



Land Tax Exemptions - Transitional, Newly Constructed and Refurbished Private Residences

Land Tax Assessment Act 2002

As at 1 July 2022

Under the *Land Tax Assessment Act 2002*, you may be exempt from land tax while constructing or refurbishing a property which will be your primary residence upon completion.

A transitional exemption may apply if you occupy your primary residence while constructing or refurbishing a new primary residence or are moving from one established property to another.

A partial exemption may apply if all owners are not using the land as their primary residence or if they are using the land for both residential and non-residential purposes.

A residential exemption is not available for a property owned by a corporation or held in trust.

Refurbishment

If you were not able to occupy your primary residence at midnight 30 June of the assessment year because it was being refurbished, you need to provide evidence of the scale and type of work carried out to sufficiently demonstrate that it prevented you from living in the property.

If you are applying for a two-year exemption, you must also provide:

- a copy of a building contract if you have engaged a builder or
- a building permit if you are an owner-builder.

We will generally consider an exemption for work such as:

- repositioning or major renovation of a kitchen, bathroom or laundry
- work involving reconfiguring walls, installing or replacing water, drainage or gas lines
- replacing external windows and doors or
- repairing, replacing or extending a ceiling.

We will generally not consider an exemption for work such as:

- painting internal or external doors and windows
- removing or laying carpet; installing or replacing blinds and curtains
- installing or replacing gardens, reticulation or swimming pools or
- installing pergolas, balconies or car spaces.

Subdivision or amalgamation

If you are constructing or refurbishing property on land that will be subdivided, you must notify the Commissioner of your intention to subdivide or amalgamate at the time of application.

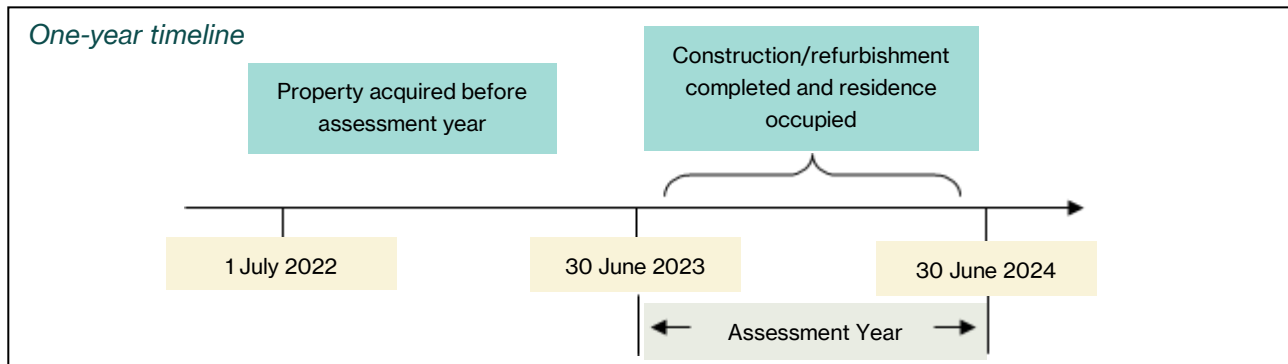
For construction or refurbishment that commences on or after 1 July 2019, a partial exemption is available for that part of the parent lot that will become the new lot on which the primary residence is constructed or refurbished. If you amalgamate two or more parent lots and use the new lot as your primary residence, the exemption will apply to all parent lots for the exemption period.

If you subdivide in the first assessment year of a two-year exemption, an exemption applies for the second assessment year to the new lots that meet the exemption requirements.

One-year exemption - newly constructed or refurbished private residence

You may be eligible for an exemption if:

- the construction of your private residence is completed, you were the first occupant, and you moved into the property during the assessment year or
- the refurbishment of your private residence is completed and you were the first occupant during the assessment year.

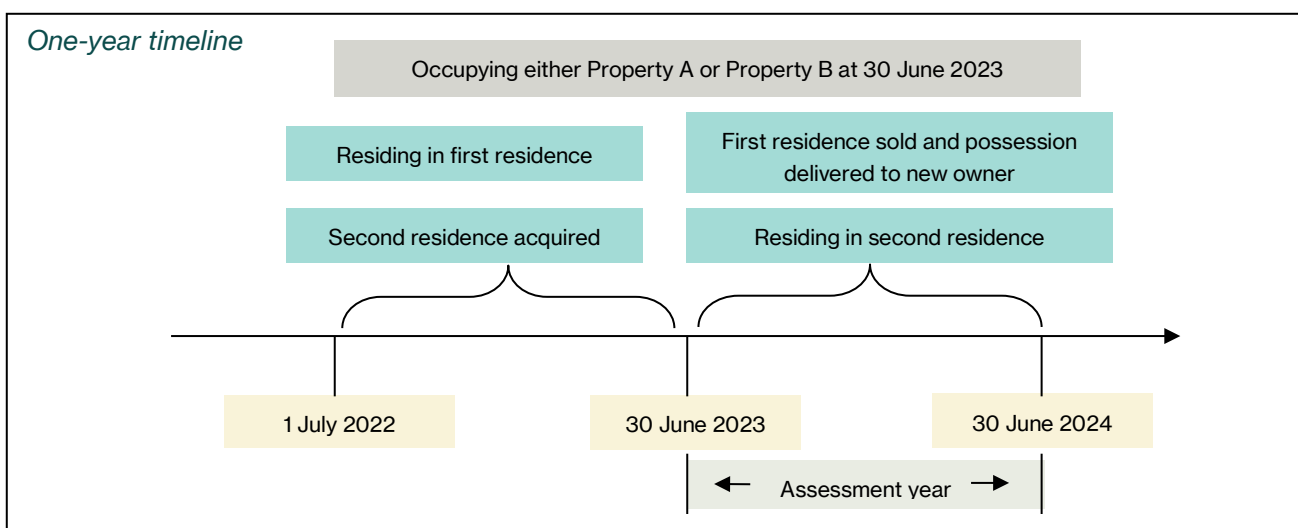


After you have moved into the property, apply using Form [FLT21 'Application for Residential Exemption'](#). We may request supporting documents, including those proving your occupancy. See the application form for further details.

One-year exemption – moving between two private residential properties

You may be eligible for exemption if you owned two private residential properties and you:

- acquired the new residence during the financial year prior to the assessment year and
- sold or disposed of the property acquired first and delivered possession to the new owner during the assessment year and
- derived no income from either property while they were owned at the same time.

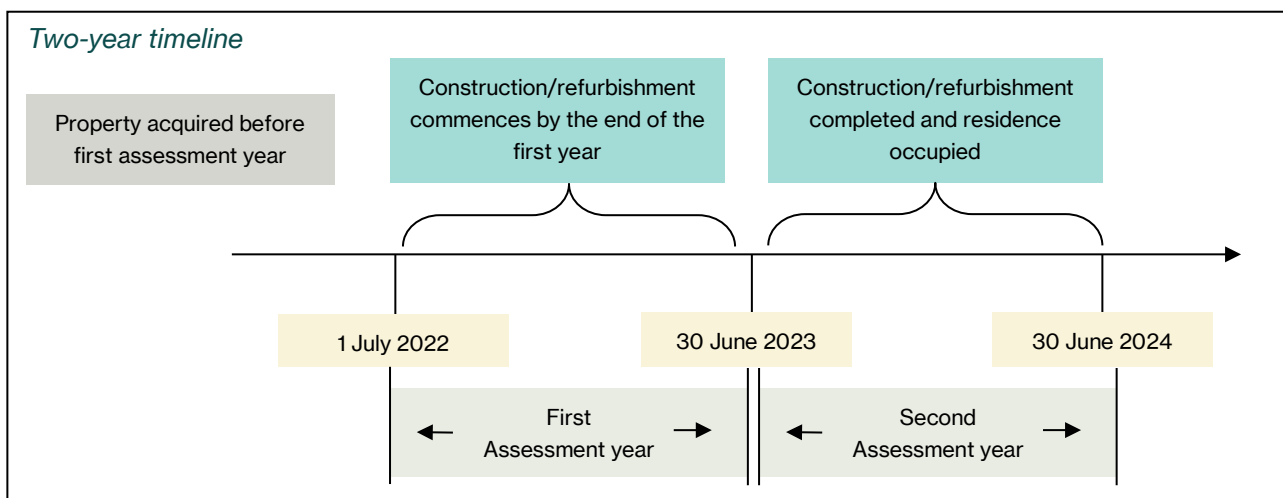


After you have moved into the property, apply using Form [FLT27 'Application for Transitional Residential Exemption'](#).

Two-year exemption - newly constructed or refurbished private residence

You may be eligible for exemption for up to two consecutive assessment years if it takes two or more years to complete construction or refurbishment of your private residential property and:

- construction or refurbishment commenced or is being carried out in the first assessment year and
- construction or refurbishment is completed and you occupied the property as your primary residence within two consecutive assessment years and
- you are the first occupant of the newly constructed or refurbished residence and
- you derived no income from the property from the beginning of the first assessment year to the time you occupy the property and
- you do not occupy any other private residential property you own as your primary residence for either assessment year.



Apply any time after the commencement date using Form [FLT 24A 'Application for Two Year Residential Exemption: Newly Constructed or Refurbished Private Residence'](#). You must provide supporting documents, including those proving construction is taking place. We can provisionally approve the exemption in anticipation that you will complete construction/refurbishment of the residence within those two assessment years.

The Part B confirmation form, which is provided with the provisional approval letter, must be lodged when the residence is completed and occupied.

If the construction or refurbishment is not completed within two assessment years, the Commissioner will 'roll forward' the exemption by allowing an exemption for the assessment year following the second assessment year, and reassessing land tax for the first assessment year.

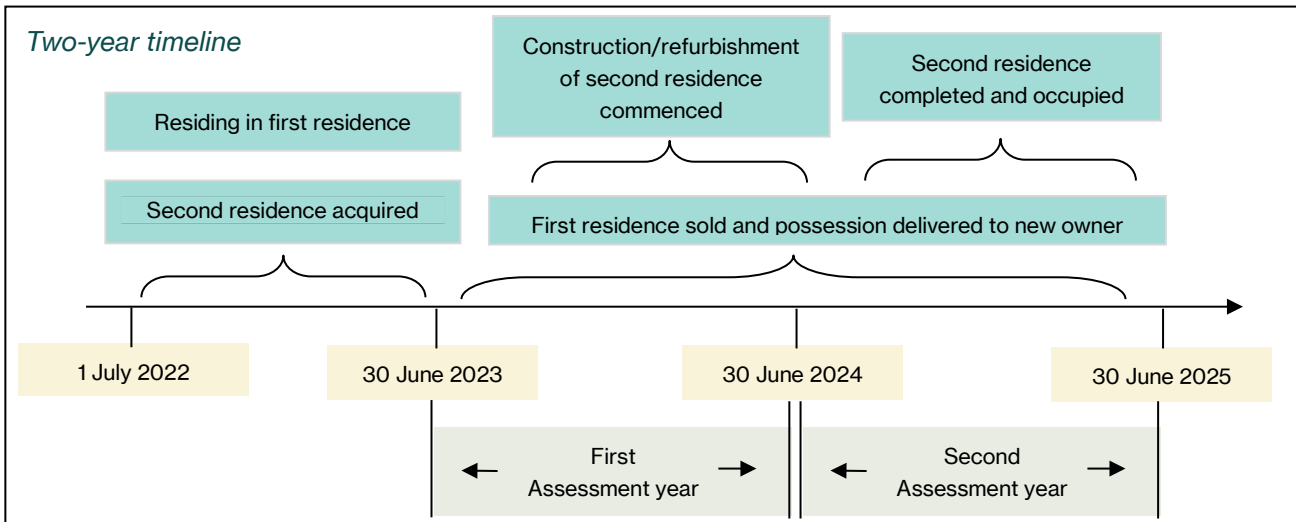
Two-year exemption - Newly constructed or refurbished residential exemption for a second private residence

You may be eligible for an exemption for up to two consecutive assessment years if you own two residential properties in transitional circumstances and:

- you acquired the new residential property in the financial year immediately before the first assessment year and
- you commenced construction or refurbishment of the new residence in or prior to the first assessment year and

- your new or refurbished residence was completed and the property occupied in the second assessment year and
- as owner, you were the first occupant of the newly constructed or refurbished residence and
- you sold the original residence and the purchaser took possession prior to 30 June at the end of the second assessment year and
- you derived no income from either property while they were owned at the same time.

A one-year exemption will apply if you have occupied the new or refurbished residence and the purchaser has taken possession of the original residence within one assessment year.



Apply for this exemption any time after the commencement date using [FLT27A 'Application for Two Year Transitional Residential Exemption'](#). You must provide supporting documents, including those proving construction is taking place. If you are applying retrospectively, indicate the date you occupied the residence instead of expected completion date. We can approve the exemption provisionally in anticipation that you will meet all the above criteria within those two assessment years. This exemption cannot be 'rolled forward' to successive assessment years.

The Part B confirmation form, which is provided with the provisional approval letter, must be lodged when the residence is completed and occupied and you have sold the original residence.

If you do not meet all exemption requirements, we will revoke the exemption and issue a reassessment for the relevant assessment years.

Additional Information

More information is available on our website and in the following Commissioner's practices:

- [LT 5 'Land Tax – Newly Constructed Residences'](#)
- [LT 6 'Land Tax – Newly Refurbished Residences'](#)
- [LT 8 'Land Tax – Exemption if Moving from One Residence to Another'](#)

Contact RevenueWA

Web Enquiry	www.osr.wa.gov.au/landtaxenquiry	Website	WA.gov.au
Office	200 St Georges Terrace Perth WA 6000	Phone	(08) 9262 1200 1300 368 364 (WA country landline callers)
Postal	GPO Box T1600 Perth WA 6845		

Note: This fact sheet provides guidance only. Refer to the *Land Tax Assessment Act 2002* for complete details.