

**LAND TAX MANAGEMENT (AMENDMENT) ACT 1987**  
**No. 229**

**NEW SOUTH WALES**



**TABLE OF PROVISIONS**

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**LAND TAX MANAGEMENT (AMENDMENT) ACT 1987 No. 229**

NEW SOUTH WALES



**Act No. 229, 1987**

An Act to amend the Land Tax Management Act 1956 with respect to land exempted from land tax. [Assented to 16 December 1987]

*Land Tax Management (Amendment) 1987***The Legislature of New South Wales enacts:****Short title**

1. This Act may be cited as the Land Tax Management (Amendment) Act 1987.

**Commencement**

2. This Act shall be deemed to have commenced on 31 December 1986.

**Amendment of Act No. 26, 1956**

3. The Land Tax Management Act 1956 is amended as set out in Schedule 1.

**SCHEDULE 1—AMENDMENTS**

(Sec. 3)

**Section 10 (Land exempted from tax)—**

(1) Section 10 (1) (r)—

Omit the paragraph, insert instead:

- (r) with respect to taxation leviable or payable in respect of the year commencing on 1 January 1987 or any succeeding year—
- (i) a strata lot used and occupied as the principal place of residence of the owner of the lot (or, if there are joint owners, as the principal place of residence of one or more of them) and for no other purpose;
  - (ii) a parcel of residential land not exceeding 2,100 square metres in area that is used and occupied as the principal place of residence of the owner of the land (or, if there are joint owners, as the principal place of residence of one or more of them) and for no other purpose;
  - (iii) a parcel of residential land not exceeding 2,100 square metres in area that is used and occupied as the principal place of residence of the owner of the land (or, if there are joint owners, as the principal place of residence of one or more of them) and for no other purpose but on which there is also one of the residential occupancies referred to in subsection (1D)
- (b) (ii) (A)–(F),

unless the owner or all of the joint owners who so used and occupied the lot or land (as appropriate) is such an owner by reason only of being a trustee.

*Land Tax Management (Amendment) 1987*SCHEDULE 1—AMENDMENTS—*continued*

## (2) Section 10 (1) (u)—

Omit “1st January 1976”, insert instead “1 January 1987”.

## (3) Section 10 (1) (u) (i)—

After “paragraph (r) (ii)”, insert “or (iii)”.

## (4) Section 10 (1D)—

Omit “a building that is”, insert instead “a building or buildings”.

## (5) Section 10 (1D) (b)—

After “a building”, insert “or buildings”.

## (6) Section 10 (1D) (b) (i)—

Omit “that is”.

## (7) Section 10 (1D) (b) (ii), (iii)—

Omit the subparagraphs, insert instead:

(ii) containing (out of the total of all rooms in the building or buildings) occupancies other than that of the owner and any one of the following residential occupancies:

(A) one room;

(B) one suite of rooms (not being a flat) each room of which all occupants of the suite are entitled to occupy;

(C) one flat;

(D) one suite of rooms (not being a flat) each room of which all occupants of the suite are entitled to occupy, and one room;

(E) one flat and one room;

(F) 2 rooms, each of which is separately occupied; or

(iii) from any part of which income is derived otherwise than as the consideration for one (but not more than one) of the residential occupancies referred to in subparagraph (ii) (A)–(F).

## (8) Section 10 (1F)—

Omit the subsection, insert instead:

(1F) For the purposes of subsection (1) (r), land used and occupied by an owner as the owner’s principal place of residence does not cease to be used and occupied as the owner’s principal place of residence and for no other purpose because there is on the land one (but not more than one) of the residential occupancies referred to in subsection (1D) (b) (ii) (A)–(F).

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SCHEDULE 1—AMENDMENTS—*continued*

- (9) Section 10 (1G)—  
After “building is”, insert “, or the buildings are,”.
- (10) Section 10 (4)—  
Omit “sub-paragraph (ii) of paragraph (r) of subsection (1)”, insert instead “subsection (1) (r) (ii) or (iii)”.







## LAND TAX MANAGEMENT (AMENDMENT) BILL 1987

NEW SOUTH WALES



### EXPLANATORY NOTE

**(This Explanatory Note relates to this Bill as introduced into Parliament)**

This Bill is cognate with the Stamp Duties (Further Amendment) Bill 1987.

The object of this Bill is to amend the Land Tax Management Act 1956 to expand the scope of exemption from land tax in cases of multiple occupancy of land. The Bill provides that land used as the principal place of residence of the owner of the land will not cease to be exempt because there is a "granny flat" on the land as well as the owner's home.

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Clause 1 specifies the short title of the proposed Act.

Clause 2 provides that the proposed Act shall be deemed to have commenced on 31 December 1986.

Clause 3 is a formal provision which gives effect to the Schedule of amendments.

Schedule 1 (1) substitutes section 10 (1) (r) of the Principal Act. The new paragraph expands the scope of the tax exemption for residential land which is presently in section 10 (1) (r) (ii). Land which satisfies all relevant criteria for exemption will be exempted from tax under the proposed amendments even though there is a residential occupancy on the land as well as the owner's home. The residential occupancy must be one listed in proposed section 10 (1D) (b) (ii) (A)-(F). At present, land on which there is an occupied flat, as well as the owner's home, is not exempted because only one flat, being the owner's home, may be on the land if the exemption is to be allowed. A flat, as defined in section 3 (1), may be a room or a suite of rooms.

Schedule 1 (2) and (3) amend section 10 (1) (u) as a consequence of the substitution of section 10 (1) (r).

Schedule 1 (4)-(6) amend section 10 (1D), which defines "residential land" for the purposes of section 10 (1) (r), to take into account land on which there is more than one building.

*Land Tax Management (Amendment) 1987*

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Schedule 1 (7) substitutes section 10 (1D) (b) (ii) and (iii) to exclude from the meaning of "residential land" land on which the owner's home is situated if—

- (a) out of the total of all rooms and flats in the buildings on the land, there are occupancies other than that of the owner and one of a number of specified types of residential occupancies; or
- (b) income is derived from buildings on the land, other than as the consideration for not more than one of those types of residential occupancies.

Without affecting the land's residential classification for the purposes of the exemption in section 10 (1) (r), the owner of the land will be able to have on the land—

- (a) one room;
- (b) one suite of rooms;
- (c) one flat;
- (d) one suite of rooms and one room;
- (e) one flat and one room; or
- (f) 2 rooms, each of which is separately occupied,

occupied for residential purposes, and to receive payment for that occupancy. A suite of rooms differs from a flat in that it is not a self-contained dwelling. For the purposes of section 10 (1D) (b) (ii) and (iii), all occupants of a suite must be entitled to occupy each room in the suite.

There are other bases on which land is not residential for the purposes of section 10 (1) (r) which are not affected by the proposed amendments.

Schedule 1 (8)–(10) amend various sections of the Principal Act as a consequence of the substitution of section 10 (1) (r) and (1D) (b) (ii) and (iii).

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# LAND TAX MANAGEMENT (AMENDMENT) BILL 1987

NEW SOUTH WALES



## TABLE OF PROVISIONS

1. Short title
2. Commencement
3. Amendment of Act No. 26, 1956

SCHEDULE 1—AMENDMENTS

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# LAND TAX MANAGEMENT (AMENDMENT) BILL 1987

NEW SOUTH WALES



No. , 1987

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## A BILL FOR

An Act to amend the Land Tax Management Act 1956 with respect to land exempted from land tax.

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*Land Tax Management (Amendment) 1987*

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**The Legislature of New South Wales enacts:**

**Short title**

1. This Act may be cited as the Land Tax Management (Amendment) Act 1987.

**5 Commencement**

2. This Act shall be deemed to have commenced on 31 December 1986.

**Amendment of Act No. 26, 1956**

3. The Land Tax Management Act 1956 is amended as set out in Schedule 1.

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**SCHEDULE 1—AMENDMENTS** (Sec. 3)

**Section 10 (Land exempted from tax)—**

(1) Section 10 (1) (r)—

Omit the paragraph, insert instead:

- 15 (r) with respect to taxation leviable or payable in respect of  
the year commencing on 1 January 1987 or any succeeding  
year—
- 20 (i) a strata lot used and occupied as the principal place  
of residence of the owner of the lot (or, if there are  
joint owners, as the principal place of residence of one  
or more of them) and for no other purpose;
- 25 (ii) a parcel of residential land not exceeding 2,100 square  
metres in area that is used and occupied as the  
principal place of residence of the owner of the land  
(or, if there are joint owners, as the principal place of  
residence of one or more of them) and for no other  
purpose;
- 30 (iii) a parcel of residential land not exceeding 2,100 square  
metres in area that is used and occupied as the  
principal place of residence of the owner of the land  
(or, if there are joint owners, as the principal place of  
residence of one or more of them) and for no other  
purpose but on which there is also one of the  
residential occupancies referred to in subsection (1D)  
35 (b) (ii) (A)–(F),

unless the owner or all of the joint owners who so used and occupied the lot or land (as appropriate) is such an owner by reason only of being a trustee.

*Land Tax Management (Amendment) 1987*SCHEDULE 1—AMENDMENTS—*continued*

- (2) Section 10 (1) (u)—  
Omit “1st January 1976”, insert instead “1 January 1987”.
- (3) Section 10 (1) (u) (i)—  
After “paragraph (r) (ii)”, insert “or (iii)”.
- 5 (4) Section 10 (1D)—  
Omit “a building that is”, insert instead “a building or buildings”.
- (5) Section 10 (1D) (b)—  
After “a building”, insert “or buildings”.
- (6) Section 10 (1D) (b) (i)—  
10 Omit “that is”.
- (7) Section 10 (1D) (b) (ii), (iii)—  
Omit the subparagraphs, insert instead:
- 15 (ii) containing (out of the total of all rooms in the building or buildings) occupancies other than that of the owner and any one of the following residential occupancies:
- (A) one room;
- (B) one suite of rooms (not being a flat) each room of which all occupants of the suite are entitled to occupy;
- (C) one flat;
- 20 (D) one suite of rooms (not being a flat) each room of which all occupants of the suite are entitled to occupy, and one room;
- (E) one flat and one room;
- (F) 2 rooms, each of which is separately occupied; or
- 25 (iii) from any part of which income is derived otherwise than as the consideration for one (but not more than one) of the residential occupancies referred to in subparagraph (ii) (A)–(F).
- (8) Section 10 (1F)—  
30 Omit the subsection, insert instead:
- (1F) For the purposes of subsection (1) (r), land used and occupied by an owner as the owner’s principal place of residence does not cease to be used and occupied as the owner’s principal place of residence and for no other purpose because there is on  
35 the land one (but not more than one) of the residential occupancies referred to in subsection (1D) (b) (ii) (A)–(F).

*Land Tax Management (Amendment) 1987*

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SCHEDULE 1—AMENDMENTS—*continued*

(9) Section 10 (1G)—

After “building is”, insert “, or the buildings are,”.

(10) Section 10 (4)—

5 Omit “sub-paragraph (ii) of paragraph (r) of subsection (1)”, insert instead “subsection (1) (r) (ii) or (iii)”.