

RESIDENTIAL LANDLORD'S RIGHTS DURING COVID-19



The ACT Government is making changes to help landlords and private tenants reduce the risks of homelessness and financial hardship during the COVID-19 public health emergency.

These changes include:

- › Applying rebates to your land tax and rates bills if you reduce rent for tenants suffering financial hardship which is directly related to COVID 19; and
- › Stopping you from evicting people who cannot afford to pay their rent.

If your tenant's household income has not been impacted by COVID-19, they must continue to pay rent. Tenants who have had their income significantly impacted by COVID-19 are encouraged to engage with their landlords or managing agents to discuss alternative payment arrangements.

One option is to offer tenants a rental payment freeze (stop collecting rent) until they have access to some income. Any rent that is not collected during this period would become a debt owed to you but you cannot charge interest.

Rates and land tax rebates for landlords

If you choose to reduce your tenant's rent by at least 25 per cent for up to six months the ACT Government will match 50 per cent of the rent reduction to a maximum of \$2,600 over six months (or \$100 per week).

For example, if you are renting your property for \$600 per week and you reduce the rent

by \$200 per week, you will receive a total rebate of \$2,600 (or \$100 per week) over six months.

To benefit from this rebate, it must be a genuine rent reduction without a requirement for the tenant to pay the rent reduction amount back to you in the future. You can not claim the difference from your tenant at a later date.

This support will be backdated and effective from 1 April 2020 for up to six months. The baseline for the 25 per cent rent reduction is the rent payable on the property as at 1 March 2020.

The government's share of the rent reduction will be provided to you through a rebate on your 2019-20 quarter 4 land tax bill and 2020-21 quarter 1 bill. If your land tax bills are less than the rebate, the remainder will be applied to your general rates bills for those quarters.

How to apply

To access the rebate, you will complete a **simple online application form** and provide:

- a revised residential tenancy agreement;
- written confirmation to the tenant, from you or your managing agent, advising of the temporary rental reduction; and
- Your contact details or your managing agent's contact details.



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Significant penalties and clawback provisions will be in place for landlords that provide falsified information or if they do not pass the rental reduction to their tenants.

Moratorium (suspension) on evictions

The ACT Government will introduce a six-month moratorium or ban on evictions due to rental arrears in line with the decision of National Cabinet, due to the COVID-19 public health emergency.

The purpose of this is to allow time for tenants to source other forms of income such as income support payments from the Commonwealth Government and encourage you to discuss and reach a mutual agreement with your tenant.

Any outstanding rent during the moratorium of an agreed rental amount will be a debt owed to you.

The ACT Government will also make changes so that you cannot "blacklist" a tenant for non-payment of rent which results from COVID related financial losses.

Other assistance for residential property owners

Other support property owners will automatically receive includes:

- › You will receive your 2019-20 quarter 4 residential general rates instalments and land tax assessments four weeks later

than usual, payments will also be due four weeks later;

- › a \$150 rebate for all residential rates bills; and
- › the Fire and Emergency Services Levy on 2020-21 residential rates bills will be the same as 2019-20.

Further information

- › Find out more about other support you might be eligible for through the **ACT Government's Economic Survival Package**
- › **COVID-19 Emergency Response Act 2020**

Contacts

Rental Reduction

Contact the ACT Revenue Office for find out more.

Email: the contact us page at www.revenue.act.gov.au/contact-us

Phone: (02) 6207 0028.

Legal Advice

If you require any legal advice or information about the COVID-19 measures please contact the ACT Legal Aid Commission.

Email: Legalaidd@legalaiddact.org.au

Phone: 1300 654 314

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