# Overview of the 30 September 2024 Tenancy Law Changes – What you need to know



Recent changes to tenancy law were passed by Queensland Parliament on 23 May 2024 and will impact your tenancy or rooming agreement under the Residential Tenancies and Rooming Accommodation Act 2008 ('the Act'). Not all changes are commencing at the same time. Some of the changes commenced on Assent (6 June 2024), while other changes commence by Proclamation on 30 September 2024 or 1 May 2025.

Here is a quick snapshot of the key changes starting from 30 September 2024.

### Prescribed limit on reletting costs for break lease

There has been a change in the costs you will need to pay if you decide to break your lease (end your fixed term agreement early without a reason allowed under the Act). Previously the Act allowed the lessor or provider to charge you the reasonable costs incurred in reletting your place if you broke lease. However, now break lease costs will be capped to the smaller of two amounts. This applies to both residential tenancy and rooming accommodation agreements. Further information about these amounts and how they are calculated is described below.

If you entered into your agreement before 30 September 2024, these changes may not apply to you. The lessor might request that you pay reasonable costs incurred in reletting your place. You should anticipate this possibility and keep records of any potential costs in relation to reletting the property. However, you can also argue that the new laws establish a benchmark for reasonable compensation. If you find yourself in this situation, you may wish to contact our service for advice.

# If your agreement is three years or less

Where the fixed term of your lease is three years or less, there are two ways that break lease costs can be calculated, and you will only need to pay the smaller of these two amounts.

### Option one

Calculate the amount of rent to cover the period between when you leave (hand over vacant possession of the premises) and the date a new agreement commences after the property or room is relet (i.e. when a new tenant or resident is found and the date their agreement starts).

### Option two

Calculate the amount based on the percentage of your tenancy or rooming accommodation agreement remaining.

You can refer to the table below to do this.

How much of your agreement has expired (how long you have been at the place)	Break lease costs
Less than 25 per cent	4 weeks rent
More than 25 per cent and less than 50 per cent	3 weeks rent
Between 50 per cent and 75 per cent	2 weeks rent
More than 75 percent	1 weeks rent

The break lease costs you will be required to pay are the smaller of the two amounts calculated under option one and option two.

# What's inside

- Prescribed limit on reletting costs for break lease
- Rent payment methods
- Evidence required to support bond claims
- Service charges
- Fixed maximum bond
- Information sharing
- False and misleading documents

### Who's who?

A **lessor** is the person who gives a tenant the 'right to occupy' a residential premises. Lessors often employ real estate agents to manage premises on their behalf.

A **provider** is a person who provides rooming accommodation to residents.

**Tenants Queensland (TQ)** is a specialist community and legal service which has been providing services to and representing the interests of residential renters in Queensland since 1986.

**QSTARS** is a program providing specialist advice and support to renters, funded by the Qld Government, delivered by TQ.

The **RTA** is the government authority that manages rental bonds, provides forms and information, conducts dispute resolution and investigates complaints of unlawful conduct under tenancy laws.

The Tribunal or **QCAT**, hears and makes binding decisions about residential tenancy disputes.

# If your agreement is longer than three years

This rule only applies if your contract is for a term longer than three years (i.e. it does not apply if you have been living in the same property/room for longer than three years, your lease has been renewed multiple times and your current lease is three years long or less).

If the fixed term of your lease is more than three years, the reletting costs are the **smaller amount** of either:

- an amount of rent equal to the rent that would be payable by the tenant between the tenant handing over vacant possession of the premises and the date a new agreement commences after the premises are relet, or
- one month's rent for every 12-month period remaining on the agreement, up to a maximum amount equal to 6 month's rent.

### Duty to mitigate loss

The lessor or provider still has a duty to mitigate loss or expense, despite the cap on reletting costs. This means they must attempt to keep their losses to a minimum and take all reasonable steps to re-let your property or room as quickly as possible.

## Rent payment methods

You must pay rent in the way stated your agreement. However, the lessor, agent or provider must now offer you two ways to pay rent, including a way that does not incur more than usual bank costs and is reasonably available to you.

The lessor or provider must now also advise you in writing of any costs associated with paying rent of which you would not reasonably be aware and that they know or could reasonably be expected to find out. They must do this when entering into an agreement with you or when your rent payment method changes. If they fail to do this, they could be fined.

### Changing the way rent is paid during your agreement

If, after signing your agreement, either you or your lessor or provider give the other party a written notice asking to change the way in which rent is to be paid and the other party agrees in writing, the rent must be paid in the way set out by the written agreement.

If your lessor or provider wants to change the way your rent is to be paid during your agreement, they must give you written notice of the change. If you don't agree, the lessor or provider must provide you with a choice of at least two other ways to pay rent, including a way that does not incur a cost to you (other than bank fees or other account fees usually payable by you) and is reasonably available. Then you must pay the rent in one of the ways set out in the written notice from 14 days after the notice is given.

These new rules dealing with how rent is to be paid do not apply to agreements entered into prior to 30 September 2024. However, the new rules will apply if the lessor or provider wants to change how the rent is to be paid, even if you entered into your agreement prior to 30 September 2024.

# Evidence required to support bond claims

If your lessor, agent or provider claims your bond at the end of your tenancy or rooming accommodation agreement, they must now give you evidence that supports their claim. They must do this if they claim all or part of your rental bond and they must do so within 14 days of making the claim (or disputing your claim) to the RTA. If they fail to do this, they could be fined.

The obligation does not apply if the lessor, provider or agent has been unable to contact you after making reasonable efforts. "Reasonable efforts" are defined as attempting to contact you by phone, (including text message), email or private message on a social media platform; or attempting to contact an emergency contact listed on your agreement.

If your rental bond was paid to the RTA before 30 September 2024, this new rule does not apply to bond claims or disputes relating to your bond until 12 months after 30 September 2024.

## Service charges

### Utility bills must be provided

The lessor or provider must now give you copies of utility bills within four weeks of receiving the bill from the supply authority. You are not required to pay an amount for the lessor's or provider's outgoings for service charges or water expenses unless they do this.

### Water service charges and partial billing periods

For general tenancies, the lessor is not required to give you a copy of the utility bill within four weeks of receiving it for water service charges that occur during a partial billing period, such as when you move in or move out of your place part way through a billing period.

However, if the lessor wants to charge you for water during a partial billing period, they must take a meter reading when your agreement starts and/or when your agreement ends and record this in the entry and/or exit condition report. They must then calculate your water charges based on a reasonable estimate of the water you have used. This calculation must be made using the meter reading and the water consumption charge rate stated in the most recent water bill.

# Fixed maximum bond

The maximum bond amount of four weeks' rent will now apply to all general tenancy agreements (except moveable dwelling premises) and rooming accommodation agreements. Previously the fixed maximum bond amount only applied to general tenancy agreements (except moveable dwelling premises) with weekly rent of \$700 or less, and rooming accommodation agreements with weekly rent of \$500 or less. See the table below for maximum bond amounts that can be charged depending on your type of premises.

Type of premises	Maximum rental bond
Residential tenancy - not moveable dwelling premises)	4 weeks rent
Rooming accommodation	4 weeks rent
Moveable dwelling premises - if the tenancy is a long tenancy and electricity supplied to the premises is supplied in the lessor's name and individually metered	3 weeks rent
Moveable dwelling premises - other	2 weeks rent

If you have previously paid bond more than four weeks' rent and the bond continues to be held by the RTA when you sign a new lease agreement for the same premises, you can apply to the RTA to be refunded the excess amount. The RTA will pay the excess amount to you (if you are the only contributor) or to each contributor in a way directed in the application form (if there is more than one contributor). You cannot apply to have the excess amount released to you until you renew your agreement.

# Information sharing

The RTA may now share confidential information about renters, property owners and property managers with the Office of Fair Trading and Department of Housing to undertake compliance and enforcement, or administer bond loans.

# False and misleading documents

It is now an offence to provide false or misleading documents to the RTA or an RTA Compliance Officer.

# Other tenancy law changes in effect or upcoming

### Tenancy law changes that will commence on 1 May 2025

There will be a second stage of new rental laws commencing on Proclamation on 1 May 2025. A summary of the key changes is provided below.

• The entry notice periods for most entries to the premises will be extended from 24 to 48 hours and there will be a limit on the frequency of entries to a property at the end of a tenancy.

- There will be a prescribed rental application form and categories of supporting documentation to limit the information that can be requested of prospective renters.
- Rental applicants will have a choice of how to submit their rental application, including not being required to use a third-party platform.
- Prospective renters will be allowed to provide identity documents for sighting rather than providing copies to be kept by the lessor or agent.
- Renters' personal information will only be allowed to be collected and used to assess suitability during the application process and/or to manage the tenancy, and not for any other purpose.
- The lessor or provider will be required to respond to a tenant or resident's request to install fixtures or make structural changes within 28 days.
- Lessors, agents and providers will be required to securely store renters' personal information and ensure that it is disposed of within three months of an unsuccessful rental application or three years after a tenancy ends.
- The lessor or provider and their agent will be required to declare any financial benefit they would receive from a rent payment method.

### Tenancy law changes that commenced on 6 June 2024

The first stage of rental law changes passed by Queensland Parliament on 23 May 2024 commenced on Assent on 6 June 2024. A summary of the key changes is provided below. For further information see **2024 Tenancy law changes** – What you need to know factsheet.

- The lessor, agent or provider is no longer allowed to solicit, invite, or accept an offer for rent that is more than the amount stated in the advertisement for the rental property.
- At the time the property is advertised or offered for rent, the lessor, agent or provider is no longer allowed to accept an offer of rent in advance for the property that is more than the maximum amount of rent in advance allowed
- The 12-month rent increase frequency limit now applies to the premises and not a particular residential tenancy or rooming accommodation agreement. Public housing and community housing that applies an income-based rent policy is exempted.
- Tenancy and rooming accommodation agreements and notices of a rent increase must now disclose the date of the last rent increase for the premises.
- If requested by a tenant or resident, the lessor or provider must provide evidence of the date of the last rent increase for the premises within 14 days. Any evidence provided must be de-identified.

- The lessor or provider can apply to the Tribunal for an order to increase the rent within the 12-month limitation period if the lessor or provider would otherwise experience undue hardship.
- There is a new ground of entry for rooming accommodation where entry is required to install, maintain, or replace a smoke alarm.
- It has been clarified that provisions of the Act about rental bonds apply to rooming accommodation agreements where provider lives at premises and not more than 3 rooms are available to rent.
- New heads of power have been introduced to enable regulation to prescribe a portable bond scheme; processes for changes to the property for safety, security and accessibility; and rental sector code of conduct.
- A tenancy or rooming accommodation agreement can now be terminated before the end of a fixed term if a community titles scheme is terminated for economic reasons under the BCCM Act.
- There are new grounds to issue a Notice to Leave or Notice of Intention to Leave for end of short tenancy (moveable dwelling).

### **Tenancy Facts**

Tenancy fact sheets for renters are available at www.qstars.org.au

### Tenancy fact sheets include:

- Renting in Queensland
- Starting a tenancy
- Rental bonds
- Rent and other charges
- Entry and privacy
- Repairs and maintenance
- You want to leave
- Lessor ends the tenancy
- Resolving tenancy disputes
- Tenancy databases
- Pets in Rental Properties

## Further help

For free tenancy advice call:

### 1300 744 263

Open Mon – Friday 9am – 5pm (extended hours to 7pm on Tuesdays and Wednesdays)

### **Tenants Queensland**

Tenants Queensland (TQ) is a specialist community and legal service which has been providing services to and representing the interests of residential renters in Queensland since 1986. Queensland Statewide Tenant Advice and Referral Services (QSTARS) is managed by TQ to provide specialist tenancy advice, advocacy support and referral for Queensland renters and delivered in collaboration with partner organisations.

For more information and to access tenancy factsheets and videos visit www.tenantsqld.org.au or www.qstars.org.au.

For administration issues contact TQ on 07 3832 9447.

### **Residential Tenancies Authority (RTA)**

The RTA is the government authority. RTA tenancy forms are available online at www.rta.qld.gov.au or call 1300 366 311

# The Queensland Civil and Administrative Tribunal (QCAT or the Tribunal)

To find your local Tribunal (except for Brisbane QCAT sits in the local Magistrates Court) or get QCAT forms visit www.qcat.qld.gov.au or call QCAT on 1300 753 228

### Translating and Interpreting Service (TIS National)

If you need an interpreter let us know when you call, or call the TIS National translating and interpreting service on 131 450 so they can help you contact our service.

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4