



Land Tax 2009

Section 47

Clearance Certificate

MORE INFORMATION



www.osr.nsw.gov.au



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Phone enquiries
8.30 am – 5.00 pm, Mon. to Fri.

Counter services
8.30 am – 4.30 pm, Mon. to Fri.

*Interstate clients please call (02) 9689 6200.
Help in community languages is available.

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What is a land tax charge?

Under Section 47 of the *Land Tax Management Act 1956*, land tax is a charge on land owned in NSW as at the taxing date (midnight on 31 December) of each year. The charge applies from the taxing date and does not depend on the issue of a land tax assessment notice. Land tax is an annual tax, so a new charge may occur on the taxing date each year.

Does the charge apply to all the land owned?

Where an owner is liable for land tax, the charge applies to all land held by that owner on the particular taxing date, except for:

- exempt land
- Crown land where a lessee must pay land tax, or
- land owned by a company and the shareholders are deemed to be the owners as they have an exclusive right to use and occupy parts of the land (a company title scheme).

How do I have the charge removed?

A land tax charge remains until the tax is paid or an exemption is allowed. The Chief Commissioner of State Revenue may release the land from the charge after full payment of the assessment is made.

Alternatively, the charge may be removed on receipt of payment of an estimate amount determined by OSR.

What protection does a clearance certificate provide?

A clear land tax certificate protects a purchaser from any outstanding land tax payable by a previous owner. It means that once they become the owner, they cannot be made to pay a prior land tax liability, unless they had notice of the unpaid charge prior to the issue of the certificate.

It does not provide any protection to the owner of the land at the time the land tax charge occurred. That owner still has to pay any unpaid land tax, even if the unpaid land tax is not assessed until after the sale is completed.

Note: a clear certificate does not mean that land tax was not payable or that there is no land tax adjustment to be made on settlement, if the contract for sale allows for it.

How do I get a clearance certificate?

Read more about clearance certificates at www.osr.nsw.gov.au, apply for a clearance certificate online (using an approved Client Service Provider) or download an application form.

