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Treasurer

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Minister for Finance and Small Business

MEDIA RELEASE

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SUPPORT CONTINUES FOR COMMERCIAL TENANTS AND LANDLORDS IMPACTED BY COVID-19

Eligible commercial tenants will have greater certainty through the coming months with the Retail and Other Commercial Leases (COVID-19) Regulation to be extended until 31 December 2020.

Landlords will also be able to receive up to 25 per cent land tax concession where they provide rent relief to commercial and residential tenants in financial distress from October to December.

Minister for Finance and Small Business Damien Tudehope said the measures were designed to strike the right balance to support tenants and landlords in commercial agreements.

“The Government earlier this year acted quickly to implement the National Cabinet’s Code of Conduct for commercial tenancies to provide support to small and medium size businesses, but a lot of businesses are still doing it tough, which is why we are extending this support,” Mr Tudehope said.

“For many small businesses rent is one of the biggest fixed costs, so easing this burden will help keep businesses in business and keep people in jobs.”

Tenants will be required to re-establish their eligibility under the extension to the Regulation if they wish to request further rent relief, while landlords will also be required to respond to a tenant’s request for further rent relief in a reasonable time frame.

The NSW Government has also committed \$10 million to bolster the NSW Small Business Commission to deliver more mediation and advisory services to assist parties to come to agreements. Information for both commercial landlords and tenants is available on the Service NSW website.

“To support parties who need assistance, we have rolled out more mediators at the Small Business Commission who are helping parties to reach mutually beneficial agreements,” Mr Tudehope said.

Treasurer Dominic Perrottet said the extension of the commercial leasing measures formed part of the NSW Government’s \$16 billion in health and economic stimulus measures.

“We are continuing to roll out support to help cushion the ongoing impacts of the pandemic as we reopen our economy,” Mr Perrottet said.

“We have launched a range of measures to reignite our economy and recently hosted the Summer Summit to ensure cafes, bars, restaurants and shops in Sydney can have a bumper festive season to help keep people in jobs and businesses in business.”

The Retail and Other Commercial Leases (COVID-19) Regulation was set to expire on 25 October 2020, but will now be extended to 31 December 2020, with other states also extending measures to continue the operation of the National Code of Conduct.

Eligible landlords that reduce the rent of eligible commercial and residential tenants between October and December can apply for a land tax concession on relevant properties. This new concession is in addition to the concession provided to landlords that reduced rent between April and September.

The concession will be applied to any unpaid 2020 land tax liability, and refunds will be issued for payments already made this year.

To find out more about the Regulation and the land tax relief available for eligible landlords, please visit <https://www.service.nsw.gov.au/campaign/covid-19-help-small-businesses/commercial-lease-support>.

For more information on the NSW Government’s Recovery Plan, please visit: nsw.gov.au/covid-19-recovery-plan.

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