

## **Fact Sheet – Land Taxed in QLD.**

Land tax in Queensland, Australia, is an annual tax levied on the owners of freehold land as of midnight on 30 June each year. Here are the key points:

### **1. Thresholds and Rates:**

- Land tax applies if the total taxable value of your land exceeds the threshold.
- For individuals, the tax-free threshold is 600,000(as of 2023).For companies,trustees,andabsentees,thethresholdis600,000(as of 2023).For companies,trustees,andabsentees,thethresholdis350,000.
- Rates are progressive and increase with the value of the land. Different rates apply for individuals, companies, and absentees.

### **2. Exemptions and Concessions:**

- Primary residences (home) are generally exempt.
- Other exemptions may apply for certain types of land, such as land used for primary production, charitable purposes, or retirement villages.
- First-time landowners may also be eligible for concessions.

### **3. Taxable Land:**

- Includes freehold land, including vacant land, commercial properties, investment properties, and holiday homes.
- Land held in trusts or by companies may also be subject to land tax.

### **4. Calculation:**

- Land tax is calculated on the total taxable value of all land owned in Queensland, minus any exemptions.
- The value of the land is determined by the Queensland Government (via the Valuer-General).

### **5. Lodgement and Payment:**

- Landowners do not need to lodge a return unless contacted by the Queensland Revenue Office (QRO).
- Notices of assessment are issued, and payments are typically due within 30 days.

### **6. Absentee Surcharge:**

- Absentee landowners (non-residents) may be subject to a higher surcharge rate.

Land tax in Queensland, Australia, is an annual tax imposed on the owners of freehold land as of midnight on 30 June each year. Here's how it operates:

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## 1. Who Pays Land Tax?

- Land tax applies to individuals, companies, trustees, and absentee owners who own land in Queensland with a total taxable value above the relevant threshold.
  - It does not apply to the primary residence (home) or land eligible for specific exemptions.
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## 2. Taxable Land

Land tax applies to:

- Freehold land (e.g., investment properties, commercial properties, vacant land, holiday homes).
  - Land held in trusts or by companies.
  - Land owned jointly with others (each owner's share is assessed).
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## 3. Exemptions and Concessions

Certain types of land are exempt from land tax, including:

- **Primary residence:** The home you live in is exempt.
  - **Primary production land:** Land used for farming or agriculture.
  - **Charitable institutions:** Land used for charitable purposes.
  - **Retirement villages:** Land used for retirement living.
  - **Moveable dwellings (e.g., caravans):** If they are not permanently affixed to the land.
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## 4. Thresholds and Rates

Land tax is calculated based on the total taxable value of all land owned in Queensland, minus any exemptions. The rates are progressive and depend on the type of owner:

### For Individuals:

- **Tax-free threshold:** \$600,000 (as of 2023).
- **Rates:**
  - 0 to 0 to 600,000: \$0.
  - 600,001 to 600,001 to 1,000,000: 500 + 1 cent for each 500 + 1 cent for each 1 above \$600,000.

- 1,000,001 to 3,000,000: 4,500 + 1.65 cents for each 1 above \$1,000,000.
- 3,000,001 to 5,000,000: 37,500 + 1.25 cents for each 1 above \$3,000,000.
- Above 5,000,000: 62,500 + 1.75 cents for each 1 above 5,000,000.

### For Companies, Trustees, and Absentees:

- **Tax-free threshold:** \$350,000.
- **Rates:** Higher rates apply compared to individuals.

### Absentee Surcharge:

- Absentee owners (non-residents) may be subject to an additional 2% surcharge on the taxable value of their land.

## 5. How Land Tax is Calculated

1. **Determine the taxable value of the land:** This is based on the Valuer-General's valuation of the land.
2. **Apply exemptions:** Subtract the value of any exempt land (e.g., primary residence).
3. **Apply the threshold:** Subtract the tax-free threshold (600,000 for individuals, 350,000 for companies/trustees).
4. **Apply the progressive rates:** Calculate the tax based on the remaining taxable value.

## 6. Lodgement and Payment

- Landowners do not need to lodge a return unless contacted by the Queensland Revenue Office (QRO).
- The QRO issues a **Notice of Assessment** with the amount payable.
- Payment is typically due within 30 days of the notice.

## 7. Joint Ownership

- For jointly owned land, each owner is assessed on their share of the land's value.
- If the combined value of all land owned exceeds the threshold, each owner may be liable for land tax.

## 8. Trusts

- Land held in trusts is subject to special rules, and the tax-free threshold may not apply unless the trust is a fixed trust or meets specific criteria.
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## 9. Absentee Owners

- Absentee owners (non-residents) are subject to higher rates and a 2% surcharge on the taxable value of their land.
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## 10. Valuations

- The taxable value of land is determined by the Valuer-General and is based on the unimproved value of the land (excluding buildings or structures).
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## 11. Objections and Disputes

- If you disagree with your land valuation or tax assessment, you can lodge an objection with the QRO.
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For specific advice or calculations, consult the **Queensland Revenue Office (QRO)** or a tax professional.

If you own more than one property in Queensland, land tax is calculated based on the **total taxable value of all your land holdings** (excluding exempt land, such as your primary residence). Here's a step-by-step guide to how it works:

### Step 1: Determine the Taxable Value of Each Property

- The **taxable value** of each property is determined by the Valuer-General and is based on the **unimproved value** of the land (excluding buildings or structures).
- Add up the taxable values of all your properties in Queensland.

### Step 2: Apply Exemptions

- **Exempt properties** (e.g., your primary residence or land used for primary production) are not included in the calculation.
- Subtract the value of any exempt land from the total taxable value.

### Step 3: Apply the Tax-Free Threshold

- The **tax-free threshold** for individuals is **\$600,000 (as of 2023)**. This means you only pay land tax if the total taxable value of your land exceeds \$600,000. This means you only pay land tax if the total taxable value of your land exceeds \$600,000.
- Subtract the threshold from the total taxable value of your non-exempt land.

### Step 4: Apply the Progressive Tax Rates

- Land tax is calculated using **progressive rates** based on the remaining taxable value after applying the threshold. The rates for individuals are as follows:

Taxable Value Range	Calculation
0 to 600,000	\$0
600,001 to 1,000,000	500 + 1 cent for each 1 above \$600,000
1,000,001 to 3,000,000	4,500 + 1.65 cents for each 1 above \$1,000,000
3,000,001 to 5,000,000	37,500 + 1.25 cents for each 1 above \$3,000,000
Above \$5,000,000	62,500 + 1.75 cents for each 1 above \$5,000,000

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## Step 5: Calculate the Total Land Tax

- Use the rates above to calculate the tax based on the total taxable value of your land holdings.
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## Example Calculation

Suppose you own three properties in Queensland with the following taxable values:

1. **Investment property:** \$400,000
2. **Vacant land:** \$300,000
3. **Primary residence:** \$500,000 (exempt)

### Step 1: Total Taxable Value

- Investment property: \$400,000
- Vacant land: \$300,000
- Primary residence: \$0 (exempt)
- **Total taxable value:**  $400,000 + 400,000 + 300,000 = \$700,000$

### Step 2: Apply the Threshold

- Tax-free threshold: \$600,000
- Taxable value above threshold:  $700,000 - 600,000 = \$100,000$

### Step 3: Apply the Tax Rate

- For the range 600,001 to 1,000,000:
  - $500 + (1\text{cent} \times 500) + (1\text{cent} \times 100,000) = 500 + 500 + 1,000 = \$1,500$

### Step 4: Total Land Tax Payable

- **\$1,500**
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## Key Points to Remember

1. **Aggregation of Land Values:** All your land holdings in Queensland are aggregated (combined) to determine the total taxable value.
2. **Exemptions:** Your primary residence and other exempt land are not included in the calculation.
3. **Progressive Rates:** The tax rate increases as the total taxable value of your land increases.

4. **Joint Ownership:** If you own land jointly with others, your share of the land's value is included in your total taxable value.
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## **What If You Own Land in Other States?**

- Queensland land tax only applies to land located in Queensland. If you own land in other states, you may need to pay land tax in those states as well, depending on their rules.