

Inquiry Revenue Legislation Amendment Bill 2024

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Committee Secretary
State Development, Infrastructure and Works Committee
Parliament House
George Street
BRISBANE QLD 4000

Dear Committee Secretary

Re: Submission on the Revenue Legislation Amendment Bill 2024

Thank you for the opportunity to provide a submission on the *Revenue Legislation Amendment Bill 2024* (the Revenue Bill).

The Residential Tenancies Authority (RTA) is the Queensland Government statutory body that administers the *Residential Tenancies and Rooming Accommodation Act 2008* (the RTRA Act). The RTRA Act outlines the rights and responsibilities of tenants and property managers/owners in residential renting in Queensland.

The RTA offers tenancy information and support, bond management and education services, and free dispute resolution to help property managers/owners and tenants/residents resolve their issues quickly and without the need for legal action. The RTA also undertakes investigations into alleged offences under the RTRA Act both proactively and in response to customer complaints.

Although the RTA is impartial and does not lead policy reform of the RTRA Act, which is led by the Department of Housing and Public Works, please find below general information regarding residential renting in Queensland for the Committee's awareness.

I understand that the Revenue Bill will amend the *Duties Act 2001* to allow a homeowner to rent out part of their property within the first year of ownership while maintaining the benefit of transfer duty home concessions. It is anticipated that this change may lead to an increase in the number of homeowners who rent out part of their property, who should ensure they are informed about their legal rights and obligations when doing so, as a homeowner's individual circumstances will impact whether or not parts of the RTRA Act apply to them.

Renting a room

If a homeowner rents out a room or rooms of their property and remains living in the premises, the number of rooms rented or available for rent will impact whether the RTRA Act applies to the agreement.

For example, if four or more rooms of the premises are rented out or available for rent, the agreement may be fully covered under the RTRA Act as a rooming accommodation agreement. The homeowner should ensure they are aware of and meet their legal obligations under the RTRA Act, as non-compliance may be an offence under the RTRA Act.

If less than four rooms are rented out or available for rent, the agreement is generally exempt from the RTRA Act, other than provisions relating to a rental bond. For example, tenancy provisions including, but not limited to, notice periods to end an agreement or enter a room will not apply to the homeowner or occupant. If there is disagreement on these types of matters where the RTRA Act does not apply, the RTA cannot provide dispute resolution and the homeowner or occupant may need to seek independent legal advice to understand their legal rights and obligations.

Although in this scenario general tenancy matters are not covered by the RTRA Act, following recent legislative reform as of 6 June 2024, regardless of whether these arrangements are exempt under the RTRA Act, if a rental bond is taken, the RTRA Act provisions regarding rental bonds will apply. If the homeowner takes a bond, they must ensure that the bond does not exceed four weeks rent, that a compliant receipt is provided to the occupant, and that they pay the bond to the RTA within 10 days of receiving it. Non-compliance with these provisions is an offence under the RTRA Act which can be investigated by the RTA. The RTA can provide dispute resolution for bond disputes.

Secondary dwellings

Rather than renting out a room, some homeowners may rent out self-contained parts of the property, or secondary dwellings also known as 'granny flats'. These agreements are generally considered residential tenancy agreements and are covered under the RTRA Act regardless of whether the homeowner also lives at the premises (unless the agreement is otherwise exempt, e.g. holiday lettings).

Homeowners who are unsure of what kind of agreement exists can contact the RTA for general information.

As the RTA cannot provide legal advice, if there is uncertainty about what kind of agreement exists or whether it is covered under the RTRA Act, either party may make an urgent application to the Queensland Civil and Administrative Tribunal for an order stating whether an agreement under the RTRA Act exists, and whether it is a residential tenancy agreement or rooming accommodation agreement.

Further information regarding the above topics can be found on the RTA website:

- www.rta.qld.gov.au/before-renting/tenancy-agreements
- www.rta.qld.gov.au/before-renting/tenancy-agreements/secondary-dwellings
- www.rta.qld.gov.au/forms-resources/forms/forms-for-rooming-accommodation/rooming-accommodation-agreement-form-r18
- www.rta.qld.gov.au/before-renting/types-of-tenancy-agreements/boarderslodgers

Homeowners who are considering renting a part of their property are encouraged to contact the RTA on 1300 366 311 for information relevant to their specific circumstances.

If there are any queries regarding the contents of this submission, please contact

Yours sincerely


Jennifer Smith
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Residential Tenancies Authority