

Exemption/Deduction Claim – Principal Place of Residence (PPR) Trustees

Land Tax Act 1915 s.3E, s.3EA, s.3EAA, s.3F, s.11(6D), s.11B(3A), s.11BA(4), s.11EA, s.26A

(Please read Notes to Form LT13 when completing this claim.)

Land owner details	Client number (if known)	<input style="width: 100%;" type="text"/>		
	Trust name	<input style="width: 100%;" type="text"/>		
	Trustee name/s	<input style="width: 100%;" type="text"/>		
	Date/s of birth	<input style="width: 20px;" type="text"/>	/	<input style="width: 20px;" type="text"/>
	ABN	<input style="width: 150px;" type="text"/>	ACN	<input style="width: 150px;" type="text"/>
Contact details	C/-	<input style="width: 100%;" type="text"/>		
	Unit/Flat/Building	<input style="width: 100%;" type="text"/>		
	House no/Street/PO Box	<input style="width: 100%;" type="text"/>		
	Suburb	<input style="width: 150px;" type="text"/>	State	<input style="width: 100px;" type="text"/>
	Postcode	<input style="width: 100%;" type="text"/>		
	Email address	<input style="width: 100%;" type="text"/>		
	Contact person's name	<input style="width: 150px;" type="text"/>	Telephone number	<input style="width: 100px;" type="text"/>
Liability date	This claim is made for land owned as at 30 June <input style="width: 20px;" type="text"/> <input style="width: 20px;" type="text"/> <input style="width: 20px;" type="text"/> <input style="width: 20px;" type="text"/>			
Land details	The land for which the deduction is claimed is described as follows: Lot No. Plan type Plan No. Street Address (e.g. SP, RP)			
	<input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	<input style="width: 50px;" type="text"/>	<input style="width: 150px;" type="text"/>
Question 1	At the liability date, did the following apply?			
	(a) the land was comprised of 1 parcel only (refer Notes)	Yes	<input type="checkbox"/>	No <input type="checkbox"/>
	(b) the land was used as the PPR of all the beneficiaries of the relevant trust who were beneficiaries at the liability date.	Yes	<input type="checkbox"/>	No <input type="checkbox"/>
	(c) the land and no other land was used for residential purposes continuously by all the beneficiaries for the period of 6 months immediately preceding the liability date.	Yes	<input type="checkbox"/>	No <input type="checkbox"/>
	<i>If 'No', please provide full details</i>			
	<input style="width: 100%; height: 40px;" type="text"/>			
	(d) the land was not used by one or all of the beneficiaries as their PPR due to their hospitalisation or residential care needs.	Yes	<input type="checkbox"/>	No <input type="checkbox"/>

Question 1 (continued)	<p><i>If 'Yes' and your PPR was rented during the time of any beneficiary's absence, please provide full details including duration and amount of rent charged.</i></p> <div style="border: 1px solid black; height: 100px; width: 100%;"></div>
Question 2	<p>Was the land used for a single 'family letting'? (see the Notes to this form) Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>If answered NO, go to Question 3.</p> <p>If answered YES:-</p> <p>Was the land used for any non-PPR purpose? Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>If answered NO, go to the Beneficiary Details Block.</p> <p>If answered YES, go to Question 4.</p>
Question 3	<p>Was the land or any part of the land used for a non-PPR purpose? (see the Notes to this form)</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>If answered NO, go to the Beneficiary Details Block.</p> <p>If answered YES, go to Question 4.</p>
Question 4	<p>Was the land used for a single 'allowable letting'? Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>(see the Notes to this form)</p> <p>Go to Question 5.</p>
Question 5	<p>Was the land used by a person who resided on the land and carried out work on the land, as an employee under an arrangement with the person's employer?</p> <p>(see the Notes to this form) Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Go to Question 6.</p>
Question 6	<p>Was the land used for any non-PPR purpose not mentioned in Question 4 and 5? Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>If answered NO, go to the Beneficiary Details Block.</p> <p>If answered YES, provide a brief description of the usage and go to Question 7.</p> <div style="border: 1px solid black; height: 100px; width: 100%;"></div>
Question 7	<p>Was the non-PPR use substantial? Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>If answered NO, go to the Beneficiary Details Block.</p> <p>If answered YES, provide full details, including the information requested in the Notes relating to Question 7.</p> <div style="border: 1px solid black; height: 100px; width: 100%;"></div> <p>The proportion of the land being used as a PPR was <input type="text"/> %.</p> <p>Once the details have been inserted, go to the Beneficiary Details Block.</p>

Beneficiary Details Block	List the names and addresses of all the beneficiaries of the trust at the liability date and attach the information requested in the Notes to this form.		
	Name of beneficiary	Date of birth	Residential address
	<input type="text"/>	<input type="text"/>	<input type="text"/>
	<input type="text"/>	<input type="text"/>	<input type="text"/>
	<input type="text"/>	<input type="text"/>	<input type="text"/>
	List the names of the beneficiaries using the land as their PPR at the liability date.		
	Name of beneficiary		
	<input type="text"/>		
	<input type="text"/>		
	<input type="text"/>		
	<input type="text"/>		
	Once the details have been inserted, go to the Signature Block .		

Signature Block	I declare I am authorised to complete this claim and the information detailed in this claim and any accompanying documents is true and correct.		
	Name (Full name of person completing this claim)	<input type="text"/>	
	Signature	<input type="text"/>	Date
			<input type="text"/> / <input type="text"/> / <input type="text"/>

This claim is required to be lodged with the Commissioner of State Revenue, Office of State Revenue.

The Office of State Revenue is collecting the information on this form to determine your liability (if any) under the *Land Tax Act 1915* for the transactions you have described on this form. Collection of this information is authorised by the *Land Tax Act 1915* and the *Taxation Administration Act 2001*. Your personal details will not be disclosed to any other third party without your consent unless required to do so by law. For further information see our website at www.osr.qld.gov.au

Notes to Form LT13

Land Owner Details

This form is to be used when the owner is a trustee of a trust. If the owner is a trustee of a deceased estate the Form LT 14 should be completed.

Land Details

The real property description (that is, the lot and plan number) can usually be found on your council rates notice, valuation notice issued by the Department of Environment and Resource Management or correspondence issued by the Office of State Revenue (OSR).

Question 1

If you are uncertain about what constitutes a principal place of residence, you should refer to Public Ruling Land Tax LTA003E.1.1 'When land is used as a Principal Place of Residence'.

Parcel means an area of land that is the subject of a separate valuation made by the chief executive under the *Valuation of Land Act 1944*.

Owned includes any land which you were deemed to own in Queensland under the *Land Tax Act 1915*.

Question 2

Family letting means an arrangement where each of the following applies:-

- the land is used as the principal place of residence of a person [a beneficiary] (the principal resident);
- the principal resident has given a member of the principal resident's family the right to live on the land under a tenancy agreement;
- the gross floor area of the residential area to which the right relates (the leased area) is not more than 50% of the total floor area of all residential areas on the land;
- the family member uses the leased area for residential purposes and has not given the right to occupy any part of the leased area to another person under a tenancy agreement;
- the rent payable for the leased area is not more than the market rent for the area.

If you have more than one family letting, the lettings will be considered to be a non-PPR purpose.

It is not a family letting if the leased area is 1 of 3 or more flats in a building and the leased area is not used for residential purposes by the principal resident.

Tenancy Agreement includes any of the following –

- (a) a lease or licence;
- (b) an agreement or arrangement about boarding or lodging for a person.

Member of a person's family means each of the following –

- (a) the person's spouse;
- (b) the parents of the person or the person's spouse;
- (c) the grandparents of the person or the person's spouse;
- (d) a brother, sister, nephew or niece of the person or the person's spouse;
- (e) a child, stepchild or grandchild of the person;
- (f) the spouse of anyone mentioned in paragraph (d) or (e).

Non-PPR purpose means any purpose that is other than the principal resident's principal place of residence.

Question 3

Non-PPR purpose (as defined in Question 2).

Question 4

Allowable letting means a person (the occupant) other than the principal resident has been given the right to occupy an allowable residential area on the land under a tenancy agreement, if -

- (a) the area is used by the occupant for residential purposes; and
- (b) the occupant has not given the right to occupy any part of the area to another person under a tenancy agreement; and
- (c) the rent payable for the area is not more than the market rent for the area.

Tenancy Agreement (as defined in Question 2).

Non-PPR purpose (as defined in Question 2).

Allowable residential area means a residential area that is not more than 28m² or, if another area is prescribed under a regulation, the prescribed area, except a residential area that -

- (a) is 1 of 3 or more flats in a building; and
- (b) is not used for residential purposes by the principal resident.

Question 5

The work-from-home arrangements do not include excluded work. **Excluded work** means work involving use of the land for a purpose for which, or in a manner in which, residential land is not ordinarily used.

Non-PPR purpose (as defined in Question 2).

Question 7

Details provided should include the type of activity, the area of land/ buildings used, gross income, tenancy agreements and any other relevant facts that may apply.

Tenancy Agreement (as defined in Question 2)

Substantial non-PPR purpose – In deciding whether land is being used for a substantial non-PPR purpose, the following factors will be taken into account:-

- whether a person other than the principal resident has been given a right to occupy any part of the land under a tenancy agreement;
- whether a person, other than the principal resident or a member of the principal resident's family who uses the land as his or her principal place of residence, carries out work on the land as an employee or contractor, other than related to the land itself or a building situated on the land;
- the extent to which a person uses the land, or has set the land aside for use, for a non-PPR purpose;
- whether the gross income generated during the most recently ended financial year from business or income producing activity on the land is more than \$30,000;
- any other relevant matter.

Proportion used as a PPR

The **allowable PPR deduction** is determined by working out the portion of the land being used as the PPR in relation to the whole of the land. To calculate the percentage, apply the following formula-

$$\frac{A}{B} \times 100\%$$

A = The area of land used as the PPR.

B = The total area of the land.

Insert the percentage in the appropriate box in Question 6.

The final allowable PPR deduction will be determined after the Commissioner of State Revenue has also taken into account the extent to which the land was used for PPR and substantial non-PPR purposes.

If you are uncertain how to calculate the percentage or whether the deduction applies at all, you should refer to Public Ruling LTA003EA.1.1 *The Land Tax Concession for a Principal Place of Residence* which is available on the OSR website.

Beneficiary Details Block

In all trusts except a discretionary trust, the beneficiaries are every person who was a beneficiary of the trust during the period of 12 months immediately preceding the liability date.

In the case of a discretionary trust – the beneficiaries are those persons in whose favour a power of appointment has been exercised by any person during the 12 months immediately preceding the liability date.

A **power of appointment** is a power granted by the settlor to a specified person or to the appointer to select or appoint a beneficiary or beneficiaries from a general or specific class to take an interest in some property, real or personal, of the trust and involves an exercise of discretion in relation to the distribution. A power of appointment is normally exercised to distribute the income of the trust or to provide a benefit in relation to the income or capital of the trust (i.e. a right to reside). Where a power of appointment has not been exercised by the trustee, the trust deed will be examined to determine the beneficiaries who 'take in default'.

Provide the following information:-

- a copy of the Trust Deed including any variations/amendments thereto (unless previously provided);
- copies of any "power of appointment" made during the 12 months preceding the liability date;
- evidence to support any right to reside in relation to the PPR.

General

If the exemption claim is allowed, the exemption applies for the liability date and subsequent years. You do not have to re-apply each year, unless you are specifically asked to do so or the proportion of the land used for a non-PPR purpose changes.

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