1. What's new for 2014-15?
• A revised land tax rate scale applies for 2014-15. You will find the rates table on page 3 of this brochure.
• At the time of printing this brochure, proposed legislative amendments to streamline the land tax primary production exemption entitlements from the 2014-15 assessment year had not been introduced into the Parliament. The amendments were announced on 7 May 2014 by the Treasurer Mike Nahan and Finance Minister Dean Nalder in a media statement titled “Modernising land tax for primary producers”, and are expected to be introduced into the Parliament shortly. For further information on the proposed changes, visit the website (www.mediastatements.wa.gov.au). If you have any queries about your entitlement to a primary production exemption on your land, please contact the Office of State Revenue on 9262 1200.

2. What is taxable land?
Taxable land is land you owned at 30 June 2014, excluding exempt land (see item 6 in this brochure). Examples of taxable land include:
• vacant land
• residences which are not used by the owners as their primary residence including holiday or rental homes and hobby farms
• commercial properties including shops, offices and factories
• land held in trust or owned in a company name
• entitlement to land under any lease or licence from the Crown
• land used for business, commercial, professional or trade purposes under arrangements with the Crown, Crown instrumentalities, local authorities or public statutory bodies.

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3. Who is liable to pay land tax?
4. What is land tax and metropolitan region improvement tax (MRIT)?
5. Calculation of land tax and MRIT
6. Exemptions and concessions
7. Objection if my assessment is incorrect
8. Objection against an unimproved valuation of land
9. Anti-avoidance provisions
10. Your obligations
11. Payment options
12. Contact details
3. Who is liable to pay land tax?

If, at midnight on 30 June 2014, you owned land (excluding exempt land) with an aggregated taxable value in excess of $300,000, you are required to pay land tax for the 2014-15 assessment year. An owner includes:

- a person who holds the freehold title to land
- a person who holds land in trust
- a person who leases land from the Crown or local government (lessee)
- a person deemed to be the owner because he or she is in possession of the land and that possession is in accordance with the agreement for the sale of land between vendor and purchaser.

NOTE: If you sell land after midnight on 30 June 2014, you are still liable to pay land tax for the 2014-15 assessment year. The Office of State Revenue does not apportion land tax and any adjustment of taxes is a private matter between the vendor and the purchaser.

4. What is land tax and metropolitan region improvement tax (MRIT)?

Land tax is an annual tax on land and is a source of general revenue for the Government of Western Australia. It assists in the funding of such services as education, health, and law and order.

MRIT is an annual tax on land in the metropolitan region. The metropolitan region includes these local governments: Armadale, Bassendean, Bayswater, Belmont, Cambridge, Canning, Claremont, Cockburn, Cottesloe, East Fremantle, Fremantle, Gosnells, Joondalup, Kalamunda, Kwinana, Melville, Mosman Park, Mundaring, Nedlands, Peppermint Grove, Perth, Rockingham, Serpentine-Jarrahdale, South Perth, Stirling, Subiaco, Swan, Victoria Park, Vincent and Wanneroo.

This is a special purpose tax used to finance the cost of providing land for roads, open spaces, parks and similar public facilities.

5. Calculation of land tax and MRIT

Land tax and MRIT are calculated on the aggregated taxable value of all land held in the same ownership (excluding exempt land) at midnight on 30 June. Since July 2009, any increase in an unimproved valuation of an individual land item has been capped to a maximum of 50 per cent of the previous year’s valuation.

The unimproved value of land is its market value under normal sales conditions, assuming that no structural improvements have been made. Land within the Perth metropolitan region and townsites throughout Western Australia is assessed on the site value basis which includes merged improvements such as drainage, filling, excavation, grading and retaining walls.

Each year, the Valuer-General determines the unimproved values for all land in the State.

The unimproved value that applies to land for land tax and MRIT assessment purposes for the 2014-15 assessment year was determined by the Valuer-General as at the date of valuation, being 1 August 2013. This means that in determining the unimproved values to be used for the 2014-15 land tax assessments, the Valuer-General was required to consider sales evidence falling within a time period around 1 August 2013 and not at the date of assessment for land tax, being 30 June 2014. Further information on unimproved valuations can be obtained by visiting the Landgate website at www.landgate.wa.gov.au.

The amount of land tax payable is calculated by applying the appropriate rate of tax to the aggregated taxable value of taxable land in the same ownership.

For example, if you owned two taxable properties with taxable values of $200,000 and $300,000 respectively, the tax is assessed on $500,000 at the rate shown in the following table.

Generally, only land owned by the same owners is aggregated. For example, land that is owned solely by you is not usually aggregated with land you own jointly with another person or with land that you have an interest in through a company or trust. In such circumstances, a separate assessment notice is issued.

IMPORTANT: If all the land you owned under the same ownership at 30 June 2014 is not shown on one assessment notice, you must advise the Office of State Revenue - (see section 10 in this brochure).
Land tax rates for 2014-15

<table>
<thead>
<tr>
<th>Aggregated taxable value of land</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Exceeding ($)</strong></td>
</tr>
<tr>
<td>0</td>
</tr>
<tr>
<td>300,000</td>
</tr>
<tr>
<td>1,000,000</td>
</tr>
<tr>
<td>2,200,000</td>
</tr>
<tr>
<td>5,500,000</td>
</tr>
<tr>
<td>11,000,000</td>
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</tbody>
</table>

Metropolitan region improvement tax rate for 2014-15

<table>
<thead>
<tr>
<th>Aggregated taxable value of land</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Exceeding ($)</strong></td>
</tr>
<tr>
<td>0</td>
</tr>
<tr>
<td>300,000</td>
</tr>
</tbody>
</table>

If land is not subject to land tax, it will not be liable for MRIT.

Our online calculator is available at: www.osr.wa.gov.au

6. Exemptions and concessions

- **Residential exemption** - private residential property (except property held in trust) is exempt for 2014-15 if it is owned by an individual who uses it as his or her primary residence as at 30 June 2014.

  NOTE: Section 21 - Application for Residential Exemption form is available at www.osr.wa.gov.au/landtax

- **Newly constructed or refurbished private residences (limited to two years)**

  An exemption can be granted for **two consecutive assessment years** for private residential property that has taken two or more years for construction or refurbishment to be completed.

- You can apply for this exemption if **all** the following criteria are met:
  - you commence/carry out construction or refurbishment of the private residence in the 2014-15 financial year
  - you do not own any other private residential property that is exempt from land tax as your primary residence
  - you occupy the property as your primary place of residence on or before 30 June 2016 and are the first person to do so.

• **Two existing residences in transitional circumstances** - you may qualify for an exemption on two residences which are owned in transitional circumstances at 30 June 2014 if all the following criteria are met:
  - the new residence must have been purchased between 1 July 2013 and 30 June 2014
  - you must have moved from your original residence to the new residence on or before 30 June 2015
  - you must have delivered possession of the former residence to the purchaser on or before 30 June 2015
  - while you owned both properties, you must not have derived any income from the property that was not being used as your primary residence.

  **NOTE:** Section 27 - Application for Exemption if Moving from one Private Residence to another Private Residence form is available at www.osr.wa.gov.au/landtax

• **Newly constructed or refurbished residential exemption for a second private residence (limited to two years)**

  This exemption applies for two consecutive assessment years where the owner occupies their primary residence while constructing or refurbishing a new primary residence.

  You can apply for this exemption if all of the following criteria are met:
  - you own two residences, the first acquired being occupied as your primary residence and the second acquired (new) residence is being constructed or refurbished. The new residence must have been purchased between 1 July 2013 and 30 June 2014
  - you complete the sale of the first acquired residence and deliver to the purchaser on or before 30 June 2016
  - you complete and occupy the second acquired newly constructed or refurbished residence between 1 July 2015 and 30 June 2016
  - while you owned both properties, you must not have derived any income from the property that was not being used as your primary residence.

  **NOTE:** Section 27A - Application for Residential Exemption Moving from One Private Residence to a Newly Constructed or Refurbished Residence form is available at www.osr.wa.gov.au/landtax

• **Concession for property developers**

  This concession allows land tax and MRIT to be paid on the lower undeveloped (or ‘englobo’) value of the land, (i.e. the value of the land prior to the subdivision) rather than the full subdivided value of lots, for one year after the creation of the lots.

  **NOTE:** Section 43A Application for Subdivider Concession on Land Tax Payable for Subdivided Lots form and fact sheet is available at www.osr.wa.gov.au/landtax

• **Other exemptions and concessions** may be available upon application if the land is:
  - used for primary production
  - owned by a trust/company and used by a disabled beneficiary as their primary residence
  - owned by an individual and used by a disabled person related to the owner as their primary residence
  - owned by a religious body and used for religious purposes
  - owned by an educational institution and used for educational purposes
  - used for a public or religious hospital
  - owned by a public charitable or benevolent institution or a non-profit organisation and used for the purposes of that organisation
  - used as a retirement village
  - used as an aged care facility
  - used as a caravan park or camping ground
  - held under an approved conservation covenant
  - owned by a veteran’s surviving partner or mother
  - owned by a deceased estate providing certain criteria are met.

• **Partial exemptions and concessions** are available where only some of the owners use the land as their primary residence or where the land is used for both exempt and non-exempt purposes, such as residential and business/commercial purposes.
7. Objection if my assessment is incorrect

Lodgment of an objection does not affect the liability for payment of your assessment by the due date.

Before lodging an objection against your assessment you should contact land tax assessment enquiries on (08) 9262 1500, as it may be possible to resolve your enquiry over the phone.

An objection against your assessment must:

- be lodged within 60 days of the date of issue shown on your assessment notice
- be in writing with OBJECTION clearly written at the top of the letter
- state fully and in detail the grounds of your objection.

NOTE: For an objection against the unimproved valuation of land, see section 8 below.

Lodge your objection with:

Commissioner of State Revenue
Office of State Revenue
GPO Box T1600
Perth WA 6845

8. Objection against an unimproved valuation of land

Lodgment of an objection does not affect the liability for payment of your assessment by the due date.

Before lodging an objection against a land valuation, you should contact Property & Valuation Services on (08) 9273 7341, as it may be possible to resolve your enquiry over the phone.

An objection against your valuation must:

- be lodged within 60 days of the date of issue shown on your assessment notice
- include the lot number, street address of the property and the name of the local government authority
- state fully the grounds of your objection with detailed supporting reasons and provide a daytime contact number

For further information or to download either a guide to valuations or an objection form, go to www.landgate.wa.gov.au.

Lodge your valuation objection with:

The Valuer-General
Landgate - Property & Valuation Services
PO Box 2222
Midland WA 6936

or email vs@landgate.wa.gov.au

9. Anti-avoidance provisions

Sections 45A and 45B of the Land Tax Assessment Act 2002 enable the Commissioner to make a determination that a minor (ownership) interest in a lot or parcel of land can be disregarded for the purposes of assessing land tax.

If sections 45A and 45B of the Land Tax Assessment Act 2002 apply to you, prior to the Commissioner making an assessment, you will be given the opportunity to provide all facts and circumstances that support the underlying reasons that may exist for the minor interest.

You can find out further information by contacting (08) 9262 1380 or emailing landcomp@finance.wa.gov.au.

10. Your obligations

You must notify the Office of State Revenue before the due date for payment shown on your assessment notice if:

- any land you owned at 30 June 2014 has not been included on the assessment notice
- you have received separate assessment notices for land owned by the same person (all land in the same ownership must be included in one assessment for the purposes of aggregation)
- you delivered possession of the land to the purchaser on or before midnight 30 June 2014
- land that you own beneficially has been assessed together with land you own as a trustee
- land that you own as trustee for a trust has been assessed together with land you own as trustee for a different trust
- land that you own as trustee is receiving a residential exemption
- any land that has been exempt was not used for the exempt purpose shown on the assessment notice (see item 6 in this brochure)
- your assessment notice contains any other errors or omissions.
11. Payment Options
You can pay your land tax in one of three ways:

Option 1 - One payment
If you pay your land tax in full by the first instalment date you are entitled to a three per cent discount.

Option 2 - Instalment plan
You may pay your land tax in two instalments. You will not receive the discount, nor be charged a cost for this option.

Option 3 - Instalment plan
You may pay your land tax in three instalments. You will not receive the discount and this option will include a charge of two per cent.

If your land tax assessment is not paid by the due date or is underpaid, the full outstanding balance becomes payable. Penalty tax for late payment may then be imposed and you will lose any entitlement to discount for early payment.

NOTE: Difficulty in paying land tax - it is ESSENTIAL you contact us prior to the due date of the land tax assessment notice. Alternative payment arrangements may be considered.

Land tax payments can be made by

<table>
<thead>
<tr>
<th>Method</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit card / Debit card</td>
<td><a href="http://www.osr.wa.gov.au/payments">www.osr.wa.gov.au/payments</a>&lt;br&gt;Telephone: 1300 133 676&lt;br&gt;Overseas and interstate call (08) 9262 1500&lt;br&gt;A credit or debit card administration fee of 0.5 per cent will apply to all credit and debit card payments.</td>
</tr>
<tr>
<td>BPAY</td>
<td>Contact your participating bank or financial institution to arrange payment. Quote the Biller Code 747097 and the payment reference number shown on your assessment notice.</td>
</tr>
<tr>
<td>Mail</td>
<td>Attach the land tax payment slip to your cheque, made payable to Commissioner of State Revenue&lt;br&gt;GPO Box H572 Perth WA 6841</td>
</tr>
<tr>
<td>In person</td>
<td>Payment at any Australia Post Office or Agency by cash or cheque only</td>
</tr>
</tbody>
</table>

12. Contact details

<table>
<thead>
<tr>
<th>Service</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Web enquiry and change of postal address</td>
<td><a href="http://www.osr.wa.gov.au/landtaxenquiry">www.osr.wa.gov.au/landtaxenquiry</a></td>
</tr>
<tr>
<td>Land tax assessment enquiries</td>
<td>(08) 9262 1500</td>
</tr>
<tr>
<td>General land tax enquiries</td>
<td>(08) 9262 1200</td>
</tr>
<tr>
<td>Country caller enquiries</td>
<td>1300 368 364</td>
</tr>
<tr>
<td>Postal address (not for payments)</td>
<td>GPO Box T1600 Perth WA 6845</td>
</tr>
<tr>
<td>Translating and Interpreting Service</td>
<td>131 450</td>
</tr>
</tbody>
</table>


The information in this brochure has been prepared as a general guide to the Land Tax Assessment Act 2002. It is not intended to be a complete statement of the law and must not be construed to waive or modify any legal obligation in the Act.