

## Article Information

Author: Will Fennell

Service: Taxation

Sector: Agriculture & Food

---

## Foreign Ownership of Australian Water - Don't forget to register!

**Foreign persons (including temporary residents) who invest in Australian water now need to register their interest with the Australian Taxation Office.**

---

In the current "stocktake period" of the legislation (1 July 2017 – 30 November 2017) a foreign person that currently holds or acquires during the stocktake period either a:

- "*registrable water entitlement*" or
- "*contractual water right*" whose term is likely to exceed 5 years as at 30 November 2017,

must register that interest **on or before 30 November 2017**, or 30 days after acquiring the interest, whichever is the later.

A "*registrable water entitlement*" includes broadly an irrigation right or a right to take or hold water from a water resource in Australia. Certain water rights such as stock and domestic rights, riparian rights (ie riverbank rights) and annual water allocations are excluded from the regime.

A "*contractual water right*" essentially means the contractual right of a person to another person's "*registrable water entitlement*" or water allocation.

From 1 December 2017 when the stocktake period ends, foreign persons will have a duty to notify when certain events happen in relation to their water right (ie they acquire or dispose of a right, become a foreign person or stop being a foreign person). Generally, foreign persons will have until the end of 30 days after the end of the financial year in which the relevant event occurs to notify the ATO.