

Victorian Land Tax

Am I liable to pay Land Tax?

If you own land in Victoria with a total unimproved value of \$175,000 or more (excluding exempt land – see below), you are liable to pay Land Tax. Land Tax is assessed on an annual basis, with the liability arising on land owned at midnight on 31 December of the preceding calendar year.

Are there any exemptions?

An exemption is provided for the land on which your principal residence is situated. In the case of international assignees, land will still be taken to be used as the principal residence provided that the absence is temporary in nature (up to 6 years) and it is intended that the land will continue to be used as the principal residence upon repatriation.

However, this exemption will not apply if the property is rented out for more than 6 months in any calendar year during your absence. In this case, the onus is on you to inform the State Revenue Office (SRO) so as not to be later assessed on the relevant Land Tax liability plus potential penalties. Once you return to the property and resume use of it as your principal residence, you should notify the SRO and the exemption will be re-instated.

Another exemption is provided if the land is used for primary production purposes.

If the land is not already exempt, you must apply in writing to the State Revenue Office of Victoria for an exemption. You must give specific details and an explanation of the type of exemption you believe may apply to the land and the grounds for eligibility.

How much do I have to pay?

Firstly, you need to determine the total unimproved value of land owned in Victoria. This is calculated by multiplying the applicable site value for each parcel of taxable land (as determined by the municipality where the land is located and displayed on the council rate notice) by its relevant indexation factor. The indexation factor changes each year.

Once you have determined the total unimproved value of your taxable land, you can calculate your Land Tax liability by applying the appropriate Land Tax rate (see below).

Land Tax rates:

Total unimproved value of taxable land (\$A)	Rate of tax
\$0 – \$174,999	Nil
\$175,000 – \$199,999	\$175 + 0.1¢ for every \$1 over \$175,000
\$200,000 – \$539,999	\$200 + 0.2¢ for every \$1 over \$200,000
\$540,000 – \$709,999	\$880 + 0.5¢ for every \$1 over \$540,000
\$710,000 – \$849,999	\$1,730 + 1¢ for every \$1 over \$710,000
\$850,000 – \$1,129,999	\$3,130 + 1.75¢ for every \$1 over \$850,000
\$1,130,000 – \$1,619,999	\$8,030 + 2.75¢ for every \$1 over \$1,130,000
\$1,620,000 – \$2,699,999	\$21,505 + 3¢ for every \$1 over \$1,620,000
\$2,700,000 +	\$53,905 + 4¢ for every \$1 over \$2,700,000



How do I pay my Land Tax liability?

Each year, the State Revenue Office of Victoria will issue a Land Tax assessment as required, outlining your Land Tax liability.

You may settle your Land Tax liability at any bank, by Electronic Funds Transfer (EFT) to make payments electronically, by mailing a cheque made payable to the Commissioner of State Revenue to GPO Box 2961DD, Melbourne, VIC 3001, by phone, via the internet using the Bpay bill paying service or by paying in person at 505 Little Collins Street, Melbourne, Victoria 3001.

What if the land is jointly owned?

Joint owners are equally liable for the Land Tax assessed on any jointly owned land. An assessment will be issued to one of the joint owners on behalf of all of the joint owners.

If you own land apart from that held jointly, you will be separately assessed on your total land holdings, including your share of the jointly held land. You will however, receive a reduction in your Land Tax liability for the tax already paid on your share of the land held jointly.

What if I think that assessment is wrong?

If you believe that the assessment is inaccurate, you should lodge a written objection with the State Revenue Office of Victoria within 60 days of the issue date of the notice. Your objection must state your customer number (quoted on page 1 of your assessment notice), assessment number and the reason for the objection. Forms are already attached to your assessment or are available on the SRO website.

It should be noted that you should still pay the amount assessed until the objection is resolved. If the objection is resolved in your favour, you will receive a refund with interest.

What should I do if I acquire land in Victoria?

When you acquire land, you must lodge a 'Notice of Acquisition' with the Land Titles Office (Land Victoria) located at Marland House, Level 9, 570 Bourke Street, Melbourne VIC 3000, within one month of the acquisition. An acquisition includes possession obtained under a contract. A copy of the form can be downloaded from the State Revenue Office website at www.sro@vic.gov.au

What should I do if I change my postal address?

You must notify the State Revenue Office of Victoria within one month of changing postal addresses or you may be subject to penalties.

Where do I get further information?

You can contact the Victorian State Revenue Office by:

Telephone: 132 161 (Monday to Friday, 8:30 am to 5:00 pm)
International: +61 (0) 3 9628 0000

Fax: +61 (0) 3 9628 6222

Internet: www.sro.vic.gov.au

e-mail: sro@sro.vic.gov.au (Attn: Land Tax Branch)

Postal address: State Revenue Office
GPO Box 1641N
Melbourne VIC 3001, Australia or DX 260090
Melbourne

Enquiries in person: Customer Service Centre
505 Little Collins Street, Melbourne VIC 3000
(Monday to Friday, 8:30 am to 4:30 pm)