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**THE LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

ELEVENTH ASSEMBLY

SHORT-TERM RENTAL ACCOMMODATION LEVY BILL 2025

**EXPLANATORY STATEMENT
and
HUMAN RIGHTS COMPATIBILITY STATEMENT
(*Human Rights Act 2004, s 37*)**

**Presented by
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TREASURER
MARCH 2025**

SHORT-TERM RENTAL ACCOMMODATION LEVY BILL 2025

The Short-Term Rental Accommodation Levy Bill 2025 (the Bill) is a Significant Bill. Significant Bills are bills that have been assessed as likely to have significant engagement of human rights and require more detailed reasoning in relation to compatibility with the *Human Rights Act 2004*.

OVERVIEW OF THE BILL

The Bill will impose a levy on booking service providers who make, arrange or facilitate short-term rental accommodation bookings in the ACT.

The levy is a new source of general revenue for the Territory that was announced in the 2024-25 Budget. The Bill broadly aligns with the model implemented by Victoria in the *Short Stay Levy Act 2024* (Vic).

The levy will apply to short-term rental accommodation bookings of not more than 28 days with certain parameters, including:

- the booking was made, arranged or facilitated by a booking service; and
- the rental accommodation is a self-contained dwelling or building that can be used for accommodation (for example: houses, granny flats, apartments, caravans and any permanent or temporary structure such as a tent or yurt).

The levy will not apply on bookings that are:

- 28 days or more;
- hosted accommodation (where the owner or occupier, or their agent, of the premises occupies the accommodation at the same time for example when a single room in a house or unit is booked); or
- excluded accommodation such as hotels, motels, serviced apartments, caravan parks and camping grounds amongst others (as outlined in the definition of excluded accommodation).

The levy becomes payable on the day the rental period (the booking) ends and must be paid within 30 days after the quarter in which the rental period ends.

The rate of levy will be 5 per cent (or the rate determined under section 139 the *Taxation Administration Act 1999* (TAA)) of the total consideration for the short-term rental accommodation booking.

The booking service provider is liable to pay the levy. They must register with the Commissioner for ACT Revenue Office (the Commissioner) and lodge returns every quarter in respect of their liability.

The owner or occupier (operator) must provide the booking service provider with a declaration if the accommodation is excluded accommodation.

The Bill will be a tax law under the TAA, and therefore subject to the general provisions in the TAA for matters including assessments, refunds, penalties, interest, debt recovery, compliance and review.

CONSULTATION ON THE PROPOSED APPROACH

The ACT Government consulted with stakeholders from the short-stay accommodation industry, including peak industry bodies representing owners of short-term accommodation and booking service providers.

A survey sought to understand stakeholders' knowledge and understanding of the proposed levy in the ACT, potential impacts and key questions on implementation and communication.

Several stakeholders took the opportunity to provide detailed written submissions and participated in one-on-one meetings with representatives from ACT Treasury and the ACT Revenue Office.

Feedback was consistent on the request for simplicity for ease of implementation and administration combined with clear provisions and guidelines for all stakeholders. The feedback was incorporated into the final Bill where possible.

CONSISTENCY WITH HUMAN RIGHTS

Rights engaged

During the development of the Bill, regard was given to its compatibility with human rights as set out in the *Human Rights Act 2004*.

Section 28 provides that human rights are subject only to reasonable limits set by laws that can be demonstrably justified in a free and democratic society.

The Bill engages the following rights under the *Human Rights Act 2004*.

- Section 12 - Right to privacy and reputation (*limited*)
- Section 22 - Rights in criminal proceedings (rights to seek a review).

Clause 16 - Rights in criminal proceedings

Section 22(2) of the *Human Rights Act 2004* entitles anyone charged with a criminal offence to certain minimum guarantees, equally with everyone else.

Clause 16 creates a new criminal offence for a person to provide a booking service and fail to register, as a booking service provider, under clause 15.

- The maximum penalty for this offence is 250 penalty units.
- Section 133 of the *Legislation Act 2001* provides the amount of the fine for the number of penalty units.

At the time of publication one penalty unit is \$160 for an individual and \$810 for a corporation. While the pecuniary value of a penalty unit is higher for a corporation, a conviction of a sole trader, who is a booking service provider, may still result in a financial penalty. This means that the right to minimum guarantees in criminal proceedings apply to the new offence.

The purpose of the clause 16 is to discourage non-compliance with taxation obligations that arise from this Bill. The penalty operates to encourage tax compliance from booking service providers.

Tax avoidance or evasion is a crime that poses a risk to the community by undermining the tax system, decreasing the revenue that is available to the Territory and adversely impacts the financial future and progress of the ACT.

Penalties for tax avoidance and evasion is a common feature of tax law among the States, Territories and the Federal Government. For example, section 58A of the *Taxation Administration Act 1996* (NSW) imposes a maximum penalty of 500 penalty units or imprisonment for 2 years, or both, where a person evades or attempts to evade tax by a deliberate act or omission. A penalty unit in NSW is currently \$100,¹ whereas in the ACT it is \$160 for an individual.²

In the ACT, section 65 of the TAA imposes a maximum penalty of 100 penalty units, or imprisonment for 1 year, or both, where a person knowingly avoids paying, or disclosing their liability pay, an amount of tax. At the same time, a court may order the person to pay an amount not exceeding double the amount of tax avoided.

This section is consistent with penalties for failure to register under section 86 of the *Payroll Tax Act 2011*, section 10 of the *Utilities (Network Facilities Tax) Act 2006* and section 11 of the *Betting Operations Tax Act 2018*, and therefore reflects the Territory's strong position on deterring tax avoidance. Selecting a lesser penalty unit would result in inconsistent and inequitable treatment.

The general principles of criminal responsibility outlined in Chapter 2 of the *Criminal Code 2002* apply to this offence, including a physical element (conduct as an omission) and a fault element such as intention (conduct as an omission) or recklessness (circumstance or result). The offence in clause 16 is not a strict liability offence and therefore does not limit the right to a fair trial.

¹ *Crimes (Sentencing Procedure) Act 1999*, section 17.

² *Legislation Act 2001*, section 133 (2) (a).

Where a tax default occurs, administrative penalties apply under section 31 TAA.

Generally, the Commissioner prefers to educate taxpayers regarding their legal obligations rather than seeking to enforce a penalty for a first-time offence. Criminal penalties for failing to register as a booking service provider would be reserved for serious non-compliance or tax evasion.

Initial research in preparing the Bill suggests that booking service providers will most likely be businesses operating under a corporate structure. Therefore, it is expected that the likelihood of individuals being charged with this offence, and human rights being engaged, is extremely remote.

Rights Promoted

No human rights are promoted by this Bill.

Rights Limited

Clauses 15, 18 & 19 - Right to privacy and reputation

1. Nature of the right and limitation (s28(2)(a) and (c))

Section 12 of the *Human Rights Act 2004* entitles everyone to the right not to have their privacy, family, home or correspondence interfered with unlawfully or arbitrarily, and not to have their reputation unlawfully attacked.

The Bill requires a booking service provider to register and lodge returns with the Commissioner for ACT Revenue (Commissioner) as a booking service provider if they are liable to pay the levy (clauses 15 and 18).

A booking service provider that is liable to pay the levy will most likely be businesses operating under a corporate structure. However, where a booking service provider operates as a sole trader, the right to privacy and reputation will be engaged and limited in respect of information privacy. Personal information of an individual (only where applicable) will be required to be disclosed to the Commissioner to identify and contact the entity liable to pay the levy.

At registration the Commissioner will require information to correctly identify the legal entity of the booking service provider. This will involve collecting the name of the legal entity and a unique identifier such as an Australian Business Number (ABN) and/or Australian company Number (ACN).

Registration will also require contact details of a person authorised to act for, or on behalf of, the booking service provider in respect of the levy. This will include their preferred postal address, phone and email address. The return will require sufficient details to identify the booking service provider and the details to assess their tax liability.

Requiring the collection, use and retention of personal information limits the right to privacy.

The right to privacy and reputation is also engaged and limited when an operator is an individual and they make a declaration (clause 19) to a booking service that the arrangement is excluded accommodation.

2. Legitimate purpose (s28(2)(b))

The purpose of the Bill is to impose a levy on booking service providers who make, arrange or facilitate short-term rental accommodation bookings. The Bill will achieve an important public policy goal, as revenue is required to fund services provided by the ACT Government, such as transport, health and education.

The collection of identifying information and contact details is a vital component of tax administration. It enables the Commissioner to undertake confidential communication and issue assessments of tax liabilities correctly.

Booking service providers require a mechanism to identify whether rental accommodation is excluded accommodation for the purpose of reporting their liability and calculating the levy.

The information required for the declaration is to ensure booking service providers are provided with sufficient information to identify and contact the operator making the declaration, the accommodation it relates to and the reason the operator is declaring the rental accommodation as excluded accommodation.

3. Rational connection between the limitation and the purpose (s28(2)(d))

The collection of information at registration and in returns will enable the Commissioner to assess the booking service providers tax liability.

Clause 19 requires a declaration to have certain details outlined in subsection (3) including their contact details. A mechanism is required for booking service providers to identify accommodation that is excluded accommodation.

Similar information is required under the *Betting Operations Tax 2018* in sections 13 (information to be included in return) to facilitate the lodgement of a return under section 12 (returns). Victoria implemented a similar requirement in their short stay levy requiring information to be in the form and contain the information required by the Commissioner (*Short Stay Levy Act 2024* (Vic), section 17(3) (registration for payment of short stay levy)).

The Commissioner would have difficulty enforcing the collection and correct payment of the levy on time if there was no mechanism to require a return to be lodged. The requirement to register and lodge returns also acts as a deterrent to tax arrears.

4. Proportionality (s28(2)(e))

Despite the broad drafting of clauses 15 (3), 19 (3), the information collected will be narrow and for tax administration.

Information collected under tax laws, which will include the Bill, is subject to strict secrecy and privacy provisions contained in Part 9 of the TAA. This is in addition to obligations under the *Information Privacy Act 2011*.

A less restrictive option could have been to set out exhaustively the information to be collected. However, the Commissioner's discretion to determine what information is collected allows flexibility for technology updates, digital authentication and security upgrades without requiring legislative change.

The requirement to make a declaration under clause 19 to a booking service provider that an arrangement is excluded accommodation is considered to be a reasonable limitation on a person's privacy to achieve effective tax administration. Additionally, the specific information requested is listed in subsection (3).

Furthermore, the following safeguards will be in place:

- it requires a one-time lodgement; and
- will require basic information to establish that the accommodation is excluded and not subject to the levy.

Short-Term Rental Accommodation Levy Bill 2025

Human Rights Act 2004 - Compatibility Statement

In accordance with section 37 of the *Human Rights Act 2004* I have examined the **Short-Term Rental Accommodation Levy Bill 2025**. In my opinion, having regard to the Bill and the outline of the policy considerations and justification of any limitations on rights outlined in this explanatory statement, the Bill as presented to the Legislative Assembly is consistent with the *Human Rights Act 2004*.

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Tara Cheyne MLA
Attorney-General

CLAUSE NOTES

Part 1 Preliminary

Clause 1 Name of Act

This clause provides that the name of the Act is the Short-Term Rental Accommodation Levy Act 2025.

Clause 2 Commencement

This clause provides that the Act commences on the later of 1 July 2025. If the Bill is notified on or after 1 July 2025, the Bill will commence on a day fixed by the Minister by written notice.

Clause 3 Dictionary

This clause provides that the dictionary is part of the Act.

Clause 4 Notes

This clause provides that notes are not part of the Act.

Clause 5 Offences against Act—application of Criminal Code etc

This clause provides that the *Criminal Code 2002* applies to any offences in this Act.

Part 2 Important concepts

Clause 6 Meaning of *short-term rental accommodation booking*

This clause in subsection (1) defines the meaning of short-term rental accommodation booking, which is a booking or arrangement to occupy rental accommodation on premises in the ACT for a continuous period of not more than 28 days, for which consideration is paid or payable for the arrangement.

The reference to days is the equivalent to the number of nights for a stay. The checkout day is not included as a day within the scope of sub-paragraph (1) (a).

Example 1

A person makes a booking for 3 days at a house in the ACT with a booking service provider. The stay is for less than 28 days, therefore, it satisfies the rental period of the short-term rental accommodation booking. The booking service provider is liable to pay the levy on the booking.

Example 2

A person makes a booking for 28 days, being 28 nights, at a house in the ACT with a booking service provider. The stay is for 28 days or more, therefore, it falls outside the rental period of the short-term rental accommodation booking. The booking service provider is not liable to pay the levy on the booking.

Example 3

A person makes a booking for 6 days at a house in the ACT with a booking service provider. The stay for 6 days is the equivalent to 6 nights of accommodation as the day of the checkout is not included in the determination of the calculation of the number of days. As another guest may book the accommodation for the day of the checkout.

If the person made a booking from 2 November 2025 to 8 November 2025 that is 6 nights being from 2 November 2025 to 7 November 2025, with checkout occurring on 8 November 2025. The total number of days for the rental period is 6 days.

The clause in subsection (2) is intentionally broad to capture additional days added to the booking, provided it is a continuous period.

A rental period starts on the day the person may occupy the rental accommodation under the booking or arrangement and ends on the day the person must vacate the rental accommodation.

Subsection (3) outlines that a booking is a short-term rental accommodation booking regardless of whether or not any person actually occupies the rental accommodation. The provision ensures that even if a person does not attend the rental accommodation for the rental period that the short-term rental accommodation levy (levy) is still imposed on the booking. This subsection ensures the levy is imposed as the booking service provider still took the booking and consideration was paid, irrespective of whether the rental accommodation was occupied.

Clause 7 *Meaning of rental accommodation*

This clause defines the meaning of rental accommodation. Rental accommodation means premises in the ACT that are self-contained dwellings or other buildings that can be used for accommodation on the premises. Subparagraph (1) (b) clarifies that hosted accommodation and excluded accommodation are not rental accommodation and therefore, are not subject to the levy.

As defined in subsection (2), building can be any structure that has a roof and walls, whether those are temporary or permanent, and includes motor vehicles and other types of vehicles.

The definition of rental accommodation is intentionally very broad to cover any type of building or self-contained dwelling that may be used for accommodation, including things such as tents, yurts and portable tiny homes. These types of accommodation are sometimes offered as luxury camping accommodation in rural and bush settings.

Example 4

Person A is the owner of a two-storey property, that has two separate dwellings on a premises. The two dwellings are under one title; however, each dwelling has its own entrance, living space, kitchen and bathroom facilities.

Person A occupies the dwelling on the first-floor and lists both dwellings for short-term rental on a booking service.

The ground floor dwelling is listed as a self-contained flat available for exclusive use.

Person B makes a booking through the booking service for the ground-floor dwelling. This booking will be subject to the levy.

The first-floor dwelling is listed as main bedroom, with ensuite and shared access to the kitchen and living space with the onsite host.

Person C makes a booking through a booking service for the first-floor dwelling. This booking will not be subject to the levy as Person C will occupy the dwelling with Person A. The first-floor premises meets the definition of being hosted accommodation and is therefore not rental accommodation subject to the levy.

Subsection (2) also defines hosted accommodation for the Bill as accommodation where the owner or occupier (or their agent), occupies the dwelling or building at the same time it is occupied by a person under a booking or other arrangement.

Example 5

Person D makes a booking through a booking service for a 7-day stay at a property. The owner of the property occupies the premises with Person D for 5 days out of the 7 days booked. The rental accommodation is hosted accommodation as the owner occupied the premises at the same time as Person D.

Example 6

Person E makes a booking through a booking service for a 7-day stay at property. It is the owner's principal place of residence, but the owner is

overseas for the entire duration of the rental period. The rental accommodation is not hosted accommodation as the owner is not occupying the accommodation. The booking service provider will be liable to pay the levy on the booking.

The definition of 'hosted accommodation' may include accommodation prescribed by regulation and therefore, would not be subject to the levy.

Clause 8 *Meaning of excluded accommodation*

This clause lists types of accommodation that are excluded accommodation and therefore not subject to the levy on any short-term rental accommodation bookings. Subsection (1) outlines the type of accommodation that are excluded accommodation:

- a hotel, motel or serviced apartment complex;
- caravan park or camping ground;
- hostel, boarding house or lodging house;
- a patient of a health facility (whether at the facility or somewhere else) provided by the entity who owns or operates the health facility;
- residential care home;
- retirement village;
- housing support accommodation;
- emergency accommodation—
 - for people in crisis that is at premises generally used for the purposes of emergency accommodation; and
 - is provided by an entity who owns or operates the emergency accommodation;
- accommodation—
 - for a student of an education provider at student accommodation for the education provider; and
 - that is provided by the education provider or the entity who owns or operates the student accommodation;
- accommodation for an employee of a person that is—
 - at a residential facility located at or associated with the place of employment; and

- that is provided by the person; and
- prescribed by regulation.

Subsection (3) provides additional definitions for this section, principally referring to relevant legislation containing a more specific definition of a term.

Example 7

A person lists a caravan in a caravan park on a booking service for short-term rental accommodation. A booking service is not liable to pay the levy in respect of any short-term rental accommodation bookings because the property is excluded accommodation.

Example 8

A person lists a caravan in their backyard on a booking service for short-term rental accommodation. A booking service that makes, arranges or facilitates a booking for 10 days will be liable to pay the levy in respect of the booking. The caravan is not excluded accommodation because the caravan is not located in a caravan park.

A serviced apartment refers to a self-contained apartment where regular servicing or cleaning is performed or offered on behalf of the owner or operator of the apartment while it is occupied by guests.

A single serviced apartment is not exempt accommodation, rather it is a serviced apartment complex that is exempt.

A service apartment complex is excluded accommodation from the levy, that is a building complex made up of two or more serviced apartments that are owned or operated by a single entity and has an on-site reception facility that provides services to guests.

Example 9

Person H owns an apartment in an apartment complex and arranges for a company to list the property on a booking service and clean the apartment between bookings. The apartment is not regularly serviced or cleaned during the stay, nor is the apartment part of a serviced apartment complex.

The booking service will be liable to pay the levy on any booking that is not more than 28 days.

Example 10

A person makes a booking through a booking service for a 10 day stay at an apartment. The person books into the apartment at the concierge desk and is offered daily cleans of the apartment. Company X owns and operates the

building complex and ensures that guests have on-site access to reception facilities including check in and check out and concierge services to guests.

The apartment is a serviced apartment that is part of a serviced apartment complex. The accommodation is excluded accommodation and not subject to the levy.

Clause 9 Meaning of *booking service*

This clause defines the meaning of *booking service*. A booking service as defined in subsection (1) is a service for making, arranging or facilitating short-term rental accommodation bookings.

Subparagraph (1) (b) states that where a service refers a person to another service, the service that made the referral is not a booking service. For example, search aggregators that direct users to booking services but do not facilitate bookings are not providing a booking service.

The provision ensures that two people are not liable to pay the levy in respect of essentially the one booking or arrangement.

Example 11

Website A is a listing service that advertises short-term rental accommodation. However, to book the accommodation, the person is redirected to Website B which facilitates the request to book and arranges the acceptance of that booking. In this case, Website A is not a booking service, but Website B is a booking service.

Website A may receive a referral or affiliate fee from Website B for referring the person making the booking. However, for the purposes of the Bill, Website A does not facilitate the booking or arrangement for the short-stay accommodation booking.

A booking service may also be excluded by regulation.

Subsection (2) clarifies that a direct booking made with the owner or occupier of the rental accommodation is not made with a booking service if it was not arranged or facilitated by anyone else. Therefore, it is not subject to the levy.

Subsection (3) clarifies certain factors that are to be disregarded when considering if a person is providing a booking service. Principally that it is irrelevant whether the booking service uses the internet (such as hosting a website) or whether they have automated their services, or whether they take the payment for the booking, or whether they are a party to any bookings.

Example 12

Company Y advertises a property within the ACT as available for short-term rental accommodation. Company Y arranges bookings of the accommodation for anyone who would like to stay at the property.

Company Y does not directly receive the payment for any bookings made at any of the premises, the payments are managed by a third-party who remits Company Y with their fee and pays the remainder of the booking fee to the owner of the property.

Company Y is a booking service within the meaning of the Bill, despite not receiving the payment for the booking because they facilitated or arranged the booking.

Clause 10 Meaning of *consideration* for a short-term rental accommodation booking

This clause defines the meaning of consideration for a short-term rental accommodation booking which is used to calculate the amount of the levy.

As defined in subsection (1), consideration includes:

- any amount paid or payable by a person for the right to occupy the rental accommodation under the booking;
- any amount described as being attributable to any tax imposed under a law in force in the ACT; and
- any fees associated with the booking, which may include booking fees, cleaning fees, pet fees, currency conversion fees, extra guest fees as well as any other fees that the booking service may charge.

An amount attributable to any tax under a law in force in the ACT will include GST. If a booking service passes along the cost of the STRA levy to a person making a booking through either a fee or an explicit line item for tax (identified as a STRA levy or otherwise) it will be consideration and subject to the levy.

However, consideration does not include fees for making the payment of the consideration (such as credit card payment fees). Nor does it include any amount waived, credited or refunded, irrespective of when it occurred.

The consideration does not need to be paid by the person who has made the booking, as outlined in Example 12.

Example 13

Person F makes a booking for a short-term rental accommodation using a booking service. The booking is for 5 days at a daily rate of \$200. Person F is

also required to pay a cleaning fee of \$150 and a booking fee of \$150. The fees are inclusive of any GST payable. As Person F pays by credit card there is also a 1.75% credit card fee to process the payment.

In this case, the total consideration is \$1300, as the 1.75% credit card fee is excluded. GST and the fees for booking and cleaning are included in the calculation of consideration for the levy.

Example 14

A booking for short-term rental accommodation is made through a booking service provider for a period of 7 days. The terms of this booking require payment of a deposit, with the remainder to be paid on the day of arrival at the accommodation. The guest cancels the booking prior to the arrival date and a full refund of all monies paid at the time of booking are refunded to the guest. As the full amount of the consideration was refunded, there is no liability for the levy for this booking.

Example 15

A booking service passes along the STRA levy as a separate fee directly to any person who makes a booking through their service for short-term rental accommodation. The STRA levy is a tax associated with the booking and therefore forms part of the total consideration for the booking.

Part 3 Short-term rental accommodation levy

Clause 11 Imposition of STRA levy

This clause imposes the short-term rental accommodation levy on a short-term rental accommodation booking made using a booking service.

The levy is only imposed on short-term rental accommodation bookings made on or after the day this section commences. Noting that this section will commence when the Act commences as indicated under clause 2.

Example 16

A person makes a booking through a booking service provider for a short-term rental accommodation on 30 June 2025 for a period of 20 nights in December 2025. The booking satisfies the rental period requirement in subparagraph 6 (1) (a). However, the booking is made prior to the commencement of the Bill, therefore, it is not subject to the levy.

Example 17

The Bill commenced on 1 July 2025. A person makes a booking through a booking service provider for a short-term rental accommodation on 1 July 2025 for a period of 5 nights with checkout on 6 July 2025. The booking is for a rental period that satisfies the short-term rental accommodation booking definition. The booking was made when clause 11 had commenced, which is when the Act commenced. Therefore, the booking will be subject to the levy.

Clause 12 Amount of STRA levy

This clause provides for the amount of levy payable on a short-term rental accommodation booking.

The amount of levy imposed is worked out as follows:

$$\text{STRA levy} = \text{consideration} \times \text{determined rate}$$

At the commencement of the Act, the determined rate is 5%. The determined rate may be adjusted in the future under the TAA, section 139.

Consideration is defined under clause 10.

If the consideration changes after a short-term rental accommodation booking is made, the levy imposed is recalculated. A booking service provider will need to arrange to amend their quarterly return with the ACT Revenue Office to enable the amount of the levy to be recalculated.

Example 18

A booking service provider needs to adjust a prior return as several of their bookings have had a portion of the amount paid for the short-term rental accommodation refunded. The booking service provider will need to login to the Self-Service Portal on the ACT Revenue Office website to amend the return for the refunded amount. The levy will be recalculated, and the booking service provider may be entitled to a refund.

Where the consideration paid is not in Australian currency, the amount must be converted to Australian currency at the rate of exchange last reported by the Reserve Bank when the booking is first made. The reference to when a booking is first made is to account for any alteration to expand or shorten the duration of the booking after it is made.

Example 19

The Reserve Bank does not publish exchange rates on the weekend or on public holidays. A short-term rental accommodation booking has been made on the weekend through a booking service that charged the booking in a foreign currency. The booking service provider will need to be convert the

consideration into Australia currency at the last date the Reserve Bank published the relevant currency exchange rate, which will likely be on the prior Friday.

Subsection (4) states that the determined rate that applies on the day when the rental period ends is the determined rate for the booking. This is to allow for the possibility that there may be two different determined rates applicable during a return period.

Clause 13 Who is liable to pay STRA levy?

This clause specifies who is liable to pay the levy.

The person who provides the booking service must pay the levy. The booking service provider is the person who provides the booking service used to make the booking.

Example 20

A person makes a short-term rental accommodation booking of a yurt in the ACT using a booking service for a stay of 10 days. The booking service provider is liable to pay the levy on the consideration for the short-term rental accommodation booking.

Clause 14 When must STRA levy be paid?

This clause specifies when the levy is payable.

The levy must be paid within 30 days after the quarter in which the rental period ends. A quarter is defined in the dictionary of the *Legislation Act 2001* as 1 January, 1 April, 1 July and 1 October. As a result, the levy for the quarter 1 January ends on 31 March with the payment due on 30 April.

The Commissioner may also impose penalty tax and interest under the TAA in relation to a tax default, being the failure to pay all or part of the levy amount that it is liable to pay.

If a booking service provider pays the STRA levy for a quarter and then later determines that they have underpaid the levy, they must pay the additional STRA levy within 30 days after the end of the quarter in which the underpayment occurs. If it is outside of this period, a tax default occurs.

Example 21

A person makes a booking for short-term accommodation in the ACT on 1 February. The booking is for the period 28 March to 2 April. Because the rental period ends in the quarter starting 1 April, the levy for this booking must be paid within 30 days from the end of the quarter on 30 June, being on or before 30 July.

Part 4 Registration and returns

Clause 15 Registration of booking service providers

This clause requires a booking service provider to apply to the Commissioner to register as a booking service provider.

The application must be made before the end of the first quarter when a rental period ends. Which would be the first time a booking service provider would be liable for the levy.

The Commissioner must register the applicant as a booking service provider if they receive an application.

Example 22

Company A provides a booking service where they facilitate short term rental accommodation bookings for rental accommodation in the ACT. The rental period for the first booking ended on 5 July. Company A must register as a booking service provider before 30 September of that year.

Clause 16 Offence – failure to register as a booking service provider

If a booking service provider fails to register with the Commissioner by the end of the quarter in which the first rental period for a short-term rental accommodation booking ends, they commit an offence. There is a maximum penalty of up to 250 penalty units.

This is in keeping with the number of penalty units that may be imposed for a failure to register under the *Payroll Tax Act 2011* and the *Betting Operations Tax Act 2018*.

Clause 17 Cancellation of registration

A booking service provider may ask the Commissioner to cancel their registration if the provider is not liable to pay levy for a quarter and does not expect to incur further levy liabilities in the future.

This clause allows the Commissioner to cancel a booking service provider's registration if the Commissioner is satisfied that the booking service provider's liability to pay the levy has ended.

Clause 18 Returns

This clause requires booking service providers to lodge quarterly returns.

Returns must be lodged with the Commissioner within 30 days after the end of the quarter.

The return must be in the form and lodged in the way required by the Commissioner.

The information to be required will be similar to that required for the Self-Service Portal for payroll tax liabilities.

Example 23

Company R is required to lodge a return that includes all of the aggregated total consideration for all bookings for short-term rental accommodation bookings over the quarter. The aggregated data required will include the GST inclusive totals of the: total booking cost, total fees, and the total amount of any waivers, credits or refunds.

The amount of short-term rental accommodation levy payable is calculated using clause 12 above.

Part 5 Miscellaneous

Clause 19 Declaration that accommodation is excluded accommodation

Clause 19 requires owners and occupiers of rental accommodation (operators) who make premises available for short-term rental accommodation using a booking service to make a declaration to the booking service provider if the accommodation is excluded accommodation.

This declaration must be given to the booking service provider and must state the reason that accommodation is excluded.

A booking service provider who has been given a declaration under clause 19 must keep a record of the declaration. Division 8.1 of the TAA governs the period that the record needs to be retained.

Clause 20 Application of this Act to unincorporated partnerships and other unincorporated bodies

Clause 20 outlines how the Bill applies to unincorporated partnerships and other unincorporated bodies with a focus on agents representing partnerships and other unincorporated bodies.

Clause 21 Application of this Act to trusts

Clause 21 outlines how the Bill applies to trusts with a focus on trustee representing trusts.

Clause 22 Regulation-making power

This clause permits the Executive to make regulations for this Act

The proposed section enables the making of a regulation for this Act. A regulation made under the power of this clause only applies to amending clauses 7 (meaning of

rental accommodation) clause 8 (meaning of excluded accommodation) and clause 9 (meaning of booking service).

The regulation making power allows further exclusions from the levy to be determined. A provision of this kind is an important mechanism for ensuring that levy operates effectively. The regulation cannot expand the scope of the levy.

Part 6 Consequential amendment

Clause 23 Taxation Administration Act 1999 New section 4 (ja)

This clause specifies that the *Short-Term Rental Accommodation Levy Act 2025* is a tax law under section 4 of the TAA. As a result, all the provisions of the TAA apply equally to the Bill.