



1999/2000 LAND TAX INFORMATION SHEET

The provisions of the Land Tax Act 1915 should be referred to for ascertaining liability to land tax and eligibility for concessions. The following is provided for general information purposes only. Further information may be obtained by phoning (07) 3227 6044 or for the cost of a local call 1300 301 547 or Fax (07) 3227 7577.

<p>Brisbane Office Upper Plaza 33 Charlotte Street Brisbane Qld 4000 GPO Box 2476 Brisbane Qld 4001</p>	<p>Cairns Office Level 9 Cairns Corporate Tower 15 Lake Street PO Box 2378 Cairns Qld 4870</p>	<p>Townsville Office Level 1 State Government Bldg 187-209 Stanley St PO Box 988 Townsville Qld 4810</p>	<p>Rockhampton Office Level 3 State Government Bldg 209 Bolsover Street PO Box 1276 Rockhampton Qld 4700</p>	<p>OSR Website www.osr.qld.gov.au</p>
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LAND TAX LIABILITY

Land tax in Queensland is an annual tax levied on the land tax value (see Note 1) of all freehold land that a person owns in Queensland as at midnight 30 June of each year. The land tax assessed to an owner is for the following financial year but this office makes no pro rata adjustments of tax where the owner disposes of the land during that financial year.

Owners may be liable for land tax where the unimproved value of land owned by them at 30 June 1999 is equal to or greater than:

- \$221,665 for all natural persons (other than absentees (see Note 2) and trustees), deceased estates under administration;
- \$100,000 for companies, trustees (including trustees of testamentary trusts), absentees, joint ownerships where there are 5 or more joint owners, clubs, associations, societies, managers of time-share schemes.

Exemptions/deductions may apply in calculating the taxable value of a person's land.

Land tax is calculated according to a sliding scale of rates (maximum 1.8%). There is a general rebate of 15% for all taxpayers as well as a special rebate for companies and trusts with taxable landholdings valued at less than \$165,000. (See tax rates, rebates overleaf).

Where there are five or more joint owners of land, the Commissioner may make one assessment and declare any joint owner of the land to be the agent or trustee for all joint owners of the same land.

Note 1: Land Tax Value – This is the lesser of the unimproved value effective as at 30 June 1999 or the average of the unimproved values effective as at 30 June 1997, 30 June 1998 & 30 June 1999.

Note 2: Absentee – This is an individual who does not ordinarily reside in Australia or its territories. This includes a person who is absent from Australia or its territories as at midnight on 30 June 1999 or during more than half of the 12 months prior to 30 June 1999 unless the Commissioner of Land Tax is satisfied that they ordinarily reside in Australia. An employee who meets qualifying criteria and who is absent from Australia in the performance of their duty is not considered an absentee.

EXEMPTIONS/DEDUCTIONS

All exemptions and deductions (except statutory deduction) need to be claimed. Relevant claim forms can be downloaded from the OSR website (www.osr.qld.gov.au) or are available from the Office of State Revenue. If granted, the exemption/deduction will be allowed for the same land in subsequent years. **The Office of State Revenue must be notified in writing where an owner is no longer eligible for an exemption/deduction allowed in a previous year.**

STATUTORY DEDUCTION

The statutory deduction of \$200,000 is automatically allowed for all natural persons owning land in Queensland who are residents of Australia (except where an owner receives a deduction for business of agriculture, etc – see overleaf). The difference between the threshold for natural persons and the statutory deduction (ie. \$21,665) is equivalent to \$100 in land tax. Assessments are not issued where the net tax is less than \$100.

There is no statutory deduction for companies, trustees, absentees, etc.

PRINCIPAL PLACE OF RESIDENCE

Qualifying criteria:

The owner must be –

- a natural person (who is not an absentee) and the dwelling or unit on the land must be used by the owner as their principal place of residence; or
- a trustee where all of the beneficiaries of the trust reside on the land as their principal place of residence.

No part of the land or any buildings on the land can be rented, leased or let or used for a business activity.

NB: Land is not used as a principal place of residence under the provisions of the *Land Tax Act 1915* unless (a) that land (and no other land) has, for the 6 months immediately preceding 30 June 1999, been continuously used for residential purposes by the owner, and for no other purpose or (b) the Commissioner of Land Tax is otherwise satisfied as to eligibility (eg. so used from date of purchase).

AGRICULTURE, PASTURAGE, DAIRY FARMING

Qualifying criteria: The owner must be –

- a natural person who is not an absentee (other than an Australian citizen); or
- a relevant proprietary company (**see Note 3**) or an exempt charitable institution; or
- a trustee of a trust who is either a natural person (who is not an absentee) or a relevant proprietary company.

The land must be used all or in part for the business of agriculture, (**see Note 4**) pasturage or dairy farming (ie. not a hobby farm).

Should the total value of the land owned by a natural person and used for the business of agriculture, pasturage or dairy farming exceed \$200,000, the amount of the deduction will be the value of that land. **If this deduction is granted, the statutory deduction will not apply.**

Note 3: Relevant proprietary company means a proprietary company that is not an exempt foreign company and in which no share or interest is held by a body corporate other than another proprietary company that is not an exempt foreign company. "Proprietary company" is defined under Section 9 of the Corporations Law.

Note 4: Agriculture also includes activities such as aquaculture and hydroponics.

SOCIETIES, CLUBS, ASSOCIATIONS

Qualifying criteria: The society/club/association etc. must not be run for pecuniary profit.
The land must be used by the owner for its aims or objects and must not be rented, leased or let.

RELIGIOUS, CHARITABLE, BENEVOLENT OR EDUCATIONAL INSTITUTIONS

Qualifying criteria: The institution must be an exempt charitable institution.
The land must be used for a qualifying exempt purpose.

Please contact this Office to discuss your eligibility or for additional information.

1999/2000 TAX RATES

<u>Taxable Value</u>	<u>Tax Payable</u>
Less than \$400020c in each \$
\$4,000 - \$5,999	\$8.00 plus .36c in each \$ more than \$ 4,000
\$6,000 - \$9,999	\$15.20 plus .52c in each \$ more than \$ 6,000
\$10,000 - \$29,999	\$36.00 plus .70c in each \$ more than \$ 10,000
\$30,000 - \$49,999	\$176.00 plus .87c in each \$ more than \$ 30,000
\$50,000 - \$199,999	\$350.00 plus 1.03c in each \$ more than \$ 50,000
\$200,000 - \$349,999	\$1,895.00 plus 1.20c in each \$ more than \$ 200,000
\$350,000 - \$499,999	\$3,695.00 plus 1.37c in each \$ more than \$ 350,000
\$500,000 - \$649,999	\$5,750.00 plus 1.54c in each \$ more than \$ 500,000
\$650,000 - \$799,999	\$8,060.00 plus 1.71c in each \$ more than \$ 650,000
\$800,000 - \$949,999	\$10,625.00 plus 1.89c in each \$ more than \$ 800,000
\$950,000 - \$1,099,999	\$13,499.00 plus 2.01c in each \$ more than \$ 950,000
\$1,100,000 - \$1,249,999	\$16,475.00 plus 2.23c in each \$ more than \$ 1,100,000
\$1,250,000 - \$1,299,999	\$19,820.00 plus 2.44c in each \$ more than \$ 1,250,000
\$1,300,000 - \$1,349,999	\$21,040.00 plus 2.66c in each \$ more than \$ 1,300,000
\$1,350,000 - \$1,399,999	\$22,370.00 plus 2.87c in each \$ more than \$ 1,350,000
\$1,400,000 - \$1,449,999	\$23,805.00 plus 3.09c in each \$ more than \$ 1,400,000
\$1,450,000 - \$1,499,999	\$25,350.00 plus 3.30c in each \$ more than \$ 1,450,000
\$1,500,000 or more	1.80c for each and every \$

GENERAL REBATE FOR ALL TAXPAYERS = 15%

SPECIAL REBATE FOR COMPANIES AND TRUSTEES (in addition to the general rebate)

<u>Amount of taxable value</u>	<u>%</u>
\$1 or more but less than \$150,000	25
\$150,000 or more but less than \$155,000	18.75
\$155,000 or more but less than \$160,000	12.50
\$160,000 or more but less than \$165,000	6.25