

CIRCULAR TO:

ALL MEMBERS

NO. 130/00

GREASY WOOL FUTURES CONTRACT
WOOL TAX

Members are advised that the wool tax rate is decreasing from 4% to 3% on the 1 July 2000.

Wool tax is paid, by the woolgrower, the first time wool is sold. The Warehouse Receipt indicates whether or not wool tax has been withheld. If wool tax has been withheld and submitted to the Australian Tax Office (ATO) the "Wool Tax Withheld Y/N" field on the Warehouse Receipt will show "Y". Where "N" is shown on the Warehouse Receipt, SFECH will calculate and withhold the appropriate amount of Wool tax from the Buyer. The SFECH will collect the Wool Tax amount from the Seller and forward it to the ATO.

Further Information

Should a Member require further information with regard to the change in the rate of wool tax, enquires should be directed to:

Patrick Cogswell, Settlements Administrator – Tel: (02) 9256 0632 or

Greg Fitzpatrick, Settlements Administrator – Tel: (02) 9256 0642

MARGARET WILLETT
SENIOR RESEARCH ANALYST, COMMODITIES

29 JUNE 2000