

2019-20 Victorian bushfire response

The Victorian Government has announced a range of tax relief measures for people and businesses affected by bushfires.

Tax/duty	Situation	Measures
Land tax	Property destroyed or substantially damaged.	Zero 2020 land tax for affected property.
	Property affected but not destroyed or substantially damaged.	Relief from 2020 land tax for affected property considered on a case-by-case basis.
	Property used to provide free accommodation to people displaced by bushfires.	<p>Zero 2021 land tax for property used to provide free accommodation for over six months.</p> <p>Reduced 2021 land tax for property used to provide free accommodation for more than one month and less than six months (calculated proportionately).</p>

Land transfer (stamp) duty	Purchase of replacement home because home destroyed in bushfires.	<p>Relief of up to \$55,000 in land transfer duty (stamp duty) on a replacement home, equivalent to the duty on a \$1 million home.</p> <p>For replacement homes valued above \$1 million, the duty relief is capped at \$55,000 and the balance of the duty will be payable.</p> <p>Relief also applies to the purchase of vacant land on which a replacement home is built.</p> <p>People have four years to claim this relief.</p>
	Purchase of commercial or industrial property in the following local government areas: East Gippsland, Mansfield, Wellington, Wangaratta, Towong and Alpine.	A 50% concession on land transfer duty (stamp duty) will apply to contracts of sale entered into on or after 27 January 2020 for the purchase of

commercial or industrial property in the following local government areas: East Gippsland, Mansfield, Wellington, Wangaratta, Towong and Alpine.

There is no limit to the number of times a person can claim this relief, which will be available until 30 June 2023. After this date, a 50% duty concession on commercial and industrial property will be available across Regional Victoria.*

*On 13 September 2020, the Victorian Government announced that the 50% stamp duty discount for commercial and industrial property would apply across all of regional Victoria to

		contracts of sale entered into on or after 1 January 2021.
Motor vehicle duty	Purchase of a replacement Victorian registered motor vehicle by a person because vehicle was destroyed in a Victorian or interstate bushfire.	<p>Relief of up to \$2100 per vehicle on up to two motor vehicles, including farm vehicles.</p> <p>For replacement vehicles valued above \$50,000, the motor vehicle duty relief is capped at \$2100 and the balance of the duty will be payable.</p> <p>This relief must be claimed before 1 April 2022. More information is available on the VicRoads website.</p> <p>This relief does not apply to companies.</p>

Purchase of more than two replacement Victorian registered motor vehicles by a person because more than two vehicles were destroyed in Victorian or interstate bushfires.

Relief applies on two motor vehicles (see above). Relief for additional vehicles to be considered on a case-by-case basis.

More information is available on the [VicRoads website](#).

Payroll tax	'Regional employer' with a registered address in the following local government areas: East Gippsland, Mansfield, Wellington, Wangaratta, Towong and Alpine.	<p>Payroll tax will apply at the reduced rate of 1.2125% for regional employers in bushfire affected local government areas. This halves the current payroll tax rate of 2.425% for these regional employers and will be backdated to apply from 1 July 2019.</p> <p>The reduced rate applies until 30 June 2022. After this date, the reduced rate will apply for regional employers across Regional Victoria.</p>
	Employer affected by bushfires but not eligible for automatic relief (see above).	Relief considered on a case-by-case basis.

If you want to discuss these measures, call us on 13 21 61.

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