

SCG CORONA BULLETIN

MAY 2020



LAND TAX RELIEF

Claim Coronavirus Land Tax Relief

The Victorian Government has announced [land tax relief](#) for landlords as part of its Economic Survival Package in response to coronavirus (COVID-19). Eligible land owners can get a 25% reduction in land tax and defer payment up to 31 March 2021 on any amount owing on their 2020 land tax assessment.

1. Check your eligibility

If your property is rented

- Your tenant's ability to pay their normal rent must be impacted by the coronavirus pandemic.
- If the tenant is commercial (includes retail, office and industrial), your tenant must be:
 - a small or medium enterprise (annual turnover up to \$50 million), and
 - eligible to receive the [Australian Government's JobKeeper Payment](#).
- Both you and your tenant must have agreed to a reduced rent.
- The rent reduction (in dollar terms) must be at least 25% of the 2020 proportional land tax for that property.

If your property is not rented

- The property must be available for lease/rent.
- A tenant for the property cannot be secured because of the coronavirus pandemic.

While the Victorian Government may settle further conditions for eligibility, you can apply for coronavirus land tax relief if you meet these general criteria.

2. Prepare your information and evidence

If your property is tenanted

For residential and commercial property, you need to prepare information/evidence as to:

- The lease agreement or written evidence of the arrangement existing between you and your tenant prior to the coronavirus pandemic.

- Written evidence of the rent reduction or rent waiver that has occurred as a result of the impact of the coronavirus pandemic.
- Anything else that can support your claim.

If your property is not tenanted

- The date when the property became available for rent.
- Description of how the coronavirus pandemic has impacted your ability to secure a tenant.
- The advertised rental amount and date of advertisement (if applicable).
- Copy of the property advertisement, for example via screenshot from online media or PDF (if applicable).
- Exclusive managing and leasing authority agreement with the real estate agent or property manager (if applicable).
- Anything else that can support your claim.

We recommend you obtain permission from your tenants to supply this information to the SRO.

3. Apply via My Land Tax

Eligible landlords can apply for the land tax reduction through My Land Tax, an online application for managing your land tax, from Friday 1 May 2020:

- If you are already registered for My Land Tax, [log in and apply now](#).
- If you are not registered for My Land Tax, [register now](#).

Once you are logged in to My Land Tax:

- Select 'COVID-19 land tax relief for eligible land owners' on the dashboard.
- For the property you want to claim land tax relief, select 'Manage property' and from the drop down box, select 'I want to apply for COVID-19 land tax relief'
- Answer all questions in relation to your application and upload documentary evidence for your claim as required.
- If you have more than one property for which you want to claim coronavirus land tax relief, you need to follow steps 2-3 for each property. Note: You need to lodge separate applications for each property and cannot claim for more than one property in the same application.

Next Steps

Once you have submitted your application via My Land Tax, and any further eligibility conditions are settled, the SRO will review it.

Before finalising your application, the SRO may need to contact you for more information and await any related information that we need. You can track your application's progress from within My Land Tax.

If your application is allowed, they will automatically defer payment of any outstanding land tax from your 2020 assessment up to 31 March 2021.

For property holdings in other states:

Western Australia: Commercial landlords in Western Australia who reduce rents of their small business tenants impacted by COVID-19 will have land tax relief via grants paid to the landlords equivalent to 25 per cent of their land tax bill. To be eligible, the commercial landlord must provide rent relief of a minimum of three months' rent and freeze outgoings to small businesses that have suffered at least a 30 per cent fall in turnover due to the pandemic.

South Australia: Eligible commercial or residential landlords will be offered a 25 per cent reduction on their 2019-20 land tax liability on affected properties. They must be able to demonstrate that they have provided rent relief at least equal to the amount of the land tax reduction, since 30 March 2020, or that they will provide such relief up to 30 October 2020.

New South Wales: The 25 per cent reduction in land tax payable is also available to commercial and residential landowners in New South Wales for the 2020 land tax year, who have reduced the rent of their affected tenant by at least as much as the tax reduction.

JOBKEEPER EXTENSIONS

April payments to 8 May and enrolments to 31 May

The ATO has extended the deadlines for businesses to enrol for the initial JobKeeper periods and to pay the first JobKeeper Payments.

The deadline for businesses to enrol for the initial JobKeeper periods has been extended from 30 April 2020 to 31 May 2020. Businesses that meet the 31 May 2020 deadline will still be able to claim for the fortnights in April and May, provided they meet all the eligibility requirements for each of those fortnights. This includes having paid their employees by the appropriate date for each fortnight.

Further, affected businesses will now have until 8 May 2020 to ensure that all eligible employees receive a minimum of \$3000 in gross wages for the first two fortnights of the JobKeeper support period (that is, 30 March 2020 to 12 April 2020 and 13 April 2020 to 26 April 2020). This extension does not negate the obligation on businesses to pay eligible employees \$1500 in each JobKeeper fortnight.

If employees are paid less frequently than fortnightly, the payment can be allocated between fortnights in a reasonable manner. For example, on a monthly pay cycle, employees must have received the monthly equivalent of \$1500 per JobKeeper fortnight.

JobKeeper Payment Dates

The payment dates for all JobKeeper fortnights are:

- 30 March – 12 April by Friday 8 May
- 13 April – 26 April by Friday 8 May
- 27 April – 10 May by Sunday 10 May
- 11 May – 24 May by Sunday 24 May
- 25 May – 7 June by Sunday 7 June
- 8 June – 21 June by Sunday 21 June
- 22 June – 5 July by Sunday 5 July
- 6 July – 19 July by Sunday 19 July
- 20 July – 2 August by Sunday 2 August
- 3 August – 16 August by Sunday 16 August
- 17 August – 30 August by Sunday 30 August
- 31 August – 13 September by Sunday 13 September

Claims for JobKeeper payments for the first two fortnights will open from Monday 4 May and will require eligibility declarations, confirmation of eligible employees and reporting of actual and projected monthly turnover.

If you require SCG assistance with the land tax relief measures please contact our office on 9510-1000.