

FACT SHEET

LAND TAX AMENDMENT BILL 2020

- In response to the COVID-19 pandemic, the Government announced a range of economic support measures. The measures announced to date include an exemption from land tax in the 2020-21 financial year for commercial property owners that have been adversely financially impacted by COVID-19. The Land Tax Amendment Bill 2020 amends the *Land Tax Act 2000* to provide for this exemption.
- The Bill amends Division 2 of the Land Tax Act to include an additional exemption for commercial land in 2020-21, if for that year:
 - the Commissioner is satisfied the land is commercial land based on:
 - the property having a commercial land Valuation Property Classification Code, as issued by the Valuer-General under the *Valuation of Land Act 2001*; or
 - other grounds that the Commissioner considers reasonable in the circumstances; and
 - the land owner has been adversely financially impacted by COVID-19, in a manner that is unexpected and not insignificant, by either:
 - a reduction in the amount of income payable to the owner in respect of the land, as a result of COVID-19, including a loss of rent or licence fees; or
 - the land being vacant/available for rent, as a result of COVID-19, despite the owner taking reasonable actions to advertise that the land is available; or
 - where the land owner operates a business on the land, the land owner's business operated on the land has been affected by COVID-19.
- The Bill provides the Commissioner with broad discretion to administer the exemption, including determining whether the land owner has been adversely financially impacted and whether land is (or is not) commercial (for example if the Valuer-General has not updated a classification for some time). The Commissioner's discretion and decisions will be non-reviewable.
- Applications for the land tax exemption must be made to the Commissioner before 1 July 2021.

Commencement

- The Bill commences on 1 July 2020.