



COMMISSIONER'S PRACTICE
LT 7.0

**LAND TAX - EXEMPTION FOR TRUST PROPERTY USED BY
DISABLED BENEFICIARY**

Commissioner's Practice History

Commissioner's Practice	Issued	Dates of effect	
		From	To
LT 7.0	29 October 2003	29 October 2003	30 June 2008

This Commissioner's practice addresses the circumstances when the Commissioner will grant an exemption from land tax on private residential land held in trust for a disabled beneficiary.

Background

Section 26 of the *Land Tax Assessment Act 2002* ("the Act") provides that private residential property held in trust is exempt for an assessment year if at midnight on 30 June in the financial year before the assessment year:

- the land is owned by a trustee who holds the land in trust for one or more disabled beneficiaries; and
- at least one disabled beneficiary of the trust uses the property as his or her primary residence.

The term "disabled beneficiary" is defined in the Glossary to the Act as a person who:

- has a disability as defined in Section 3 of the *Disability Services Act 1993* and has been independently assessed by an appropriate assessor as requiring full-time care;
- is mentally incapacitated; or
- is a minor, who is also an orphan.

Section 3 of the *Disability Services Act 1993* defines disability as:

"a disability -

- (a) which is attributable to an intellectual, psychiatric, cognitive, neurological, sensory or physical impairment or a combination of those impairments;
- (b) which is permanent or likely to be permanent;
- (c) which may or may not be of a chronic or episodic nature; and
- (d) which results in -
 - (i) a substantially reduced capacity of the person for communication, social interaction, learning or mobility; and
 - (ii) a need for continuing support services."

Commissioner's Practice

1. In order to grant an exemption, the Commissioner needs to be satisfied that:
 - 1.1. a trust exists and the person residing on the land is a beneficiary of that trust;
 - 1.2. the property was purchased as an asset of the trust; and
 - 1.3. the beneficiary is a disabled beneficiary.
2. The following documents must be sighted:
 - 2.1. a stamped copy of the trust deed;
 - 2.2. a stamped copy of the offer and acceptance or contract of sale showing that the trustee purchased the property on behalf of the trust; and
 - 2.3. a report or statement from a medical or health professional.
3. The Commissioner may seek further documentation, information and corroboration in relation to any application for exemption under these provisions.

Date of Effect

This Commissioner's practice takes effect from 29 October 2003.

Bill Sullivan
COMMISSIONER OF STATE REVENUE

29 October 2003