

Factsheet

Foreign Investor Land Tax Surcharge

How to calculate the surcharge for multiple land titles used for multiple purposes.

Preamble.

The Foreign Investor Land Tax Surcharge (FILTS) is two (2) per cent of the assessed land value of certain residential property classified as [General Land](#). The surcharge applies to the proportion of the property held by the foreign investor.

This Factsheet shows how to calculate FILTS where land is valued as a single Property ID (PID) yet has two or more titles used for multiple purposes.

Separately, please refer to the [Foreign Investor Land Tax Surcharge Guideline](#) for other information including:

- what is FILTS;
- what is meant by 'foreign person';
- what is meant by 'residential purposes'; and
- PIDs with two or more titles used for a single purpose.

Multiple titles used for multiple purposes.

The application of FILTS is determined title by title.

Titles are issued with an identifier known as a Volume and Folio number. Land is also issued with a PID (for valuation purposes), however a single PID may relate to more than one title.

For a PID with multiple titles, the valuation of the land is based on the total land area, meaning it is not title-specific. In such cases you need to calculate the proportion of the titles within the single PID that are subject to FILTS.

Examples about calculating 'residential purposes' land and FILTS.

- Refer to the examples on the following pages for FILTS calculations.
- About points A and B in the white calculation boxes shown in the examples:
 - At A: \$400 000 is the assessed land value.
The percentage figure refers to the volume of land which may be, or is capable of being, lawfully used solely or primarily for residential purposes.
 - At B: The percentage figure refers to the percentage of foreign ownership.
- The land tax figure of \$1 400 is based on the 2022-23 Land Tax rates.

Example I

Two titles on one PID.
Residential usage for both titles.

	Title 1 600m ²	Title 2 400m ²		
Usage of the area Whole of PID land size is 1000m ²	600m ² Residential	400m ² Residential		
Is the title primarily residential? (Yes = FILTS is chargeable)	Yes	Yes		
Area of property liable for FILTS	600m ²	400m ²		
Percentage of PID liable for FILTS	100% 600m ² + 400m ² = 1000m ²			
FILTS calculation Foreign ownership: 100% Assessed land value: \$400 000	<table border="1"> <tr> <td> FILTS calculation A: \$400 000 x 100% = \$400 000 B: (\$400 000 x 100%) x 2% surcharge ▼ \$8 000 </td> <td> Land Tax \$1 400 FILTS <u>\$8 000</u> Total payable \$9 400 </td> </tr> </table>		FILTS calculation A: \$400 000 x 100% = \$400 000 B: (\$400 000 x 100%) x 2% surcharge ▼ \$8 000	Land Tax \$1 400 FILTS <u>\$8 000</u> Total payable \$9 400
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Example 2

Two titles on one PID.
 Residential usage for title 1.
 Mixed usage for title 2.

	Title 1 600m ²	Title 2 400m ²		
Usage of the area Whole of PID land size is 1000m ²	600m ² Residential	250m ² Commercial 150m ² Residential		
Is the title primarily residential? (Yes = FILTS is chargeable)	Yes	No		
Area of property liable for FILTS	600m ²	0m ²		
Percentage of PID liable for FILTS	60% (600m ² ÷ 1000m ²) x 100%			
FILTS calculation Foreign ownership: 100% Assessed land value: \$400 000	<table border="1"> <tr> <td> FILTS calculation A: \$400 000 x 60% = \$240 000 B: (\$240 000 x 100%) x 2% surcharge ▼ \$4 800 </td> <td> Land Tax \$1 400 FILTS <u>\$4 800</u> Total payable \$6 200 </td> </tr> </table>		FILTS calculation A: \$400 000 x 60% = \$240 000 B: (\$240 000 x 100%) x 2% surcharge ▼ \$4 800	Land Tax \$1 400 FILTS <u>\$4 800</u> Total payable \$6 200
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FILTS calculation A: \$400 000 x 60% = \$240 000 B: (\$240 000 x 50%) x 2% surcharge ▼ \$2 400	Land Tax \$1 400 FILTS <u>\$2 400</u> Total payable \$3 800			

Example 3

Two titles on one PID.
Mixed usage for titles 1 and 2.

	Title 1 600m ²	Title 2 400m ²			
Usage of the area Whole of PID land size is 1000m ²	500m ² Commercial 100m ² Residential	300m ² Residential 100m ² Commercial			
Is the title primarily residential? (Yes = FILTS is chargeable)	No	Yes			
Area of property liable for FILTS	0m ²	400m ²			
Percentage of PID liable for FILTS	40% (400m ² ÷ 1000m ²) x 100%				
FILTS calculation Foreign ownership: 100% Assessed land value: \$400 000	<table border="1"> <tr> <td colspan="2"> FILTS calculation A: \$400 000 x 40% = \$160 000 B: (\$160 000 x 100%) x 2% surcharge ▼ \$3 200 </td> <td> Land Tax \$1 400 FILTS <u>\$3 200</u> Total payable \$4 600 </td> </tr> </table>		FILTS calculation A: \$400 000 x 40% = \$160 000 B: (\$160 000 x 100%) x 2% surcharge ▼ \$3 200		Land Tax \$1 400 FILTS <u>\$3 200</u> Total payable \$4 600
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FILTS calculation Foreign ownership: 50% Assessed land value: \$400 000	<table border="1"> <tr> <td colspan="2"> FILTS calculation A: \$400 000 x 40% = \$160 000 B: (\$160 000 x 50%) x 2% surcharge ▼ \$1 600 </td> <td> Land Tax \$1 400 FILTS <u>\$1 600</u> Total payable \$3 000 </td> </tr> </table>		FILTS calculation A: \$400 000 x 40% = \$160 000 B: (\$160 000 x 50%) x 2% surcharge ▼ \$1 600		Land Tax \$1 400 FILTS <u>\$1 600</u> Total payable \$3 000
FILTS calculation A: \$400 000 x 40% = \$160 000 B: (\$160 000 x 50%) x 2% surcharge ▼ \$1 600		Land Tax \$1 400 FILTS <u>\$1 600</u> Total payable \$3 000			

Example 4

Three titles on one PID.

Commercial usage for title 1. Residential usage for titles 2 and 3.

	Title 1 400m ²	Title 2 350m ²	Title 3 250m ²
Usage of the area Whole of PID land size is 1 000m ²	400m ² Commercial	350m ² Residential	250m ² Residential
Is the title primarily residential? (Yes = FILTS is chargeable)	No	Yes	Yes
Area of property liable for FILTS	0m ²	350m ²	250m ²
Percentage of PID liable for FILTS	60% (350m ² + 250m ²) ÷ 1 000m ² x 100%		
FILTS calculation Foreign ownership: 100% Assessed land value: \$400 000	<div style="border: 1px solid black; padding: 5px;"> <p>FILTS calculation A: \$400 000 x 60% = \$240 000 B: (\$240 000 x 100%) x 2% surcharge ▼ \$4 800</p> </div>		<p>Land Tax \$1 400 FILTS \$4 800 Total payable \$6 200</p>
FILTS calculation Foreign ownership: 50% Assessed land value: \$400 000	<div style="border: 1px solid black; padding: 5px;"> <p>FILTS calculation A: \$400 000 x 60% = \$240 000 B: (\$240 000 x 50%) x 2% surcharge ▼ \$2 400</p> </div>		<p>Land Tax \$1 400 FILTS \$2 400 Total payable \$3 800</p>

Example 5

Three titles on one PID.
 Mixed usage for titles 1 and 2.
 Commercial usage for title 3.

	Title 1 400m ²	Title 2 350m ²	Title 3 250m ²
Usage of the area Whole of PID land size is 1000m ²	300m ² Commercial 100m ² Residential	200m ² Residential 150m ² Commercial	250m ² Commercial
Is the title primarily residential? (Yes = FILTS is chargeable)	No	Yes	No
Area of property liable for FILTS	0m ²	350m ²	0m ²
Percentage of PID liable for FILTS	35% (350m ² ÷ 1 000m ²) x 100%		
FILTS calculation Foreign ownership: 100% Assessed land value: \$400 000	<div style="border: 1px solid black; padding: 5px;"> FILTS calculation A: \$400 000 x 35% = \$140 000 B: (\$140 000 x 100%) x 2% surcharge ▼ \$2800 </div>		Land Tax \$1 400 FILTS <u>\$2 800</u> Total payable \$4 200
FILTS calculation Foreign ownership: 50% Assessed land value: \$400 000	<div style="border: 1px solid black; padding: 5px;"> FILTS calculation A: \$400 000 x 35% = \$140 000 B: (\$140 000 x 50%) x 2% surcharge ▼ \$1400 </div>		Land Tax \$1 400 FILTS <u>\$1 400</u> Total payable \$2 800