

Two relief measures relating to 2020 land tax have been announced by the Victorian Government:

1. [Land tax deferral](#) for 2020 assessments - announced on [21 March 2020](#).
2. Land tax [reduction and deferral](#) for landlords, including those with [properties that have multiple tenancies](#), and commercial owner-occupiers - announced on [15 April 2020](#), [20 August 2020](#) and [4 September 2020](#).

Information about [2021 land tax relief](#) is also available on our website.

1. Land tax deferral - 2020 assessments

Land owners due to pay 2020 land tax that own at least one non-residential property and have total taxable landholdings below \$1 million are not required to pay their 2020 land tax assessment until 31 March 2021.

If you are eligible, we will notify you that your 2020 land tax assessment has been deferred for payment until, or before, 31 March 2021. You do not need to apply to get this deferral.

This measure means you still have to pay your assessment, but you have more time to do so.

You can also apply for the [land tax reduction for landlords and commercial owner-occupiers](#).

Frequently asked questions about the 2020 land tax deferral

Who is eligible?

Land owners that own at least one taxable non-residential property and total taxable landholdings below \$1 million are not required to pay their 2020 land tax assessment until 31 March 2021.

Non-residential property includes commercial property, industrial property, and vacant land (excluding vacant residential land).

How do I know if I am eligible?

If you are eligible, we will notify you that your 2020 land tax assessment has been deferred for payment until or before 31 March 2021. You do not need to apply to get this deferral.

How long is the deferral of payment?

The deferral is until 31 March 2021, which means you still have to pay your assessment but you have more time to do so, i.e. on or before 31 March 2021.

What if I have already paid my 2020 land tax?

You can request a return of the tax you have already paid. The tax will need to be paid in full on or before 31 March 2021.

We will contact all eligible land owners and provide further information, including how to request the return of your payment. You do not need to do anything at this stage and do not need to apply to get this deferral.

Does this measure apply to residential properties?

The measure applies to land owners that own at least one non-residential property and have total taxable landholdings below \$1 million. Eligible land owners can defer their entire assessment, which may include residential land.

How do I find my total taxable landholding?

Your property information, including your total taxable landholding, is available in [My Land Tax](#), an online application that enables you to manage your land tax information quickly and easily. [Register for My Land Tax now.](#)

2. Land tax reduction and deferral for landlords and commercial owner-occupiers

The closing date for 2020 land tax relief applications is 31 March 2021.

2020 land tax reduction of 25% and deferral for eligible landlords

This measure was announced on 15 April 2020 as part of the Support to Landlords and Tenants package.

Landlords and tenants are encouraged to work together to provide tenants impacted by the coronavirus pandemic with rent relief consistent with the principles of the Support to Landlords and Tenants package. This includes taking into account the reduction in the income or turnover as a result of coronavirus.

More information on the principles of the Support to Landlords and Tenants package for residential leases is available on the [Consumer Affairs website](#) and for commercial leases on the [Small Business Commissioner website](#).

Landlords who provide tenants impacted by coronavirus with rent relief consistent with the principles of the Support to Landlords and Tenants package between 29 March 2020 and 31 December 2020, or who are unable to secure a tenant during 2020 because of coronavirus, may be eligible for a 25% reduction on the property's 2020 land tax (exclusive of any [absentee owner surcharge](#)).

These landlords can defer payment of the remainder of their 2020 land tax assessment until, or before, 31 March 2021. They can also have any amounts of their 2020 land tax liability that they have already paid returned but must pay their 2020 land tax liability (as reduced by this relief measure) by 31 March 2021.

Eligible residential arrangements include tenancy agreements, specialist disability accommodation agreements and site agreements. Most holiday accommodation, such as hotels, motels, and bed and breakfasts, as well as rooms in rooming houses, are not rented under eligible residential arrangements, and are therefore not eligible for land tax relief.

For commercial landlords to be eligible, they must provide rent relief consistent with the [Commercial Tenancy Relief Scheme](#). They must also get their tenant to declare to them (tenants can use our [commercial tenant details SmartForm](#) and then email it to their landlord) that they meet the conditions in either of these two categories:

1. For general commercial tenants:
 - annual aggregated turnover was no greater than \$50 million in either the 2018-19 or 2019-20 financial year, and
 - they are eligible for, and participating in, the Australian Government's JobKeeper Payment.
2. For commercial tenants operating a licensed pub, club or restaurant under a general, full club or on-premises liquor licence:
 - at the premises level, annual turnover was no greater than \$50 million in either the 2018-19 or 2019-20 financial year, and
 - turnover at that premises has reduced by at least 30% since March 2020.

Land tax relief will not be provided if we determine that the rent relief provided to a tenant is:

- not genuine and is not consistent with the principles of the Support to Landlords and Tenants package or the Commercial Tenancy Relief Scheme, or
- if the amount of rent waived between 29 March 2020 and 31 December 2020 is less than 25% of the proportional land tax for the property.

2020 land tax reduction increased to 50% for eligible landlords and new 25% reduction for owner-occupiers

On 20 August 2020, the Victorian Government announced further land tax relief for landlords, in response to the coronavirus pandemic, as part of its extension of the commercial and residential tenancy relief schemes until 31 December 2020.

Landlords of residential and commercial properties who provide a 50% or more outright rent waiver of at least 3 months' rent to eligible tenants can claim up to a 50% reduction of the property's 2020 land tax and defer paying the remaining 2020 land tax to 31 March 2021. Vacant properties are not eligible for the additional 25% land tax reduction.

Owner-occupiers of commercial properties can obtain a 25% waiver of the property's 2020 land tax and payment of the remaining tax can be deferred to 31 March 2021 if their business meets the conditions in either of these two categories:

1. For general commercial tenants:

- annual aggregated turnover was no greater than \$50 million in either the 2018-19 or 2019-20 financial year, and
 - they are eligible for, and participating in, the [Australian Government's JobKeeper Payment](#).
2. For commercial tenants operating a licensed pub, club or restaurant under a general, full club or on-premises liquor licence:
- at the premises level, annual turnover was no greater than \$50 million in either the 2018-19 or 2019-20 financial year, and
 - turnover at that premises has reduced by at least 30% since March 2020.

Revised land tax relief for properties with multiple tenancies

The Victorian Government has revised the way the existing land tax relief measures apply for properties with multiple tenancies to make it easier for landlords to apply for land tax relief.

Landlords of properties with multiple tenancies can make a single application for a 2020 land tax reduction of 25% for the whole property, rather than just for the part of the property occupied by eligible tenants who have received rent relief.

Landlords will now be able to access an additional 2020 land tax reduction of up to 25% (a total reduction of up to 50%) for the whole property provided they have reached agreement on rent relief with the majority of their tenants, and provided sufficient rent relief.

Find out more information about [land tax relief for properties with multiple tenancies](#).

Applying for relief for properties with multiple tenancies

Landlords of properties with multiple tenancies can apply for the 2020 land tax relief via our [Coronavirus land tax relief - Multiple tenancy properties SmartForm](#). You also need to [download and complete a Multiple Tenancy Schedule](#) to accompany your application.

You cannot apply land tax relief for properties with multiple tenancies through My Land Tax.

Frequently asked questions

To assist you, we have grouped questions in categories:

- [General](#)
- [Commercial landlords](#)
- [Residential landlords](#)
- [Additional land tax reduction for landlords of residential and commercial properties](#)
- [Multiple tenancies](#)
- [Owner-occupiers](#)

General

How do I apply for 2020 land tax relief as a landlord or commercial owner-occupier?

Eligible residential and commercial landlords and commercial owner-occupiers can apply for the land tax reduction through [My Land Tax](#).

Landlords of properties with multiple tenancies can apply for the land tax relief via our Coronavirus land tax relief - Multiple tenancy properties SmartForm. You also need to download and complete a Multiple Tenancy Schedule to accompany your application.

You cannot apply for land tax relief for properties with multiple tenancies through My Land Tax.

Under this measure, can I still receive a reduction and deferral of my 2020 land tax even if I don't provide rent relief?

No. A landlord must provide a tenant impacted by the coronavirus pandemic with rent relief consistent with the principles of the Support to Landlords and Tenants package in order to be eligible for the land tax reduction and deferral.

What if I can't contact my tenant or they are not paying their rent?

If there are any issues with your tenant:

- For residential tenancies, visit the [Consumer Affairs Victoria website](#) for advice and resources in relation to tenancies and the coronavirus pandemic.
- For commercial tenancies, the Small Business Commissioner's website has advice and resources in relation to tenancies and the coronavirus pandemic, including [frequently asked questions](#), a [leasing advice resource](#) on the page where they [step out the process for landlords](#) under the Commercial Tenancy Relief Scheme.

Once you have reached an agreement with the tenant about rent reduction, you can then apply for the land tax relief.

I have chosen to use AutoPay Instalments to pay my 2020 land tax. What happens to my scheduled instalments if I apply for land tax relief as a landlord?

If you have set up [AutoPay Instalments](#) to pay your 2020 land tax, direct debits will continue unless you log in to AutoPay and cancel them pending the outcome of your coronavirus land tax relief application.

To cancel your AutoPay Instalments, [log in to AutoPay Instalments](#) now. If you do nothing, your direct debits will continue as per the instalment schedule you originally established.

Commercial landlords

Who is a commercial landlord?

For the purposes of land tax relief, you are a commercial landlord if you rent your property under a commercial lease to a tenant conducting a business (even if the property is a residential property). To be eligible for relief, a commercial lease must be an eligible lease for the purposes of the [Commercial Tenancy Relief Scheme](#) or the [Night-time Economy Business Support Initiative](#), and you must provide rent relief to your tenant that complies with the requirements of the [Commercial Tenancy Relief Scheme](#). Land tax relief does not apply to commercial leases relating to farmland, or to landlords that are State Government entities.

If you are an [owner-occupier of commercial property](#) and meet the eligibility criteria for tax relief, you can apply for a 25% reduction on your 2020 land tax (exclusive of any absentee owner

surcharge) for your property, and choose to defer the balance of your assessment until up to 31 March 2021.

As a commercial landlord, am I eligible for the 25% reduction and deferral of 2020 land tax?

If you are a commercial landlord (i.e. your property is under a commercial lease where the tenant conducts a business) and you meet the eligibility criteria, you can apply for a 25% reduction on your land tax (exclusive of any absentee owner surcharge) for that property, and defer the balance of your 2020 land tax until up to 31 March 2021. A further extension may also be available for the balance of your 2020 land tax if you are also eligible for [land tax relief for your 2021 land tax](#).

To be eligible for tax relief for a tenanted property, you must demonstrate that:

- Your property has been rented since before 29 March 2020.
- You have provided rent relief to your tenants in accordance with this relief measure because they have been impacted by the coronavirus pandemic.

If your commercial tenant asks you for rent relief under the Commercial Tenancy Relief Scheme, your tenant is required to declare to you that they meet the conditions in either of these two categories:

1. For general commercial tenants:
 - annual aggregated turnover was no greater than \$50 million in either the 2018-19 or 2019-20 financial year, and
 - they are eligible for, and participating in, the [Australian Government's JobKeeper Payment](#).
2. For commercial tenants operating a licensed pub, club or restaurant under a general, full club or on-premises liquor licence:
 - at the premises level, annual turnover was no greater than \$50 million in either the 2018-19 or 2019-20 financial year, and
 - turnover at that premises has reduced by at least 30% since March 2020.

Aggregated turnover is your tenant's turnover, in addition to any entity connected or affiliated with your tenant, within the meaning of [section 328-125](#) and [section 328-130](#) respectively of the *Income Tax Assessment Act 1997* (Commonwealth). Turnover includes the proceeds of sales of goods and/or services, commission income, repair and service income, rent, leasing and hiring income, government bounties and subsidies, interest, royalties and dividends, and other operating income. This means that a subsidiary of, or connected business to, a larger business that exceeds the turnover threshold may not be eligible.

Your tenant can make their declaration using our [commercial tenant details SmartForm](#), which they can then send to you by email. You must include your tenant's declaration with your application.

In accordance with the Commercial Tenancy Relief Scheme, if your tenant is contractually obligated to pay the land tax on the property, you are required to pass on to the tenant their proportionate share of the land tax reduction.

To be eligible for 2020 land tax relief for an untenanted property, you must demonstrate that:

- Your property was tenanted in March 2020 under an eligible lease, or was the subject of an executed eligible lease in March 2020, that the tenant did not fulfil.
- Your property was subsequently vacant for a continuous period of three months prior to 31 December 2020 because of the coronavirus pandemic.

As a commercial landlord, what rent relief do I need to provide to be eligible for the 25% reduction and deferral of 2020 land tax?

The rent relief you provide must be consistent with the requirements of the [Commercial Tenancy Relief Scheme](#) and the principles of the Support to Landlords and Tenants package announced on 15 April 2020.

Agreements for rent relief reached on or after 29 September 2020 must provide for rent relief that is at least in proportion to the tenant's decline in turnover at the property. More

information is available on the [Small Business Commissioner website](#).

The amount of rent you waive between 29 March 2020 and 31 December 2020 (and don't require the tenant to pay at a later date) must be at least 25% of the 2020 proportional land tax for the property, except where:

- land tax is an outgoing which is the contractual responsibility of the tenant (in which case the land tax discount must be passed on to the tenant), or
- the rent relief is the outcome of an approved mediation process.

As a commercial landlord, my property is subject to a sub-lease arrangement, so am I eligible for the 25% reduction and deferral of 2020 land tax?

Under a sub-lease arrangement, you lease your property to a lessee. This lease is known as the head lease, and the lessee is known as the head lessee. The head lessee then leases the property to a further lessee. This lease is known as a sub-lease, and the further lessee is known as the sub-lessee.

To be eligible for tax relief for a property which is subject to a sub-lease arrangement, you must demonstrate each of the following:

- You have provided rent relief to the head lessee that meets the general requirements for land tax relief, as set out above.
- The head lessee has provided rent relief to the sub-lessee that meets the general requirements for land tax relief, as set out above.
- The sub-lessee has declared (they can make their [declaration using our SmartForm](#)) that they meet the conditions in either of these two categories:
 - For sub-lessees operating general businesses:
 - annual aggregated turnover was no greater than \$50 million in either the 2018-19 or 2019-20 financial year, and
 - they are eligible for, and participating in, the [Australian Government's JobKeeper Payment](#).
 - For sub-lessees operating a licensed pub, club or restaurant under a general, full club or on-premises liquor licence:
 - at the premises level, their turnover was no greater than \$50 million in either the 2018-19 or 2019-20 financial year, and
 - turnover at that premises has reduced by at least 30% since March 2020.

Who is a residential landlord?

You are a residential landlord for the purposes of land tax relief if you rent your property to a tenant under an eligible agreement for the purposes of the Residential Tenancies Dispute Resolution Scheme.

Eligible agreements are tenancy agreements, special disability accommodation agreements and site agreements under the *Residential Tenancies Act 1997*. You are only eligible for land tax relief if you rent your property under one of these types of agreements. Most holiday accommodation, such as hotels, motels, and bed and breakfasts, as well as rooms in rooming houses, is not provided under any of these types of agreements.

As a residential landlord, am I eligible for the 25% reduction and deferral of 2020 land tax?

If you are a residential landlord and meet the eligibility criteria for tax relief, you can apply for a 25% reduction on your 2020 land tax (exclusive of any absentee owner surcharge) for the property, and defer the balance of your 2020 land tax until up to 31 March 2021. A further extension may also be available for the balance of your 2020 land tax if you are also eligible for land tax relief for your 2021 land tax.

To be eligible for tax relief for a tenanted property, you must demonstrate that:

- Your property has been rented since before 29 March 2020.
- You have provided rent relief to your tenants in accordance with this relief measure because at least one of the tenants has been impacted by the coronavirus pandemic.

To be eligible for 202 land tax relief for an untenanted property, you must demonstrate that your property:

- Was tenanted under an eligible agreement in March 2020 or was the subject of an executed eligible agreement in March 2020 that the tenant did not fulfil.
- Was subsequently vacant for a continuous period of three months prior to 31 December 2020 because of the coronavirus pandemic.

As a residential landlord, how much rent relief do I need to provide to be eligible for the 25% reduction and deferral of 2020 land tax?

The rent relief you provide must be consistent with the principles of the Support to Landlords and Tenants package announced on 15 April 2020. This includes taking into consideration the tenant's reduction in income as a result of the coronavirus pandemic. More information on these principles for residential leases is available on the [Consumer Affairs website](#).

The amount of rent you waive between 29 March 2020 and 31 December 2020 (and don't require the tenant to pay at a later date) must be at least 25% of the proportional 2020 land tax for the property, except where the rent relief is the outcome of an approved mediation process.

Additional land tax reduction for residential and commercial properties

Who is eligible for an additional reduction of up to 25% (a total reduction of up to 50%) of 2020 land tax?

Landlords of residential and commercial properties are eligible for an additional reduction of up to 25% (a total reduction of up to 50%) on the 2020 land tax (exclusive of any absentee owner surcharge) for the property if they provide the required amount of rent relief to their tenant. Eligible landlords can also choose to defer the balance of their assessment until up to 31 March 2021.

How much rent relief do I need to provide to be eligible for an additional reduction of up to 25% (a total reduction of up to 50%) of 2020 land tax on my property?

To receive an additional reduction of up to 25% (a total reduction of up to 50%) on your 2020 land tax (exclusive of any absentee owner surcharge) on your property, you must:

- Be eligible for the general 2020 land tax relief, which includes complying with the commercial or residential tenancy relief scheme.
- Provide rent relief in the form of an outright waiver of at least 50% of the rent payable for at least three months. The months do not have to be consecutive, and can be any time between 29 March 2020 and 31 December 2020.

I am eligible for an additional reduction of up to 25% (a total of up to 50%), but how much will I actually receive?

Provided you are eligible for an additional reduction, your total reduction on your 2020 land tax on your property (exclusive of any absentee owner surcharge) will be 50% if:

- the total amount of rent you waive between 29 March 2020 and 31 December 2020 (and don't require the tenant to pay at a later date) is at least 50% of the 2020 proportional land tax for the property (exclusive of any absentee owner surcharge), or
- land tax is an outgoing which is the contractual responsibility of the tenant (in which case the land tax reduction must be passed on to the tenant).

If you are eligible for an additional reduction but not for a total reduction of 50%, your total reduction on your 2020 land tax on your property will equal the amount of rent you waive between 29 March 2020 and 31 December 2020 (and don't require the tenant to pay at a later date).

There are different rules if there are [multiple tenancies on the property](#).

If I have already received a 25% reduction on my 2020 land tax and think I'm eligible for an additional reduction of up to 25% (a total reduction of up to 50%), do I need to reapply?

You must apply for the additional reduction of up to 25% (a total reduction of up to 50%) on your 2020 land tax via [My Land Tax](#) irrespective of whether you have already applied for the 25% reduction. Additional evidence may be required to support your application.

Vacant properties and commercial properties that are owner-occupied are not eligible for the additional land tax reduction of up to 25%.

Multiple tenancies

How does land tax relief apply for properties with multiple tenancies?

The Victorian Government has revised the way land tax relief applies for properties with multiple tenancies. Where a property contains multiple tenancies, the landlord can make a single application for a land tax reduction for the whole property, rather than just to the part of the property occupied by eligible tenants who have received rent relief.

A property with multiple tenancies includes:

- a single piece of land (i.e. land contained within a single certificate of title) with multiple tenancies, or
- a single complex (such as a shopping centre) situated across multiple commonly-owned titles with multiple tenancies.

You can receive a reduction of up to 25% on the 2020 land tax of your property with multiple tenancies if you provide rent relief to tenants at the property that is consistent with the principles of, and is provided under, the Support to Landlords and Tenants package announced on 15 April 2020, which for commercial tenants includes complying with the requirements of the [Commercial Tenancy Relief Scheme](#).

You can receive an additional reduction of up to 25% (a total reduction of up to 50%) if you provide rent waivers of at least 50% of tenants' combined rent over three months for at least half of the eligible tenants at the property.

The 2020 land tax reduction is limited to the total amount of rent you waive in relation to eligible tenants at the property (and don't require the tenants to pay at a later date). Where land tax is an outgoing that is the contractual responsibility of the tenant, any land tax discount passed on to the tenant can count towards the total amount of rent waived.

How do I apply?

Landlords of properties with multiple tenancies can apply for the land tax relief via our [Coronavirus land tax relief - Multiple tenancy properties SmartForm](#). You also need to [download and complete a Multiple Tenancy Schedule](#) to accompany your application.

You cannot apply through My Land Tax.

Owner-occupiers

I run a business from my property that has been impacted by the coronavirus pandemic. Am I eligible for land tax relief?

If you are an owner-occupier of commercial property and meet the eligibility criteria for tax relief, you can apply for a 25% reduction on your 2020 land tax (exclusive of any absentee owner surcharge) for your property, and defer the balance of your 2020 land tax until up to 31 March 2021. A further extension may also be available for the balance of your 2020 land tax if you are also [eligible for 2021 land tax relief](#).

To be eligible for land tax relief, you must own the property from which you actively carry on your business under an ABN. You must own the property and the business, either directly or through a company or trust that you own and control. Your business must meet the conditions in either of these two categories:

1. For general businesses:

- annual aggregated turnover was no greater than \$50 million in either the 2018-19 or 2019-20 financial year, and
- they are eligible for, and participating in, the [Australian Government's JobKeeper Payment](#).

2. For a licensed pub, club or restaurant under a general, full club or on-premises liquor licence:

- at the premises level, annual turnover was no greater than \$50 million in either the 2018-19 or 2019-20 financial year, and
- turnover at that premises has reduced by at least 30% since March 2020.

Aggregated turnover is your business's turnover, in addition to any entity connected or affiliated with your business, within the meaning of [section 328-125](#) and [section 328-130](#) respectively of the *Income Tax Assessment Act 1997* (Commonwealth). Turnover includes the proceeds of sales of goods and/or services, commission income, repair and service income, rent, leasing and hiring income, government bounties and subsidies, interest, royalties and dividends, and other operating income.

Properties being held or developed for the purpose of sale are not eligible for relief unless there is a business being actively conducted on the property. Construction or development work on the property does not qualify as a business being actively conducted on the property.

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