# Windfall Gains Tax – Key Dates

**15 June 2023 Video transcript**

00.15 Welcome James.

00.16 Thanks Phil.

00.17 I'm looking forward to hearing your thoughts on what are the key dates that law firms should be aware of with the new windfall gains tax?

00.25 Well, clearly 1 July, 2023 is our key date that everyone should have in their calendars. It’s from that date that rezonings of most Victorian land will be subject to the windfall Gains tax regime. Now, in particular where there is an increase in value as a result of the rezoning and that value increases greater than $100,000, the owner of the land as a general rule, will be subject to tax at a rate of up to 50% on that increase in value. So clearly this is a significant change in the law and practitioners need to make sure that their clients aren't hit with some unexpected hefty tax bill.

1.02 And even though we're not quite yet at one July, um, it's something that practitioners need to be aware of now, given that that, that people are continually drafting contracts in relation to deals that may or may not involve a rezoning.

1.17 So In addition to 1July 23, I wanna mention a historical date, and that's 15th of May, 2021. That date is significant, significant because on the 15th of May, 2021, the Victorian government first announced the windfall gains tax regime. And, so the government, has introduced very limited transitional exemptions, which say effectively, if you've done certain things prior to that date and you meet various other criteria, you will, be eligible for an exemption from Windfall Gains tax.

1.54 That is something that practitioners need to be aware of. Um, check in with their client. Is there any documentation pre 15, May, 2021? Was there a rezoning process underway prior to that date? And if so, that's an area that needs to be further explored.

02.09 So they’re our two hard dates, 1 July this year and 15 May 21.

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