. Below these sections, a red box highlights a new field: 'Is a 3rd party involved?' with two radio button options: 'Yes' (selected) and 'No'.

Selecting one of these two agreement types prepopulates the estate or interest claimed field with the text below.

If there is a 3rd Party involved or you otherwise need to clarify the interest claimed to accurately record it or the derivation from the registered owner, you will need to edit this field by ticking the 'Edit?' checkbox. If there is a third party involved (such as an Agreement to Mortgage between the caveator as lender, a third party borrower and the registered owner as guarantor) you will need to sufficiently link the caveator, the third party and the registered owner.

The registered owner's name(s) for these agreement types will also auto-populate in the 'Address for Registered Owner field'.

When viewing the Create Dealing screen, it may show that the caveat is an Autoreg instrument. However in the short term until all functionality is implemented, caveats will not automatically register on submission but will continue to stepdown to Lodge. When pre-validating your caveat instrument, you will be advised that your caveat has failed a 10 year check and has stepped down. **LINZ will still process your caveat dealing in the same way it did prior to the release.**

Note:

The 10 year check is currently a manual check made by LINZ staff for all caveat and notice of claim instruments to ensure a second caveat is not entered contrary to section 146 of the Land Transfer Act 2017. The initial part of this check will eventually be performed automatically by Landonline when an instrument is prevalidated, however it is not currently fully operational.

Caveats that were in progress on 25 November 2019

Extra care should be taken with caveats which were in progress at the time of the release on 25 November 2019. This affects caveats which are:

- prepared in draft and have not been submitted in Landonline before 7pm Friday 22 November 2019
- prepared and have been signed and certified but not submitted in Landonline before 7pm Friday 22 November 2019, or which were submitted and then requisitioned, rejected or withdrawn prior to 22 November 2019,
- submitted prior to 7pm Friday 22 November 2019 but which are requisitioned, rejected or withdrawn after the release on 25 November 2019 is implemented.

It does not affect caveats which are submitted prior to the release and are accepted for registration by LINZ following the release.

Caveats prepared in draft and have not been submitted before the release

Due to the way information is held in Landonline currently and how it will be held following the release, caveats which have been prepared but were not signed and certified before the release will need to be re-created.

There are new fields that need to be completed. The caveator field will also be blank and will need to be completed again. This includes:

- Agreement type
- Agreement date (if applicable)

- Is a 3rd Party involved? (if applicable)
- Caveator
- Interest Claimed

A screenshot of the new Prepare Caveat screen you will see after 25 November is shown below.

If an “Agreement to Mortgage” or “Agreement for Sale and Purchase” agreement type is selected, the interest claimed field will auto-populate. Any required changes can be made by ticking the ‘edit?’ checkbox.

Caveat fully prepared prior to the release

Provided the caveat does not need to be edited before submitting it, no additional action is required. All the information that was entered at the time of signing will be retained as long as the instrument is not edited.

If the Prepare Caveat screen were to be opened, the caveator field is now showing as blank. Landonline continues to hold this information and this is not an issue requiring any action as long as the instrument preview displays as expected.

If the caveat needs to be edited before submitting (or re-submitting if the caveat was returned as requisitioned, rejected or withdrawn prior to the release), additional action will be required.

When certifications are cleared, the caveat will need to be completed in the new form. The same process as set out below in **Caveat returned after release as requisitioned, rejected or withdrawn** should be followed.

Caveat returned after release as requisitioned, rejected or withdrawn

Caveats which are returned to a user's workspace from Monday 25 November may require additional action by them.

If no changes are required to the caveat before re-submitting (i.e. the dealing has been returned because of changes needed to another instrument in the dealing), no additional action is required. All the information that

was entered at the time of signing will be retained. If the Prepare Caveat screen were opened, the caveator field is now blank. In this scenario this is not an issue and does not require any action as long as the instrument preview displays as expected.

If the caveat must be amended in order to re-submit it (i.e. there are requisition or rejection issues to be addressed), when the certifications are cleared, the caveat will need to be completed in the new form. This means that the new fields need to be completed. The caveator field will also be blank and will need to be completed again. This includes:

- Agreement type
- Agreement date (if applicable)
- Is a 3rd Party involved? (if applicable)
- Caveator
- Interest Claimed

If an “Agreement to Mortgage” or “Agreement for sale and purchase” agreement type is selected, the interest claimed field will auto-populate. Any required changes can be made by ticking the ‘edit?’ checkbox.

Note

A caveat that has been requisitioned after 25 November 2019 will always return to LINZ as a Lodge dealing upon submission.

Last Updated: 22 November 2019