



New South Wales

Land Tax (Build-to-Rent Concessions) Amendment Bill 2025

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The objects of this Bill are—

- (a) to amend the *Land Tax Management Act 1956* to—
 - (i) establish a new ongoing land tax concession scheme for owners of certain new build-to-rent properties (the ***new ongoing BTR concession scheme***), and
 - (ii) preserve the existing time limited land tax concession scheme for owners of certain build-to-rent properties (the ***existing time limited BTR concession scheme***), and
- (b) to amend the *Duties Act 1997* and the *Land Tax Act 1956* to—
 - (i) provide for the refund of surcharge purchaser duty and surcharge land tax in relation to land on which new build-to-rent developments are constructed and in relation to which the land owner is eligible for land tax concessions under the new ongoing BTR concession scheme, and
 - (ii) preserve the existing entitlement to the refund of surcharge purchaser duty and surcharge land tax in relation to land on which build-to-rent developments are constructed and in relation to which the land owner is eligible for land tax concessions under the existing time limited BTR concession scheme.

Outline of provisions

Clause 1 sets out the name, also called the short title, of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on the date of assent to the proposed Act.

Schedule 1 Amendment of Duties Act 1997 No 123

Schedule 1 amends the *Duties Act 1997*, section 104ZJB to provide for the refund of surcharge purchaser duty in relation to land on which new build-to-rent developments are constructed and in relation to which the land owner is eligible for land tax concessions under the new ongoing BTR concession scheme.

Schedule 2 Amendment of Land Tax Act 1956 No 27

Schedule 2 amends the *Land Tax Act 1997*, section 5CA to provide for the refund of surcharge land tax in relation to land on which new build-to-rent developments are constructed and in relation to which the land owner is eligible for land tax concessions under the new ongoing BTR concession scheme.

Schedule 3 Amendment of Land Tax Management Act 1956 No 26

Schedule 3[1] makes a consequential amendment to the *Land Tax Management Act 1956*, section 9E to reflect that the existing land tax concession scheme for owners of certain build-to-rent properties under that section is time limited.

Schedule 3[2] inserts proposed section 9F to establish the new ongoing BTR concession scheme, under which the land value of a parcel of land is to be reduced by 50% if there is a building on the land that is being used and occupied for a build-to-rent property in accordance with guidelines approved by the Treasurer. In particular, the proposed section provides for—

- (a) the eligibility requirements for the scheme, and
- (b) circumstances in which the scheme is to be proportionately reduced or ceases to apply, and
- (c) the application of both the existing time limited BTR concession scheme and the new ongoing BTR concession scheme to land, and
- (d) the policies that must and may be included in the Treasurer's guidelines.