



# A simple guide to Land Tax in the Uniting Church

The land tax legislation is rather complex and is administered by the State Revenue Office (SRO).

For charities, land is generally exempt from land tax if it is:

- Used and occupied by a charitable institution exclusively for charitable purposes (current charity exemption).
- Vacant and owned by a charitable organisation for future charitable use within 2 years (possibly longer with further approval).
- Owned by a charitable organisation and leased for outdoor sporting, outdoor recreational, outdoor cultural or similar outdoor activities and available for use by members of the public.

There are two main factors that determine the classification status of a property. Who the user is, and what the space is being used for.

Land tax for charities is calculated on a single holding basis, meaning each non-exempt land parcel receives the tax-free threshold which is currently \$50,000 (was previously \$300,000 up to 31/12/2023).

A land parcel can take many forms. It can be a single title, a group of titles, or look nothing like these titles! It most often reflects how the local municipal council assesses and breaks down the site, which is generally by use. You can request your local municipal council to split your site up into different areas based on use. Please discuss this with Steve Abonyi before approaching your council. It may be more appropriate to split a site directly with the SRO and not council.

A site can be split up and apportioned with some areas classified as exempt and some areas classified as not-exempt. This split may change each year, and Synod will facilitate these changes directly with the SRO.

We are required to keep our records up to date and notify the SRO of changes in circumstances for each property when they occur. The SRO can go back 5 years and charge back taxes and penalties for incorrectly classified property.

If you have a situation that does not neatly fit a scenario in the table on page 2, please contact Steve Abonyi **0438 128 793** or [steve.abonyi@victas.uca.org.au](mailto:steve.abonyi@victas.uca.org.au) who will separately review and assess the arrangement.



	<b>USER</b>	<b>USE</b>	<b>LAND TAX CLASSIFICATION</b>
<b>CHURCH, HALL, COMMERCIAL BUILDINGS, OP-SHOPS, OTHER PROPERTY</b>			
	Congregation	Church activities.	Exempt.
	Other charity or not-for-profit (including Uniting and AgeWell)	Charitable purpose of the user.	Exempt (most likely). If the charity sub-leases out the site commercially to another user that is not a charity or NFP, not exempt.
	Other users (not a charity)	Zumba classes, AA meetings, karate, etc. No exclusive use to a specific area by one party to the exclusion of all other users, including the UCA.	Exempt (most likely) as seen as incidental and ancillary use. However, if there is no UCA use at all, and only hall hirers, it may not be exempt and will need to be reviewed.
	Other users (not a charity)	Exclusive lease/licence (for at least 12 months) over all or any part of the site.	Not exempt (only the area relating to the exclusive lease/licence). Other shared areas will remain exempt.
<b>MANSES</b>			
	Congregation	Minister residence.	Exempt.
	Other charity or not-for-profit (including Uniting and AgeWell)	Charitable purpose of the user.	Exempt (most likely). If the charity sub-leases out the site commercially to another user that is not a charity or NFP, not exempt.
	Member of the public	Residential lease at commercial or discounted rates.	Not exempt.
	Member of the public	For the specific relief of Poverty.	May be exempt. Cannot just be a discount. Must include significant other support activities such as those provided by Uniting for social housing. Must meet the common law definition of the relief of poverty.
	Vacant residential dwelling	None.	Subject to Vacant Land Tax (1% of the capital improved value) in addition to standard land tax, if vacant for more than 6 months, or under construction/renovation or uninhabitable for 2 years or more.
<b>TENNIS COURTS</b>			
	Congregation	Church activities.	Exempt.
	Tennis club	Tennis social/competition/training/classes.	If club membership is open to the public, exempt.

