Australian Capital Territory

Land Tax (Block 6 Section 25 Ainslie) Exemption 2025

Notifiable Instrument NI 2025-692

made under the

***Land Tax Act 2004*, section 34(1) (Exemption from land tax)**

EXPLANATORY STATEMENT

Background

Under the *Land Tax Act 2004* (the Act), in the Territory, where a parcel of rateable land that is residential land is owned by a corporation or trustee, the parcel is subject to land tax. Some limited exemptions from land tax may apply, such as, where the parcel is a rural land, the parcel is leased for a retirement village, nursing home, or a parcel is held under a development lease by a corporation or owned by a not-for-profit housing corporation.

Section 11A of the Act provides an owner of a parcel of land an exemption from land tax if the parcel is:

(a) owned by someone other than a corporation or trustee, and

(b) occupied as the 'principal place of residence' of one or more owners of the parcel of land.

The 'principal place of residence exemption' does not apply to a parcel of land owned by a person who is a corporation or trustee.

Exemption

This instrument provides the 'corporate' owner of the parcel of land located on Block 6 Section 25 Ainslie also known as 24 Angas Street, Ainslie ACT 2602 (the land) an exemption from payment of land tax which would be otherwise imposed under section 9 of the Act.

The purpose of this exemption is to recognise the arrangement in place for the ownership of the land in relation to the current corporate owner. The arrangement was made in accordance with the ACT Government's 'Demonstration Housing Project' also known as 'co-housing' which is a permissible development on the land under the *Territory Plan 2023*.

Under the Act, land tax is imposed on each parcel of rateable land that is residential land, unless the parcel of land is exempt from land tax. There is no land tax exemption for parcels of land that are used as part of a co-housing arrangement.

As the land is registered to an owner who is a ‘corporation’ instead of a natural person, notwithstanding that all the shareholders (also the owners of the corporation) intend to physically occupy (live in) the corresponding dwellings on the land, the ‘principal place of residence exemption’ does not apply.

The purpose of this exemption is to exempt the land from land tax due to the co-housing arrangement that is in place.

This instrument only allows the exemption if the (registered) title of the land remains exclusively in the name of the owner ‘Stellulata Pty Ltd (ACN 626 741 857)’ under a co-housing arrangement. Further, each of the corresponding dwellings on the land must be physically occupied (lived in) by the company’s shareholders as their principal place of residence.

If the land is transferred out of the name of the current owner ‘Stellulata Pty Ltd (ACN 626 741 857) or any alteration to the title is made’, this land tax exemption will cease. This exemption will also cease if, at any time, any dwelling on the land is not physically occupied by the company’s (owner’s) shareholder that is entitled to the right to occupy the respective dwelling, as their principal place of residence. For example, if the dwelling is left vacant. In which case, this exemption will cease to apply. However, the exemption will continue to apply in the event of a death of one or more shareholders until such time the shares are transferred to a new person (who is not a shareholder already holding the right to occupy a corresponding dwelling as their principal place of residence) or until after 2 years from the date of death of the shareholder/s, whichever occurs first.

If any corresponding dwelling is rented at any time including during the 2-year period after the death of a shareholder, the exemption will cease to apply.

This instrument has effect from the day after the instrument is notified.