

NRAS FACT SHEET: 1

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Incentive Payments

The NRAS Year is offset from the financial year by two months and runs from 1st of May to 30th April each year. The Federal Government contributes 75% of the National Rental Incentive (NRI) for NRAS each year, with the other 25% being contributed by the State and Territory Governments.

The NRI is indexed annually to the CPI and is \$11,114.33 for the 2018 NRAS Year and \$11,192.13 for the 2019 NRAS Year.

Federal Government Incentive Payment

The Federal Government's portion is claimed as a Refundable Tax Offset (RTO) on your income tax return and is paid directly to you by the Australian Taxation Office (ATO). Quantum will issue you with an annual statement and letter of advice showing the amount claimable and the section on your income tax return where the RTO amount is recorded.

State Government Incentive Payment

The State Government portion is paid to Quantum by the State Government for distribution by Quantum to the property owners. The State Government makes the distribution to Quantum each year and the payment to the property owner usually occurs within ten working days of the receipt by Quantum of the payment from the State Government.

Pro-rata Payments

Incentive will be paid on a pro-rata basis where:

- The property has not been active for the entire year (ie. it only became available to rent partway through the year)
- The property did not meet compliance requirements for some of the year (eg. it was rented at an ineligible rent or to an ineligible tenant)
- The property was vacant for in excess of 91 days cumulatively throughout the year or consecutively over two consecutive NRAS years (ie. incentive is reduced on a pro-rata basis for any vacancies over 91 days)
- The property was unavailable for rent for a period during the year (eg. if repairs or maintenance was required before a property could be re-let)
- The property was transferred to or from another owner during the year (ie. you will be paid for the portion of the year that the property was owned by you)

Process and Timings

The process and approximate timings for Incentive payments is:

1. NRAS Year ends 30th April.
2. Quantum lodge an incentive claim on your behalf before 30th June.

3. The Federal Government processes claims and audits documentation
4. The Federal Government issues RTO (Refundable Tax Offset) certificates to Quantum after all relevant information has been assessed. At this stage Quantum anticipate receiving RTO certificates in August/ September.
5. Quantum generates and emails/ mails annual statement to you with letter of advice of how to claim.
6. You complete your tax return and claim the RTO from the ATO.
7. The State government pays the state component of NRI to Quantum after receiving information from the Federal Government.
8. Quantum usually deposits this directly to your bank account within ten working days and sends you a remittance advice. If you have not provided us with your bank account details you will receive a cheque in the mail.

Further Information

For further information regarding Incentive Payments:

- The Federal Government NRAS website: <https://www.dss.gov.au/our-responsibilities/housing-support/programmes-services/national-rental-affordability-scheme>
- The Australian Taxation Office website: <https://www.ato.gov.au/general/property/in-detail/rental-affordability-scheme/national-rental-affordability-scheme---refundable-tax-offset-and-other-taxation-issues/>
- Contact Quantum Housing Group: enquiries@quantumhousing.com.au or (08) 6169 1603.
- Contact your Financial Advisor or Tax Accountant.

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