



Office of State Revenue  
NSW TREASURY

ABN: 77 456 270 638

## Revenue Ruling No. LT7

### Land Tax 1988 - Introduction of Modified Returns System

#### PREAMBLE

Section 12 of the Land Tax Management Act 1956 provides that the Chief Commissioner may, by notice in the gazette or otherwise, require any person to furnish a return, in respect of all land owned at midnight on 31 December preceding the tax year for which the return is required. The return must contain such particulars as are specified in the notice or as are required by the Chief Commissioner. Section 14 of the Act provides that the Chief Commissioner shall, from the returns and/or from any other information, and whether any return has been furnished or not, cause an assessment to be made.

From the 1988 tax year, taxpayers whose land holdings and land usage do not change will not generally be required to furnish returns. In such instances, a notice of assessment, based on information held by the Department, will be issued to the taxpayer. Only those taxpayers whose land holdings or land use change are required to lodge a return.

#### RULING

##### Lodgement of Returns for 1988

1. Where a return was lodged for the 1987 tax year and neither land holdings nor land usage has changed since 31 December 1986, no return is required.
2. Where a return was lodged for the 1987 tax year and land holdings or land usage at 31 December 1987 has changed since 31 December 1986, a 1988 Land Tax "Variations Only" return detailing such changes must be lodged by 1 February 1988. All current taxpayers have been sent a letter Outlining the new system, together with a 1988 Land Tax "Variations Only" Return and a Land Tax Information Booklet.
3. Where a person becomes liable for land tax for the first time for the 1988 tax year, a 1988 Land Tax "Initial Return" must be lodged by 1 February 1988. Where a person who was liable for land tax prior to the 1987 tax year, but was not liable for 1987, and that person becomes liable for the 1988 year, an Initial Return must be lodged by 1 February 1988.

##### Additional Tax for Late/Non Lodgement of Returns

4. Revenue Ruling LT1 which was issued in February 1986 sets out the Department's guidelines regarding the exercise of the Chief Commissioner's discretion in relation to the remission or reduction of additional tax imposed by the Act for late lodgement of returns or for failure to lodge returns. These

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guidelines will be applied to taxpayers who fail or neglect to lodge Initial or Variations Only Returns when required.

5. Additional tax is imposed to gain compliance with the provisions of the legislation. In exceptional circumstances, special consideration will be given to a reduction of such additional tax.

#### **Extensions of Time to Lodge Returns**

6. Where returns cannot be furnished as and when required by the Act or by the Chief Commissioner, an application requesting an extension of time to lodge returns should be made in writing prior to the due date for lodgement. Practitioners responsible for lodgement of a number of returns should make a single application enclosing a list of the names of all clients for whom an extension is sought.
7. Where an application for an extension is approved an approval number is allocated. This number and the date to which the extension has been granted must be shown in the space provided on page 1 of the returns in order to ensure that additional tax is not imposed.
8. Returns for 1988 are due for lodgement by 1 February 1988 and any applications for an extension of time to lodge such returns should be made in writing prior to that date.

#### **COST SAVINGS**

9. The modified returns system is aimed at reducing paper and reducing costs incurred by taxpayers, their professional advisers and the Department. Taxpayers or their representatives can assist in achieving this aim by not furnishing returns if there has been no change in the taxpayer's land holdings or land use.

A. D. CLYNE,  
Chief Commissioner of Land Tax.  
14 January 1988