

**LANDLORD AND TENANT (RENTAL BONDS) AMENDMENT
ACT 1989 No. 161**

NEW SOUTH WALES



TABLE OF PROVISIONS

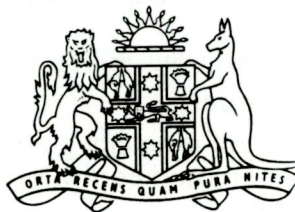
1. Short title
2. Commencement
3. Amendment of Landlord and Tenant (Rental Bonds) Act 1977 No. 44

SCHEDULE 1 - AMENDMENTS



**LANDLORD AND TENANT (RENTAL BONDS) AMENDMENT
ACT 1989 No. 161**

NEW SOUTH WALES



Act No. 161, 1989

An Act to amend the Landlord and Tenant (Rental Bonds) Act 1977 so as to provide for the payment on rental bonds of an amount equivalent to interest. [Assented to 12 December 1989]

The Legislature of New South Wales enacts:

Short title

1. This Act may be cited as the Landlord and Tenant (Rental Bonds) Amendment Act 1989.

Commencement

2. This Act commences (or, as the case requires, is to be taken to have commenced) on 1 January 1990.

Amendment of Landlord and Tenant (Rental Bonds) Act 1977 No. 44

3. The Landlord and Tenant (Rental Bonds) Act 1977 is amended as set out in Schedule 1.

SCHEDULE 1 - AMENDMENTS

(Sec. 3)

- (1) Section 10 (**Provisions in leases relating to rental bonds**):

After section 10 (1), insert:

(1A) This section does not prevent the payment under section 11 of an amount equivalent to interest as referred to in section 11A.

- (2) Section 11A:

After section 11, insert:

Payment out of amount equivalent to interest

11A. (1) This section applies to amounts paid out by the Board under section 11 on or after 1 January 1990 in respect of rental bonds lodged with the Board before, on or after that date.

(2) The total amount available to be paid out in respect of a rental bond is to include an amount equivalent to interest at the rate prescribed by the regulations for the time being:

- (a) calculated on the minimum monthly balances from time to time of the rental bond held by the Board; and

SCHEDULE 1 - AMENDMENTS - *continued*

(b) compounded as prescribed by the regulations.

(3) In subsection (2), "minimum monthly balance" means the minimum balance during January 1990 or any later, complete named month during which money in respect of a rental bond is held by the Board.

(3) Section 20 (**Rental Bond Interest Account**):

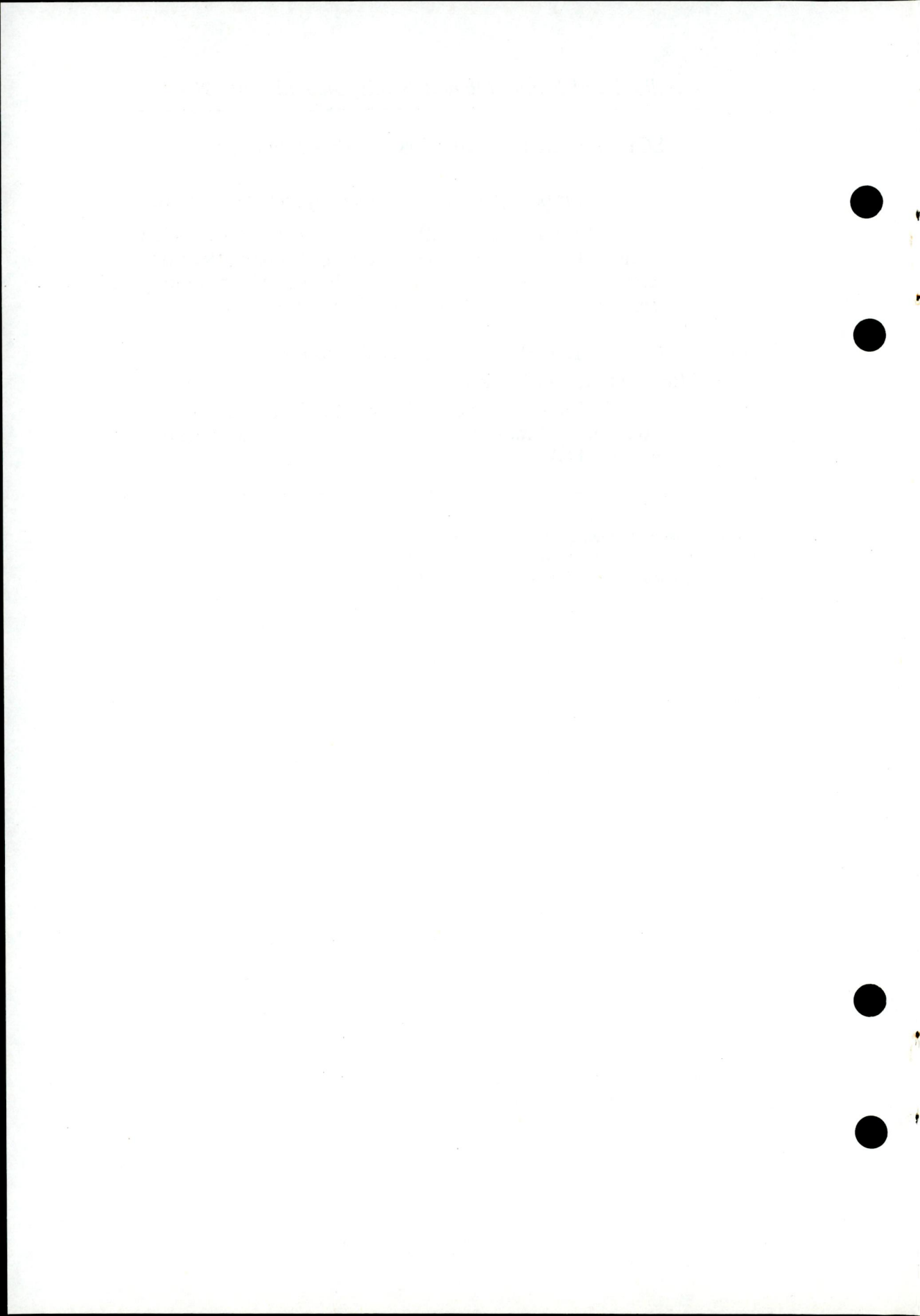
After section 20 (2C) insert:

(2D) There may be paid from the Rental Bond Interest Account all amounts payable because of the operation of section 11A.

[*Minister's second reading speech made in -
Legislative Assembly on 21 November 1989
Legislative Council on 6 December 1989*]

BY AUTHORITY

G. J. COSTELLOE, ACTING GOVERNMENT PRINTER - 1989







FIRST PRINT

**LANDLORD AND TENANT (RENTAL BONDS) AMENDMENT
BILL 1989**

NEW SOUTH WALES



EXPLANATORY NOTE

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

The object of this Bill is to amend the Landlord and Tenant (Rental Bonds) Act 1977 so as to provide for the payment of an amount equivalent to interest on rental bonds when they are paid out by the Rental Bond Board.

Clause 1 specifies the short title of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on 1 January 1990.

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

SCHEDULE 1 - AMENDMENTS

The main amendment is that made by Schedule 1 (2), which inserts a new section 11A into the Principal Act.

The new section will require an amount of money to be calculated (in the same way as interest is calculated) in respect of every rental bond held by the Board when the bond is paid out by the Board. The calculation is to be based on the minimum monthly balances of the amount of the rental bond on deposit with the Board and is to be compounded as set out in regulations made under the Principal Act. Only monthly balances during or after January 1990 are considered in the calculation.

If a rental bond is paid out on or after 1 January 1990, the amount required to be calculated under the new section in respect of the rental bond is to be taken to form part of the amount available for payment to the tenant, or landlord, or both, in accordance with the existing law (contained in section 11 of the Principal Act) relating to the disposition of rental bonds.

Landlord and Tenant (Rental Bonds) Amendment 1989

The additional amount to be paid out as a result of the amendments is to be paid from the Rental Bond Interest Account maintained under section 20 of the Principal Act. The amendment authorising such payments is made by Schedule 1 (3).

The amendment made by Schedule 1 (1) to section 10 of that Act is consequential.

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**LANDLORD AND TENANT (RENTAL BONDS) AMENDMENT
BILL 1989**

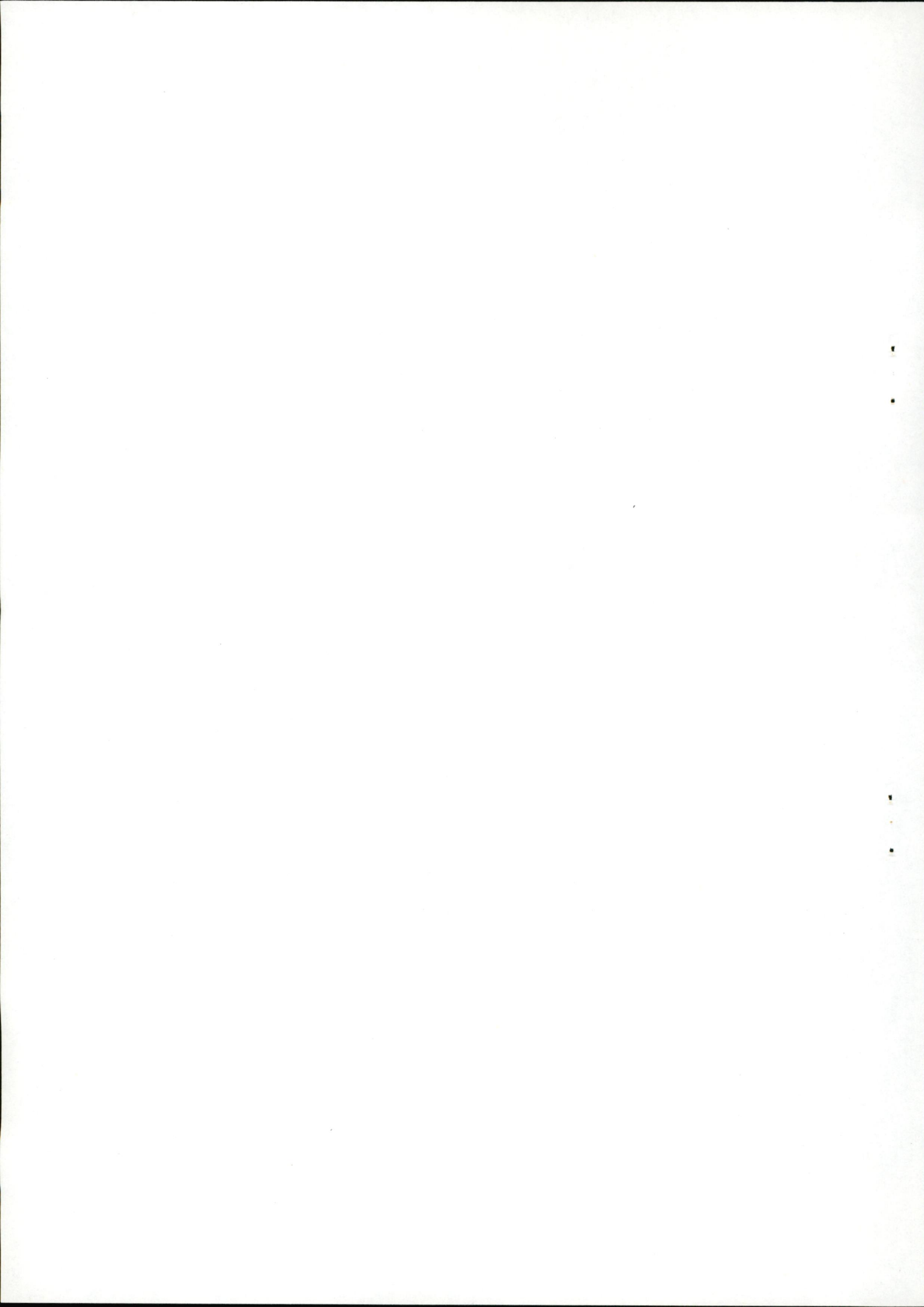
NEW SOUTH WALES



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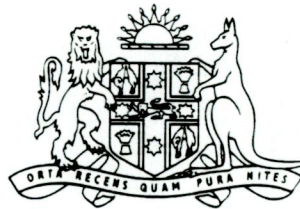
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SCHEDULE 1 - AMENDMENTS



**LANDLORD AND TENANT (RENTAL BONDS) AMENDMENT
BILL 1989**

NEW SOUTH WALES



No. , 1989

A BILL FOR

An Act to amend the Landlord and Tenant (Rental Bonds) Act 1977
so as to provide for the payment on rental bonds of an amount
equivalent to interest.

The Legislature of New South Wales enacts:

Short title

1. This Act may be cited as the Landlord and Tenant (Rental Bonds) Amendment Act 1989.

Commencement

2. This Act commences (or, as the case requires, is to be taken to have commenced) on 1 January 1990.

Amendment of Landlord and Tenant (Rental Bonds) Act 1977 No. 44

3. The Landlord and Tenant (Rental Bonds) Act 1977 is amended as set out in Schedule 1.

SCHEDULE 1 - AMENDMENTS

(Sec. 3)

(1) Section 10 (**Provisions in leases relating to rental bonds**):

After section 10 (1), insert:

(1A) This section does not prevent the payment under section 11 of an amount equivalent to interest as referred to in section 11A.

(2) Section 11A:

After section 11, insert:

Payment out of amount equivalent to interest

11A (1) This section applies to amounts paid out by the Board under section 11 on or after 1 January 1990 in respect of rental bonds lodged with the Board before, on or after that date.

(2) The total amount available to be paid out in respect of a rental bond is to include an amount equivalent to interest at the rate prescribed by the regulations for the time being:

(a) calculated on the minimum monthly balances from time to time of the rental bond held by the Board; and

SCHEDULE 1 - AMENDMENTS - *continued*

(b) compounded as prescribed by the regulations.

(3) In subsection (2), "minimum monthly balance" means the minimum balance during January 1990 or any later, complete named month during which money in respect of a rental bond is held by the Board.

(3) Section 20 (**Rental Bond Interest Account**):

After section 20 (2C) insert:

(2D) There may be paid from the Rental Bond Interest Account all amounts payable because of the operation of section 11A.
