NSW 2020 Land Tax concessions for landlords (commercial and residential) during COVID 19

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Many landlords are feeling the negative financial impacts of Australia's actions to ward off the most negative consequences of the COVID 19 pandemic. The New South Wales government is providing some relief to landlords by way of Land Tax concessions.

On 7 May 2020, the New South Wales government announced that "**eligible landlords**" would be able to apply for a land tax concession of up to 25% of their 2020 Land Tax year (1 January 2020 to 31 December 2020) liability, so long as they pass on the full savings from any Land Tax concession to their tenants by way of a reduction in rent.

Who is an “eligible landlord”?

An eligible landlord needs to satisfy the following:

1. They are leasing a property to a commercial tenant who has:
   - an annual turnover of less than $50 million; and
   - experienced a reduction in turnover, due to COVID-19, of 30% or more; **OR**
1. They are leasing a property to a residential tenant who has experienced a reduction in household income due to COVID-19, of 25% or more; and
2. They have reduced the rent of affected tenants for any period between 1 April 2020 and 30 September 2020; and
3. They have provided a rent reduction to their tenants without any requirement for The reduction to be paid back at a later date; and
4. They have a 2020 Land Tax liability that can be attributed to the property for which the rent reduction has been given.

How do I apply for a concession?

More information in relation to eligibility and making an application for a Land Tax concession, visit the NSW Government COVID-19 Land Tax Relief page here.

How will the concessions be applied and paid?

If a landlord has been approved for a Land Tax concession, the concession will be applied to any unpaid 2020 Land Tax payments, with refunds paid for payments already made for 2020 Land Tax.

The government anticipates that payments will take approximately five days to process once approved.

Get help from a commercial lawyer

Contacting E&A Lawyers

For more information or to arrange a consultation with a lawyer, you can call or email us.

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