



Office of State Revenue
NSW TREASURY

ABN: 77 456 270 638

Revenue Ruling No. LT17

Remission of Land Tax in Cases of Hardship

PREAMBLE

Section 50 of the Land Tax Management Act 1956 (the Act) provides that in cases of serious hardship, a Hardship Board constituted under the Act is empowered to defer or waive the whole or any part of any land tax for which a person is liable.

The Board consists of the Chief Commissioner, the Auditor-General and the Secretary of the Treasury.

Members of the Board may appoint a person to act in their place at any meetings of the Board at which they are unable to be present, and any such person, while so acting, shall have the powers and authorities conferred by the Act upon the member by whom they were so appointed.

This Ruling sets out the powers of the Board in cases of hardship and the information which must be supplied by applicants for relief.

RULING

Powers of the Board

1. The Board may waive the payment of land tax either wholly or in part in any case where it is shown to the satisfaction of the Board that -
 - (a) a person liable to pay land tax has suffered such a loss, or is in such circumstances, that the exaction of the full amount of land tax will entail serious hardship; or
 - (b) the dependants of a deceased person are in such circumstances that the exaction of the full amount of land tax, for which that person if still living would have been liable, will entail serious hardship.
2. In addition to its powers to waive the payment of tax, the Board may, in such cases as it thinks fit, defer part of any land tax which a person is liable to pay for such period as the Board thinks fit.
3. Where the Board defers payment of land tax, it may make the deferment subject to such conditions as it thinks fit and it may revoke the deferment at any time. For example, a deferment might be revoked if the Board became aware that a person who had been granted relief had misled the Board as to the person's financial circumstances.

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4. Where the Board decides to grant relief, the Chief Commissioner will make such alterations in the amount of land tax payable and will make such refund of land tax already paid as is necessary to give effect to a decision of the Board.

Applications to the Board

5. A person seeking relief from the payment of land tax is required to complete an application to the Board setting out the grounds on which it is claimed that exaction of the full amount of tax will entail serious hardship. Details of the person's financial circumstances must be provided, including details of current assets and liabilities, and information relating to income and expenditure over the previous 12 months.
6. An inability to pay land tax by reason of a lack of ready funds or because of an insufficient income from the land, may not, by itself, be a sufficient basis for a successful application to the Board. Applicants in such circumstances must be able to demonstrate that they are unable to raise sufficient funds to pay the tax and they should furnish advice as to their intentions regarding the continued ownership or sale of such land.
7. The Board will be unable to grant relief unless an applicant provides the information specified in the application form approved by the Board. Applicants can be assured that all information contained in a person's application will remain confidential. Such confidentiality is reinforced by section 6 of the Act, which provides for a penalty of up to \$10,000 for unauthorised disclosure of such information.
8. Application forms may be obtained by writing to or telephoning the Secretary of the Hardship Board, Land Tax Division, Postal Bag No. 5815 Parramatta 2150, telephone No. (02) 685 2155. Completed applications should be returned to the address shown on the form.

R.P. DALEY
for Chief Commissioner of Land Tax
23 June, 1988