

This sheet details the criteria for the Land Tax Primary Production Exemption categories for land situated within a defined rural area and details the documentation required to support the application. To be exempt, the criteria in any one of the categories must be satisfied.

Words in *italics* are defined on the next page.

Category 1 The sole owner is a natural person who is engaged on a substantially full-time basis (either on his or her own behalf or as an employee) in a *relevant business*.

Please provide a copy of the completed Tax Return of the owner for each of the financial years for which an exemption is sought.

Category 2 The land is owned jointly or in common by two or more natural persons at least one of whom is engaged on a substantially full-time basis (either on his or her own behalf or as an employee) in a *relevant business* and any other owner who is not so engaged is a *relative* of an owner so engaged.

Please provide (i) a copy of the completed Tax Return of the person engaged in the business of primary production for each year for which an exemption is sought; and (ii) confirmation of the relationship between the owners.

Category 3 The land is owned solely, jointly or in common by a retired person and the following conditions are satisfied:

- the retired person was, prior to his or her retirement, engaged on a substantially full-time basis (either on his or her own behalf or as an employee) in a *relevant business*; and
- the co-owner or co-owners of the land (if any) are *relatives* of the retired person; and
- a *close relative* of the retired person is currently engaged on a substantially full-time basis (either on his or her own behalf or as an employee) in a *relevant business*.

Please provide (i) the most recent complete Tax Return that includes primary production income of the retired person; (ii) confirmation of the relationship between the retired person and any co-owner(s); and (iii) a copy of the completed Tax Return of any close relative engaged in the business of primary production for each year that an exemption is sought.

Category 4 The land is owned solely or by tenancy in common by the executor of the will, or the administrator of the estate, of a deceased person and the following conditions are satisfied:

- the deceased person was, prior to his or her death, engaged on a substantially full-time basis (either on his or her own behalf or as an employee) in a *relevant business*; and
- the co-owner or co-owners of the land (if any) are *relatives* of the deceased person; and
- a *close relative* of the deceased person is currently engaged on a substantially full-time basis (either on his or her own behalf or as an employee) in a *relevant business*.

Please provide (i) a written statement by one of the owners as to the deceased person's immediate prior involvement in a primary production business; (ii) a copy of the completed Tax Return of any close relative engaged in the business of primary production for each year for which an exemption is sought; (iii) confirmation of the relationship between the deceased person and any co-owner(s); and (iv) confirmation of the relationship between the deceased person and the close relative.

Category 5 The land is owned by a company, or by two or more companies, or by a company or companies and one or more natural persons, and the main business of each owner is a *relevant business*.

Please provide a copy of the completed Tax Return of each of the owners for each of the financial years for which an exemption is sought.

Category 6 The land is owned by a company and one of the following conditions is satisfied:

- (6a) a natural person owns a majority of the issued shares of the company and is engaged on a substantially full-time basis (either on his or her own behalf or as an employee) in a *relevant business*;

Please provide (i) a copy of the completed Tax Return of the person engaged in the business of primary production for each year for which the exemption is sought; and (ii) evidence that the person has a majority shareholding in the company that owns the property (e.g. a company search from the Australian Securities & Investments Commission).

or

- (6b) two or more natural persons own in aggregate a majority of the issued shares of the company and each of them is engaged on a substantially full-time basis (either on his or her own behalf or as an employee) in a *relevant business*;

Please provide (i) a copy of the completed Tax Return of the person engaged in the business of primary production for each year for which the exemption is sought; and (ii) evidence that the persons own in aggregate a majority of the issued shares of the company that owns the property (e.g. a company search from the Australian Securities & Investments Commission).

or

- (6c) two or more natural persons who are *relatives* own in aggregate a majority of the issued shares of the company and at least one of them is engaged on a substantially full-time basis (either on his or her own behalf or as an employee) in a *relevant business*.

Please provide (i) a copy of the completed Tax Return of the person(s) engaged in the business of primary production for each year for which an exemption is sought; (ii) evidence that the persons own in aggregate a majority shareholding in the company that owns the property (e.g. a company search from the Australian Securities & Investments Commission).

defined rural area - is predominately:

- (i) land within the greater metropolitan area of Adelaide (approximately from Willunga to Gawler and from the coastline to the inner Mt Lofty Ranges) and
- (ii) land within Mt Gambier (the majority of the City of Mt Gambier council area).

Please contact RevenueSA if you need clarification of the defined rural area.

relevant business - a business is a relevant business in relation to *land used for primary production* that is situated within a *defined rural area* if:

- the business is a *business of primary production* of the type for which the land is used; or a business of processing or marketing primary produce; and
- the land or produce of the land is used to a significant extent for the purposes of that business.

land used for primary production - means land of not less than 0.8 hectare in area as to which the Commissioner of State Taxation is satisfied that the land is used wholly or mainly for the *business of primary production*.

business of primary production - means the business of agriculture, pasturage, horticulture, viticulture, apiculture, poultry farming, dairy farming, forestry or any other business consisting of the cultivation of soils, the gathering in of crops, the rearing of livestock or the propagation and harvesting of fish or other aquatic organisms and including the intensive agistment of *declared livestock*.

declared livestock - means cattle, sheep, pigs or poultry or any other kind of animal prescribed by regulations for the purposes of this definition.

close relative - a person is a close relative of another if:

- they are spouses or domestic partners; or
- one is a parent or child of the other; or
- one is a brother or sister of the other.

relative - a person is a relative of another if:

- they are spouses or domestic partners; or
- one is an ascendant or descendant of the other, or of the other's spouse or domestic partner; or
- one is a brother or sister of the other or a brother or sister of the other's spouse or domestic partner; or
- one is an ascendant or descendant of a brother or sister of the other or of the other's spouse or domestic partner.