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## Public Ruling Land Tax Act:

### EXEMPTION FOR LAND USED PREDOMINANTLY AS A MOVEABLE DWELLING PARK

*A Public Ruling, when issued, is the published view of the Commissioner of State Revenue (the Commissioner) on the particular topic to which it relates. It therefore replaces and overrides any existing private rulings, memoranda, manuals and advice provided by the Commissioner in respect of the issue(s) it addresses. Where a change in legislation or case law (the law) affects the content of a Public Ruling, the change in the law overrides the Public Ruling—that is, the Commissioner will determine the tax liability or eligibility for a concession, grant or exemption, as the case may be, in accordance with the law.*

## What this Ruling is about

1. A liability for land tax for a financial year arises at midnight on 30 June immediately preceding the financial year.
2. Section 54 of the *Land Tax Act 2010* (the Land Tax Act) provides an exemption from land tax for land used predominantly as a moveable dwelling park<sup>1</sup> if more than 50% of sites in the moveable dwelling park are occupied, or solely available for occupation, for residential purposes for periods of more than six weeks at a time.
3. Section 54(3) of the Land Tax Act provides that a 'site' is a site in the moveable dwelling park where a caravan or manufactured home is, or is intended to be, situated.
4. This Public Ruling clarifies when a site will be considered to be available for occupation for the purposes of s.54 of the Land Tax Act.

## Ruling and explanation

5. The application of the exemption in s.54 of the Land Tax Act to land for a particular financial year is determined as at midnight on the 30 June immediately preceding that financial year. That is, the land must be used as required by s.54 at that time.
6. The term 'available for occupation' in s.54 of the Land Tax Act will generally be interpreted according to its ordinary meaning.

<sup>1</sup> Section 54(3) of the Land Tax Act defines a 'moveable dwelling park' as a place where caravans or manufactured homes are situated for occupation on payment of consideration.

7. For a site to be considered as available for occupation, it is not necessary that a caravan or manufactured home be physically located on the site as at midnight 30 June. This follows from the definition of 'site' in s.54(3) of the Land Tax Act. It will be sufficient if the site is in a condition that allows a caravan or manufactured home to be brought directly onto the site without the need to undertake any further development or modification of the site.
8. In addition, a site will be taken to be available for occupation if—
- it is not occupied as at midnight 30 June due to the usual operation and maintenance of a moveable dwelling park, such as renovations or earthworks to the site resulting in the site being temporarily unavailable for occupation, but will then be available for occupation and
  - during the year preceding the relevant year it has been occupied for residential purposes for periods of more than six weeks at a time.

**Example**

*ABC Pty Ltd owns land which is used solely for the purpose of a moveable dwelling park. The park has 100 sites.*

*As at midnight 30 June 2010:*

- 45 sites are being occupied for residential purposes for periods of more than six weeks*
- 25 sites are unoccupied but are advertised on the dwelling park's website as ready for immediate occupation for periods of more than six weeks*
- 10 sites have just become temporarily unavailable for occupation as they are undergoing renovation. However, these sites were occupied during the 2009–10 year for residential purposes for periods of more than six weeks*
- 20 sites have recently been constructed but, as they have not had electricity connected, are not yet being offered for occupation.*

*The 45 occupied sites, the 25 unoccupied sites and the 10 sites being renovated are considered to be occupied, or solely available for occupation, for residential purposes for periods of more than six weeks at a time. The remaining 20 sites are not regarded as being available for occupation.*

*As more than 50% of the sites in the moveable dwelling park are occupied, or solely available for occupation, as required, ABC Pty Ltd will be entitled to the land tax exemption in s.54 of the Land Tax Act in respect of the 2010-11 financial year for the land comprising the moveable dwelling park.*

**Date of effect**

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9. This Public Ruling takes effect from the date of issue and applies in respect of land tax liabilities arising on or after 30 June 2010.

David Smith  
Commissioner of State Revenue  
Date of Issue 30 June 2010

## References

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Public Ruling	Issued	Dates of effect	
		From	To
LTA054.1.1	30 June 2010	30 June 2010	Current