

Build-to-Rent in the ACT

Canberra is the perfect city for Build-to-Rent because it has:

- high rental yields
- high median rents
- high weekly household incomes
- a stable workforce.

Tax Benefits for Build-to-Rent developments

Genuine Build-to-Rent developments can adopt a titling arrangement that significantly reduces tax obligations, as ACT land tax and general rates have a fixed charge component that is levied per title.

For example, a single title across a residential development with 300 dwellings and an Average Unimproved Value of \$25 million would reduce the annual tax liability by at least \$971,451 in 2026-27.

This is based on a saving of up to \$3,249 per additional title (a general rates fixed charge, land tax fixed charge, Police, Fire and Emergencies Service Levy and Safer Families Levy).

See the next page for more details.

2026-27 land tax, general rates, and levies calculation for an example development with 300 dwellings and Average Unimproved Value of \$25 million.

	Dwellings are within a unit	Dwellings are within a unit	Dwellings are not within a unit
	As 300 units	As a single title*	Non-unit titled
<i>How are taxes for the dwellings calculated?</i>	As individual residential units	As a single residential unit	As single residential non-unit
Land Tax			
Fixed charge	\$533,400	\$1,778	\$1,778
Variable charge	\$312,900	\$312,900	\$312,900
Total	\$846,300	\$314,678	\$314,678
General Rates			
Fixed charge	\$282,900	\$943	\$884
Variable charge	\$245,932	\$245,932	\$148,856
Safer Families Levy	\$21,000	\$70	\$70
Police, Fire and Emergency Services Levy	\$137,400	\$458	\$458
Total	\$687,232	\$247,403	\$150,268
Grand total	\$1,533,532	\$562,081	\$464,946
<i>Saving compared to 300 units</i>		\$971,451	\$1,068,586
<i>% Saving</i>		63%	70%

* In mixed-use developments, commercial and residential uses must be on separate titles to ensure residential tax rates apply to the residential dwellings. This can be achieved through a range of approaches to subdivision and unit plans.

These example numbers should be used by you as a guide only and does not take into account things such as interest or penalty tax that may apply. The calculations are GST exclusive. The example assumes no foreign residency surcharge applies. The numbers are rounded to the nearest dollar. In all circumstances, the example numbers do not replace the "Notice of Assessment" for any tax liability issued to you by the Commissioner for ACT Revenue.

Visit www.revenue.act.gov.au to find the ACT Revenue Office's land tax and general rates calculator.

Contact us at BuildtoRent@act.gov.au.