

Australian Capital Territory

# Taxation Administration (Land Tax) Determination 2012 (No 1)

Disallowable instrument DI2012—102

made under the

*Taxation Administration Act 1999*, s 139 Determination of amounts payable under tax laws

## **EXPLANATORY STATEMENT**

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1. This determination takes effect from 1 July 2012.
2. As part of the 2012-13 Budget, the Government announced that it would be reforming the Territory's taxation system. As part of this package, reform will be undertaken to the Land Tax system. This instrument implements the Government's reform to the Land Tax system.
3. Under section 139 of the *Taxation Administration Act 1999*, the Minister has the authority to determine, in writing by disallowable instrument, amounts and rates applicable for the *Land Tax Act 2004*.
4. The purpose of this instrument is to determine the rates for the calculation of land tax for residential land and commercial land for section 9 (4) of the *Land Tax Act 2004*.
5. Calculation of land tax liability for rented residential land and residential land owned by a corporation or trustee:
  - An average unimproved land value of \$75,000 or less will pay a land tax rate of 0.60%.
  - An average unimproved land value of between \$75,001 and \$150,000 will pay a land tax rate of \$450 plus 0.70% on the average unimproved value of land above \$75,000.
  - An average unimproved land value of between \$150,001 and \$275,000 will pay a land tax rate of \$975.00 plus 0.89% on the average unimproved value of land above \$150,000.

- An average unimproved land value of \$275,001 or more will pay a land tax rate of \$2,087.50 plus 1.80% on the value of average unimproved land above \$275,000.
6. From 1 July 2012, commercial properties will not be charged land tax. As such, the Land Tax rates for commercial properties have been reduced to 0%.
  7. This instrument revokes Disallowable Instrument No 60 of 2005 notified on the ACT Legislation Register (29 April 2005).

Authorised by the Treasurer  
Andrew Barr MLA