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Land Tax Act 2005

GUIDELINES ISSUED UNDER SECTION 34C(4E)
OF THE **LAND TAX ACT 2005**

I, Jaclyn Symes, Treasurer, pursuant to section 34C(4E) of the **Land Tax Act 2005**, publish these guidelines that the Commissioner of State Revenue must have regard to in making a determination under section 34C(4B) of the **Land Tax Act 2005**.

Dated 11 November 2025

JACLYN SYMES MP
Treasurer

Land Tax Act 2005

TREASURER'S GUIDELINES

Vacant residential land tax is an annual tax imposed under the **Land Tax Act 2005** on residential land that was vacant in a tax year. From 1 January 2026, the definition of 'residential land' under section 34B of the **Land Tax Act 2005** includes a new definition under subsection (2B). Residential land under section 34B(2B) of the **Land Tax Act 2005** will be regarded as vacant residential land under section 34C(2B) of the **Land Tax Act 2005** if it meets the conditions under section 34B(2B) for a continuous period of five years or more as at 31 December of the preceding tax year.

Section 34C(4B) of the **Land Tax Act 2005** provides that residential land referred to under section 34B(2B) of the **Land Tax Act 2005** is not vacant in a tax year if the Commissioner of State Revenue determines that a residence is to be constructed on the land and there is an acceptable reason for the construction not having commenced.

In determining whether a residence is to be constructed on land and there is an acceptable reason for construction not having commenced, section 34C(4D) of the **Land Tax Act 2005** requires the Commissioner to have regard to the guidelines that the Treasurer must issue under section 34C(4E) of the **Land Tax Act 2005**.

In making a determination under section 34C(4B) of the **Land Tax Act 2005**, the matters and circumstances specified under (a) to (f) below should be read in the context that, in the vast majority of cases, construction of a residence on residential land within the meaning of section 34B(2B) of the **Land Tax Act 2005** is expected to commence within five years. Consequently, residential land on which construction of a residence has not commenced after five years will only be considered not vacant in a tax year if an owner:

(i) is genuinely and actively working to commence construction on the land as soon as possible, and

(ii) could not reasonably be expected to have commenced construction within five years in the circumstances.

The following factors will be considered in determining whether a residence is to be constructed on residential land within the meaning of section 34B(2B) of the **Land Tax Act 2005** and whether there is an acceptable reason for construction not having commenced within five years.

(a) Indigenous cultural heritage, archaeological, and/or ecological findings

- Whether there have been unforeseen restrictions to access the land or requirements to undertake extensive or further cultural heritage or archaeological analysis leading to delays in commencing construction.
- Whether the unforeseen presence of endangered wildlife or flora has caused unexpected delays as suitable conservation management plans are developed.

(b) Extreme weather events

- Whether the land has been damaged or adversely impacted by extreme weather events which require remediation before construction can commence.

(c) Inadequate infrastructure or utility connections

- Whether the absence or lack of adequate infrastructure that is beyond the control of the owner or developer has delayed construction. For example, the absence of road infrastructure preventing access to the construction site, and the lack of utility connections to the construction site.

(d) Prolonged or significant planning appeals, disputes or approvals processes

- Whether prolonged or significant planning or building appeals or disputes in respect of the construction of the building on the land has delayed commencement of construction.
- Whether prolonged or significant delays in the regulatory approval or permit processes has delayed the commencement of construction.

(e) Availability of specific expertise or personnel

- Whether the availability of specific key expertise or personnel has delayed construction, and/or whether their availability was planned or unforeseen.

(f) Other exceptional circumstances

- Whether unforeseen and exceptional circumstances that were beyond the control of the owner or developer has delayed the commencement of construction. For example, pandemics, death of key personnel, or unexpected regulatory changes.

Only extraordinary circumstances not otherwise outlined in these guidelines should warrant exercise of the discretion to determine residential land within the meaning of section 34B(2B) of the **Land Tax Act 2005** to be not vacant in a tax year. Factors which will not generally support a determination under section 34C(2B) of the **Land Tax Act 2005** include but are not limited to broader economic conditions, labour shortages, fluctuations in the economy, supply chain challenges, changes to the design of a project, and access to finance.

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