



F A C T S H E E T

Land Tax 2004 – What You Need to Know

Land tax rate for 2004

The land tax rate for this year is 1.7 per cent.

New higher thresholds

The 2004 land tax threshold is \$317 000, up \$56 000 on last year. You may be liable if the value of land you own, other than your principal place of residence, has a total value of \$317 000 or more.

The premium property tax for 2004 only applies to a principal place of residence where the land value is \$1.97 million or more. The new threshold of \$1.97 million is up \$290 000 on last year.

Your land tax notice of assessment

Your notice of assessment contains full details of all land held including exempt land and any unpaid land tax from previous years. A support schedule shows this information in detail.

Variation returns

A variation return is also included. Please check all information on your notice of assessment.

If you believe there is an error, please complete and lodge the variation return or contact us.

A variation return must be received on or before the first instalment date, or within 40 days of the issue of a 'nil' assessment, or as otherwise requested. Returns lodged after this date will incur interest.

There is no need to lodge a variation return if the assessment is correct.

Changes to principal place of residence provisions

The following changes to the principal place of residence provisions come into effect for the 2004 tax year:

- **Concession for land used for incidental business purposes** – An exempt principal residence may be used for incidental business purposes, including the use of one room (such as a home office or workshop), if the business is primarily conducted elsewhere.
- **Concession for unoccupied land intended as the owner's principal place of residence** – Certain restrictions have been removed from the current exemption for land on which a new family residence is being built or an existing residence is being refurbished. Once completed the new residence must be used and occupied by the owner for at least six months.
- **Concession for sale of a former principal place of residence** – An exemption may be claimed for two residences where the owner has bought a new residence and is in the process of selling the former residence, but the former residence has to be sold by 30 June 2004.
- **Concession for absences from former residence** – The existing concession has been extended to include circumstances where an owner is absent from the home for extended periods but resumes occupation within six years.
- **Only one principal place of residence for all members of the same family** – Each family, including dependents under 18 years, are allowed a concession for only one property. Where more than one residence is used, you need to elect which property will be treated as your family's principal place of residence.
- **Heritage Act land** – From 2004, all heritage land will be aggregated with other taxable land.





Land Tax 2004 – What You Need to Know Factsheet

Payment options

Your notice of assessment has two payment options:

Option 1 – Upfront payment

If you pay in full by the first instalment due date, you are entitled to a 1.5 per cent discount. To receive this discount you must pay all overdue amounts.

Option 2 – Instalment plan

You may pay in three instalments but you will not receive the discount. Your first instalment payment will include any overdue amounts, interest or penalty tax. You should be aware that if any instalment is not paid by the due date, the whole assessment becomes payable. Interest for late payment is then charged.

If you are unable to pay your land tax by the instalment due dates or you want to discuss payment of your assessment please contact the Collections Branch on (02) 9685 2180.

Online services

Return forms can now be completed and lodged directly online to OSR. For details visit our website: www.osr.nsw.gov.au

The following forms can also be downloaded in Microsoft Word or pdf format:

- initial and variation returns
- applications for clearance certificates
- application for valuation certificates.

Other services available include:

- Revenue Rulings
- links to land tax legislation.

Do you need extra time to pay?

If you are unable to pay your land tax by the prescribed instalment dates or you believe that payment of your land tax assessment may cause you financial hardship, please contact our collections branch on (02) 9685 2180 before the due date to make alternative payment arrangements.

Approval to defer payment may be granted, but interest may be charged at rates specified in the *Taxation Administration Act 1996*.

If you are a premium property taxpayer who holds a Pensioner Concession Card or Seniors Health Card, you may apply to defer your land tax payment indefinitely. In these cases, interest will be charged at the rate of increase in the Consumer Price Index (CPI) for the relevant period.

How are valuations made?

Annual valuations

Annual valuations for land tax are made by the Valuer-General as at 1 July preceding each land tax year. These values should not be confused with those made every three years for local government rating purposes. The Register of Land Values is maintained by the Land and Property Information Division of the Department

of Lands, on behalf of the Valuer-General.

Your land tax liability for 2004 is based on all liable land owned at midnight 31 December 2003.

What if I disagree with the land value?

You can obtain further information about objections to land valuations by contacting Land and Property Information directly:

Phone: 1800 110 038 (NSW only)
or (02) 8258 7400
8.30am – 4.30pm Mon – Fri

Website: www.lands.nsw.gov.au

If you disagree with the land value of any property shown on your land tax assessment you can object by writing to:

Land Value Objection
The Valuer-General
GPO Box 15, Sydney NSW 2001

Your objection letter should include:

- your name and postal address;
- the property reference number, Lot and Plan number and the address of the property;
- your reasons for lodging the objection;
- any supporting information; and
- copy of the Land Tax Assessment Notice.

Your written objection will be acknowledged upon receipt. The objection will be reviewed and the Valuer-General will provide a written determination.

More information

Phone

1300 139 816*

Email

landtax@osr.nsw.gov.au

Phone hours

8.30am – 5.00pm Mon – Fri

Internet

www.osr.nsw.gov.au

* Interstate clients should call (02) 9689 6200.



Office of State Revenue
NSW TREASURY