



COMMISSIONER'S PRACTICE LT 11.0

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LAND TAX - EXEMPTION FOR LAND OWNED BY AN EDUCATIONAL INSTITUTION

Commissioner's Practice History

Commissioner's Practice	Issued	Dates of effect	
		From	To
LT 11.0	29 October 2003	29 October 2003	25 May 2017

This Commissioner's practice addresses the circumstances when exemptions from land tax will be granted and retrospective taxation will be applied on land owned by educational institutions.

Background

Section 33 of the *Land Tax Assessment Act 2002* ("the Act") provides that land is exempt for an assessment year if:

- at midnight on 30 June in the previous financial year, it is owned by, vested in, or held in trust for an educational institution as listed below; and
- it is in good faith used or reserved as a site for the purpose of providing facilities necessary for, or conducive to, the attainment of the objects of the institution and the performance of its functions.

The following educational institutions are listed in section 33(4) of the Act:

- University of Western Australia;
- Curtin University of Technology;
- Murdoch University;
- Edith Cowan University;

- any bona fide educational institution not carried on for the purpose of private profit or gain;
- a college, hostel or hall of residence affiliated with any of the above educational institutions that has as its objects the provisions of residence or education and residence, for enrolled students of the body or institution, and that is not carried on for the purpose of private profit or gain.

However, if during an assessment year, reserved land is used for any other purpose or is sold, then land tax is payable on the land for the lesser of the following periods:

- the five financial years reckoned retrospectively from, and including, the assessment year;
- the number of financial years from, and including, the first financial year for which the land was exempt as a result of its use and ownership to and including the assessment year.

The amount of land tax payable for each financial year for which land tax is payable is assessed at the rate applicable for the year under the *Land Tax Act 2002*.

Commissioner's Practice

1. In considering an application for exemption and reassessment, the Commissioner will consider the following criteria when making his determination:

1.1 Ownership

The land must be owned by or for an educational institution.

1.2 Land usage

The land must be used, or reserved, for an educational purpose or as a non-profit college, hostel or hall of residence for the students of an educational institution.

2. Applications for exemption and reassessment should include:

- 2.1 a copy of the institution's constitution (not required for University of Western Australia, Curtin University of Technology and Murdoch and Edith Cowan Universities); and

- 2.2 details of the usage of the land.

3. Where necessary, the Commissioner will inspect properties and/or seek documentary evidence in order to be satisfied that an exemption from land tax is applicable.

Date of Effect

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

Bill Sullivan
COMMISSIONER OF STATE REVENUE

29 October 2003

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