

Planning and Environment Amendment (Schools) Act 2012

The *Planning and Environment Amendment (Schools) Act 2012* (PEA (Schools) Act) amends the *Planning and Environment Act 1987* (the PE Act) to ensure that the subdivision of land or the making of a building permit application for a school does not trigger a requirement to pay a Growth Areas Infrastructure Contribution (GAIC).

This advisory note provides information about the changes introduced by the PEA (Schools) Act.

What is the GAIC scheme?

The GAIC scheme applies to certain land within a growth area in metropolitan Melbourne. This land is known as the GAIC contribution area. The scheme requires a person subdividing, purchasing or undertaking building work on land in the contribution area to contribute to essential state infrastructure needed for the development of new growth areas.

A GAIC is a once-only contribution. It is imposed when the first GAIC event occurs in relation to land in the contribution area, unless an exclusion or exemption applies. If an exclusion or exemption applies, a GAIC is imposed when the next GAIC event occurs.

Three property events trigger a GAIC:

1. the issue of a statement of compliance relating to a plan of subdivision of land
2. an application for a building permit to carry out building work
3. a dutiable transaction (such as the purchase of land).

In each case, there are specific activities that do not trigger a GAIC. These are set out in the Act and referred to as GAIC exemptions or exclusions.

More detailed information about the GAIC scheme is available at: www.gaa.vic.gov.au/gaic

Why has the GAIC scheme been changed?

The PE Act already provides an exemption from GAIC in relation to dutiable transactions such as the purchase of land for government and non-government schools. In addition, government schools were exempt from GAIC for the subdivision of land solely to provide for a school.

The PEA (Schools) Act aligns the exemptions for government and non-government schools ensuring both are exempt from GAIC for all three GAIC trigger events provided they are for school purposes.



What changes has the PEA (Schools) Act made?

The PEA (Schools) Act amends the PE Act to ensure that the subdivision of land for a school or building work for a school does not trigger a requirement to pay a GAIC. This is consistent with the existing exclusion for the purchase of land by a school.

New exclusions

Sections 201RF and 201RG of the PE Act set out events that do not trigger a GAIC. These are referred to as excluded events.

Two new excluded events have been added to these sections. They are:

1. the subdivision of land solely to provide a lot for a school or a proposed school
2. a building permit application for building work relating to a school or proposed school (including ancillary building work).

Under these new exclusions, a primary or secondary school provider will not trigger a GAIC when it makes a building permit application for a school or subdivides land solely for the purpose of creating a lot for a school.

The new exclusions apply to all schools, including works ancillary to a school. They do not apply to pre-school or tertiary education facilities.

New definitions

Section 201R of the PE Act has also been amended to insert definitions for 'school' and 'construction'. These definitions will only apply to the GAIC provisions in the PE Act (in Part 9B) and not to the whole of the Act.

The definition of 'school' has the same meaning that it has in section 1.1.3 of the *Education and Training Reform Act 2006*, while the definition of 'construction' has the same meaning as in the *Building Act 1993*.

When did the changes commence?

The changes commenced on 15 February 2012.

Do the changes apply retrospectively?

No, the changes will not apply retrospectively. Existing GAIC liabilities will not change.

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www.dpcd.vic.gov.au/planning