

## Media release

Deputy Premier, Treasurer and Minister for Aboriginal and Torres Strait Islander Partnerships The Honourable Jackie Trad

## Thursday, April 09, 2020

## Palaszczuk Government moves to protect retail and commercial tenants

Commercial and retail tenants will be protected from evictions under a series of measures to protect businesses and jobs unveiled by the Palaszczuk Government.

Deputy Premier and Treasurer Jackie Trad said the measures would be underpinned by \$400 million in land tax relief for property owners, which must be passed on to tenants.

That \$400 million comes on top of more than \$3 billion in measures already announced by the Palaszczuk Government to support Queensland businesses and jobs.

"We've heard loud and clear the concerns of people worried about losing their home or business premises through no fault of their own, so we've been working hard to put protections in place to stop that happening," Ms Trad said.

"Since February, we have announced more than \$3 billion in measures to sustain businesses through the coronavirus downturn, but when it's over, they need to know their shops and tenancies are still there.

"Whether they've been required to close their doors or not, many businesses have seen their cash flow dry up, making it harder to pay the rent.

"To ensure commercial or residential property owners don't face undue hardship on their own, we will be offering a threemonth rebate of land tax for 2019-20, followed by a three month deferral of land tax 2020-21 for property owners who agree to provide rent relief for tenants affected by the coronavirus downturn."

A landowner can apply for land tax relief if they meet criteria including:

- the landowner rents all or part of a property to a tenant/s OR all or part of a property is currently available for lease; AND
- at least one tenant's ability to pay their normal rent OR the landowner's ability to secure a tenant is affected by the COVID-19 pandemic; AND
- the landowner provides rent relief to an affected tenant/s commensurate with the amount of the land tax rebate OR if the property is unable to be leased, the landowner requires land tax relief to meet their financial obligations (such as debt repayments); AND
- the landowner complies with new leasing requirements, even if the relevant lease is not regulated.

Property Council Queensland Executive Director, Chris Mountford, said the land tax relief was an effective way for the Government to support businesses through this crisis.

"By granting this relief, landlords will have a greater capacity to support tenants that have been adversely affected COVID-19, taking pressure off their cash flow at this critical time," Mr Mountford said.

"We know the circumstances that landlords and tenants are finding themselves in vary greatly. A 'one size fits all' approach to these challenges simply does not work.

"Today's announcements are a demonstration that the State Government is stepping up and supporting tenants and landlords as they work this through.

"The Queensland Government is rightly encouraging outcomes that ensure the economic impact is shared fairly among tenants, landlords, financiers, and the Government."

The Deputy Premier said the ban on eviction would be underpinned by new laws.

"We'll make changes to legislation that will ban evictions on the grounds of financial distress, prevent rent increases, except in cases where business turnover has increased, and allow leases to be extended for the term of a rent waiver that has been agreed to by property owner and tenant," Ms Trad said.

"By working together, we can protect homes, businesses and jobs as much as possible through this downturn."

From next Tuesday (14 April) morning people will be able to apply for land tax relief, by going to qld.gov.au/landtax

The Palaszczuk Government has also announced a package of measures to ensure residential tenants don't lose their homes as a result of COVID-19 hardship.

Queensland will move quickly to legislate to implement protections for retail, commercial and residential tenants.

The Prime Minister has released the *SME Leasing Principles During COVID-19* as outlined in the National Cabinet Mandatory Code of Conduct, as attached <u>here</u> ( https://www.pm.gov.au/sites/default/files/files/national-cabinet-mandatory-code-ofconduct-sme-commercial-leasing-principles.pdf ).

The Palaszczuk Government will consult with stakeholders on the development of systems and implementation of the code in Queensland.

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