



Office of State Revenue  
NSW TREASURY

ISO 9001-Quality Certified

## Revenue Ruling No. LT 29

# Exemption from Land Tax for Boarding Houses Guidelines and Applications for 1991 Tax Year

### Ruling history

Ruling no.	Issued date	Dates of effect		Status
		From	To	
LT 29	30 January 1991	01 January 1991	31 December 1991	Relates to the 1991 land tax year only. See <a href="#">LT 23</a> for the 1990 tax year <b>These rulings are issued annually.</b>

### Preamble

- 1 The Land Tax Management Act was amended in 1989 to provide an exemption from land tax for boarding houses accommodating low income earners. This exemption applies:
  - (a) to boarding houses (including rooming houses, serviced rooms and flatettes and furnished or unfurnished rooms with or without resident managers) but not to premises where hotelier's licence under the Liquor Act 1982 is in force;
  - (b) only if the land is within the Counties of Cumberland, Illawarra and Newcastle metropolitan areas respectively;
  - (c) for the tax year commencing 1 January 1990 and succeeding years;
  - (d) if the boarding house complies with the guidelines approved by the Treasurer.
- 2 The exemption **must be applied for each year** and supporting evidence should be available, if required for inspection. However, if no application is received by 31 March of the relevant tax year, land tax will automatically be levied.
- 3 The purpose of this ruling is to notify the **new guidelines for 1991** tax year which have been approved by the Treasurer and explain how to apply for the exemption.

### Ruling

- 4 In order to qualify for the exemption for the 1991 tax year, boarding houses must satisfy the following conditions:
  - (i) The land must have been used and occupied primarily as a boarding house for the 3 months immediately preceding the commencement of the tax year (i.e. 1 January 1991) and intended to be so used for the whole of the 1991 tax year;
  - (ii) At least 80 per cent of the available accommodation should have been occupied by long term residents during that 3 months period. A "long term resident" is defined as a person who resided at the boarding house for 3 consecutive months or for any periods totalling three months during 1990;
  - (iii) In respect of at least 80 per cent of the available accommodation in the boarding house, the maximum tariff during the last quarter of 1990 must have been no more than the following:
    - (a) for full board and lodging -
      - 75 per cent of the single aged pension for single accommodation; or

- 75 per cent of the married aged pension for family or shared accommodation
- (b) in any other case -
- 50 per cent of the single aged pension for single accommodation; or
  - 50 per cent of the married aged pension for family or shared accommodation.
- (iv) Accurate records of the length of stay of tenants and tariffs paid, have to be kept and be available for inspection if required.
- (v) If the boarding house fails to strictly meet the guidelines, the Chief Commissioner has the discretion to approve an application for exemption if satisfied that the boarding house substantially complied with each guideline.
- 5 Based on current aged pensions at single rate of \$145.85 per week and married rate of \$243.20 per week, maximum tariff for boarders should not exceed:
- (a) for full board and lodging -
- \$108.75 per week for single accommodation; or
  - \$182.40 per week for family or shared accommodation.
- (b) in any other case -
- \$72.92 per week for single accommodation; or
  - \$121.60 per week for family or shared accommodation.
- 6 Applications for exemption are to be made by 29 March 1991 (or a later date if the Chief Commissioner's approval to an extension of time is obtained). All applications in the form of the statutory declaration appended to this ruling should be made to the Chief Commissioner of Land Tax at the address shown below.
- 7 The owner of the boarding house must agree to maintain tariffs, as indicated in paragraph 4(iii) of the guidelines, during the whole of 1991.
- 8 The declaration provides for the claimant to declare that the legislative requirements and the approved guidelines have been met and that they are able to produce records to prove that these requirements have been met.
- 9 Additional copies of the application form are available from the Office of State Revenue. Completed forms should be forwarded to the Chief Commissioner at any branch of the Office of State Revenue or posted to:

**Office of State Revenue  
Revenue Advisory Services  
Post Bag No. 5215  
PARRAMATTA NSW 2124**

**B Buchanan**  
for Chief Commissioner of Land Tax.  
30 January, 1991.

**APPLICATION FOR EXEMPTION FROM LAND TAX FOR BOARDING HOUSE  
PROVIDING ACCOMMODATION FOR LOW INCOME EARNERS**

**PART A**

**STATUTORY DECLARATION**

I, .....  
of (with full address) .....  
.....

Client Number .....

apply for exemption from land tax under the provisions of the Land Tax Management Act 1956 payable on the parcel of land at ..... contained in volume ..... Folio No..... and do hereby solemnly and sincerely declare:

\*1. that the land was used and occupied primarily as a boarding house for the period of three months from 1 October to 31 December 1990

\*2. that during 1990, 80 per cent or more of the total accommodation was occupied by the same tenants for:

- a) periods of 3 consecutive months; or
- b) any periods totalling 3 months during the year

\*3. that for at least 80 per cent of the available accommodation in the boarding house, during the last quarter of 1990, the maximum tariff was no more than:

- a) \*for full board and lodging -
  - i) 75 per cent of the single aged pension for single accommodation; or
  - ii) 75 per cent of the married aged pension for family or shared accommodation
- b) \*in any other case -
  - i) 50 per cent of the single aged pension for single accommodation; or
  - ii) 50 per cent of the married aged pension for family or shared accommodation

4. that is, based on current aged pensions at single rate of \$145.85 per week and married rate of \$243.20 per week, maximum tariff for 80% of the boarders did not exceed:

- a) for full board and lodging -
  - \$108.75 per week for single accommodation; or
  - \$182.40 per week for family or shared accommodation.
- b) in any other case -
  - \$72.92 per week for single accommodation; or
  - \$121.60 per week for family or shared accommodation

5. I/We agree to maintain tariffs at the levels specified in paragraph 3 during the whole of 1991.

6. that detailed records showing the length of stay of tenants and tariffs paid by tenants have been kept.

\*7. that for the following reasons the guidelines at paragraphs "1, 2, 3, 4 could not be fully met (applications should specify the extent to which particular guidelines were not met):-.

.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....

I/We make this solemn declaration, consciously believing the same to be true, and by virtue of the provisions of the Oaths Act 1990.

("strike out whichever is not applicable)

.....  
Declarant(s) Signature

Made and signed before me this ..... day of 19

.....  
Justice of the Peace

**PART B**

Details of the Boarding House

1. The number of rooms available

2. \*\*Occupancy details:

Room Nos (list all rooms)	Number of Occupants	Tariff charged each occupant	Whether single or family/shared accommodation

\*\*If more space is needed, attach additional sheets.

.....  
Applicant's signature with date

.....  
Signature witnessed by  
.....