

Australian Capital Territory

## **Planning and Development (Land Rent) Policy Direction 2008 (No 1)**

**Disallowable instrument DI2008–203**

made under the

**Planning and Development Act 2007 section 272C(1)**

### **EXPLANATORY STATEMENT**

---

This disallowable instrument is made as a result of the repeal under subsection 428(2) of the *Planning and Development Act 2007* (the Act) of Disallowable Instrument DI 2003-221.

Section 272B (2) (c) of the Act provides for rental lessees to ‘pay out’ their rental commitment on their rental leases for an amount determined by the planning and land authority with reference to any policy direction made by a disallowable instrument in exchange for a lease of nominal rent.

Section 272A(2) states that a lessee may apply to the planning and land authority for a variation of the lease to reduce the rent payable to a nominal rent. Section 272A states that the section applies to a lease that is a land rent lease and a lease that is included in a class of leases prescribed by regulation. Regulation 160 of the *Land and Development Regulation 2008* (the Regulations) prescribes the applicable classes of lease as follows:

- (a) rental leases granted for the full market rental value of the lease;
- (b) concessional leases provided that the lease is not a *recently commenced lease* within the meaning of regulation 180 of the Regulations or a lease formerly granted under section 163 of the *Land (Planning and Environment) Act 1991*.

The instrument sets out the policy direction for determining the amount a lessee must pay if the lessee applies to the planning and land authority to pay out the land rent payable under the lease.