

# Land Tax (Affordable Community Housing) Determination 2019 (No 2)

## Disallowable instrument DI2019–228

made under the

*Land Tax Act 2004*, s 13A (5) (a) (Determination of eligibility criteria)

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### 1 Name of instrument

This instrument is the *Land Tax (Affordable Community Housing) Determination 2019 (No 2)*.

### 2 Commencement

This instrument is taken to have commenced on 28 March 2019.

### 3 Definitions

In this instrument:

*Act* means the *Land Tax Act 2004*.

*affordable community housing*—see the Act, section 13A (8).

*child* means a person 18 years of age who is financially dependent on a person within an eligible household.

*registered community housing provider*—see the Act, section 13A (8).

*owner*, for a parcel of land, includes:

- (a) the owner of the parcel of land; or
- (b) if the owner has authorised an agent to act on the owner's behalf in relation to the parcel – the agent.

### 4 Determination—eligibility criteria (owner)

For the purposes of section 13A (5) (a) of the Act, I determine the criteria that an owner of a parcel of land must satisfy before being eligible for an exemption under section 13A of the Act to be:

#### (a) *Criterion 1*

An owner must:

- (i) have entered into an agreement with a registered community housing provider to make available the owner's parcel of land for the purpose of affordable community housing; and

- (ii) within 14 days of the rental of the parcel for affordable community housing, provide to the Commissioner for ACT Revenue:
  - (1) a copy of the agreement described in 4 (a) (i); and
  - (2) any other information the Commissioner may require to substantiate that the owner's parcel is rented in accordance with the criteria set out in this instrument.

(b) **Criterion 2**

- (i) The owner's parcel of land must be rented at a rate that is less than 75 per cent of the current market rent.
- (ii) For the purposes of this criterion, **market rent** means rent that would be charged by the lessor of a parcel of land if the land were rented by a willing lessor to a willing tenant:
  - (A) dealing with each other at arm's length; and
  - (B) each of whom had acted knowledgeably, sensibly and without compulsion.

(c) **Criterion 3**

- (i) The owner's parcel must be rented by a person or persons whose combined gross income is less than or equal to the income limits provided in (A) or (B) below, whichever is the greater:
  - (A) \$100,000 per annum; or
  - (B) the amounts described in Table 1.

**Table 1—Household composition income limits 2018-19 year**

	income limit (per annum)
First adult	\$50,489
First sole parent	\$53,104
Each additional adult	\$19,315
Each child	\$16,748

- (ii) The income limits mentioned in 4 (c) (i) (B) for a household for each subsequent year beginning 1 May are the amounts for the previous year indexed in accordance with the tenant income index, rounded to the next whole dollar.
- (iii) For the purposes of this criterion:
 

**combined gross income** as it relates to a person or persons renting an owner's parcel, means the combined gross income of that person or those persons at the time the parcel of land is first rented.

*tenant income index* means the All Groups component of the Consumer Price Index, Percentage Change from Corresponding Quarter of Previous Year, December quarter, using the all groups weighted average of eight capital cities, as published in the Australian Bureau of Statistics publication Cat. no. 6401.0—Consumer Price Index, Australia, CPI: Groups, Weighted Average of Eight Capital Cities, Index Numbers and Percentage Changes, rounded to the nearest single decimal point.

## **5 Determination—maximum parcels or value**

For the purposes of section 13A (5) (b) of the Act, I determine that—

- (a) The maximum number of parcels of land that are entitled to an exemption under section 13A of the Act is:
  - (i) 100 parcels of land in total for the period commencing from the commencement date of this instrument to 30 June 2021, inclusive; and
  - (ii) For the purposes of this determination, the Commissioner for ACT Revenue will, after consulting with the Director-General of the Environment Planning and Sustainable Development Directorate, allocate an exemption to an eligible parcel provided the total number of parcels would not exceed the number in 5 (a) (i).

## **6 Revocation & Transitional**

This instrument revokes *Land Tax (Affordable Community Housing) Determination 2019 (No 1)*, DI2019-32.

Yvette Berry MLA  
Acting Treasurer  
4 October 2019