



Concession on Land Tax Payable for Subdivided Lots

For land created during 2022-23 and still owned at 30 June 2023

Land Tax Assessment Act 2002 section 43A

As at 1 July 2023

Section 43A of the *Land Tax Assessment Act 2002* allows for a concession for the land tax payable on subdivided lots owned at 30 June each year.

This concession lets subdividers pay land tax and metropolitan region improvement tax on the lower undeveloped value of land, rather than the full subdivided value of lots, for one year after subdivision.

The unimproved value of each subdivided lot still held at 30 June immediately before the assessment year will be calculated by apportioning the unimproved value of the land in its undeveloped state to the subdivided lot based on the lot's area as a proportion of the land area of the undeveloped lot.

The concession will apply for the first assessment year following the subdivision, subject to the following conditions:

1. The subdivision must have been approved in the previous assessment year (i.e. between 1 July 2022 and 30 June 2023). The subdivision date is the date of approval from the Western Australian Planning Commission for the plan of subdivision.
2. The subdivider must own the subdivided lot at 30 June immediately before the assessment year for which the application for concession is made.
3. An application for the concession must be made to the Commissioner of State Revenue no later than 30 June of the assessment year.
4. The concession applies for one assessment year following the creation of the lot.
5. The subdivided lot must have been created for residential purposes.
6. The subdivided lot must be vacant land (i.e. does not have a building that may be used for residential purposes).
7. The subdivided lot should not be more than 2,000m². A subdivided lot larger than 2,000m² may be eligible for the concession if that lot is intended for a building or group of buildings that are solely for residential purposes and contain a number of residential units.
8. The concessional value of the lot will only apply if it is less than the unimproved value that would normally have applied for land tax purposes.
9. Strata lots are not eligible for the concession unless they are survey-strata lots.
10. The new lot is wholly within the old lot.

Example

An undeveloped lot of 20,000m² is subdivided in February 2023 into 20 x 1,000m² lots.

At 30 June 2023 the subdivider still owns 15 of the lots and the unimproved value of each individual lot is \$200,000.

At 30 June 2022 the undeveloped lot was valued at \$2,000,000.

The subdivider applies for concessional assessment in respect of the lots.

The land tax assessment for 2023-24 (based on land owned at 30 June 2023) would be calculated as follows:

Previous assessment	Concessional assessment
15 lots x \$200,000	15 lots x englobo value of each lot
Assessable value = \$3,000,000	Englobo value of each lot = $\frac{1,000\text{m}^2}{20,000\text{m}^2} \times \$2,000,000$
	= \$100,000
	15 lots x \$100,000
	Assessable value = \$1,500,000

Apply for the concession

Lodge application form FLT43A '[Concession Application: Land Tax Payable for Subdivided Lots](#)' with RevenueWA by 30 June 2024. The Commissioner cannot extend the time for lodging the application beyond 30 June 2024.

Lodging [the application form](#) early will ensure the concession is taken into account when the assessment is issued.

Application forms are available from the website.

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.