

Rent payments and holding deposits

The *Residential Tenancies and Rooming Accommodation Act 2008* (the Act) is the law that governs renting a place to live in Queensland. The Act is administered by the Residential Tenancies Authority and covers the charging of rent, deposits and other fees.

Rent payments

Rent in advance

Tenants can be asked to pay their rent in advance. For a fixed term tenancy, the maximum amount a tenant can be required to pay is one months' rent in advance.

A maximum of two weeks rent in advance may be charged for a periodic tenancy or for moveable dwelling premises. A property manager/owner cannot ask the tenant for more rent until the rent in advance has been used up.

Paying the rent

Tenants must pay their rent on time and use the method written in their agreement. The Act lists ways of paying rent. If a property manager/owner wants rent to be paid in a way that is not listed in the Act (such as rent card or money order), they must give the tenant the option of at least two other listed ways to pay the rent, which include cash, cheque, direct deposit, credit card, EFTPOS, or deduction from the tenant's pay or pension.

They must also tell the tenant of any extra charges, such as a joining or service fee that is not the rent that may be payable by the tenant.

A property manager/owner may request a change to the method of rent payment during an existing tenancy, but the tenant has to agree in writing to the change. If they don't agree, the current payment method will continue.

Rent receipts and records

Property manager/owners must give tenants receipts for all rent payments made in cash. Receipts must be given on request for payments made by cheque. Property managers/owners must keep records of rent payments and if a tenant requests a copy, they must provide the tenant with a copy within seven days. Records must be kept for one year after the tenancy has ended. Penalties apply for false, misleading or incomplete rent records.

Rent increases and decreases

Rent may only be increased if it has been at least 12 months since the current amount of rent became payable by the tenant. This applies to both fixed term and periodic agreements, and between agreements.

The property manager/owner must give two months' notice in writing before increasing rent in both periodic and fixed term tenancy agreements for general tenancy agreements and four weeks' notice for rooming accommodation agreements. There is no set format for the notice, but it should include the amount the rent will increase and the day from when the increased rent is payable.

During a fixed term agreement, the rent can only be increased if the agreement contains a special term stating when the rent will be increased, and how it will be worked out.

If the property manager/owner is renewing an existing tenancy and prepares a new [General tenancy agreement](#) (Form 18a) or [Moveable dwelling tenancy agreement](#) (Form 18b) and there is an increase in rent at the beginning of the agreement, there is no need to give notice. In this circumstance, the rent increase is part of the new agreement and is not an alternation of an existing agreement nor part of a special term in an existing agreement.

During an agreement, tenants may dispute a rent increase if they believe it is excessive. Tenants can also dispute a significant rent increase between subsequent agreements for the same property after they have signed the new agreement. Tenants can request free dispute resolution via [RTA Web Services](#) or by completing a [Dispute resolution request](#) (Form 16).

A dispute resolution request must be lodged within 30 days of the tenant entering into the new agreement. If dispute resolution is unsuccessful, they can apply to the Tribunal for a review of the increase. However, if the Tribunal decides the rent increase is reasonable, the tenant must pay the new amount for the duration of the agreement.

In certain circumstances, rent may be decreased. Visit the [rent and other bills](#) page for more information.

Rent arrears

If a tenant is seven days overdue in rent payments, the property manager/owner can serve a [Notice to remedy breach](#) (Form 11). The tenant then has seven days to pay the outstanding rent for a general dwelling (house or unit) and five days for a moveable dwelling. The tenancy may be ended if the tenant has not paid the outstanding rent in accordance with the Notice to remedy breach.

Deposits and other payments

Key deposits

A property manager/owner may ask a prospective tenant to pay a key deposit to enable them to enter and inspect premises. When taking a key deposit, the property manager/owner must give a receipt, and ensure the deposit is fully refunded upon return of the key.

Holding deposits

Prospective tenants may be asked for a deposit to reserve or hold premises they intend to rent. However, the property manager/owner can only accept a deposit from a prospective tenant if a copy of the proposed agreement and any bylaws or park rules have been given to the tenant. Under the Act, the only deposit that can be taken from tenants at this stage is a holding deposit (application deposits are not allowed).

The time period for which a holding deposit will apply is negotiated between the prospective tenants and the property manager/owner. When a period is agreed, it should be written on the receipt for the deposit. If no holding period is stated on the receipt, the Act states that the period is 48 hours.

The property manager/owner can only take one holding deposit at any one time for the property. On accepting a holding deposit, the property manager/owner must give a signed receipt and ensure the property is available if the person proceeds with the tenancy.

If the prospective tenant does not proceed with the tenancy and advises the property manager/owner within the holding period, the entire holding deposit must be refunded within three days.

The property manager/owner can keep the holding deposit if the prospective tenant fails to notify the property manager/owner of their decision not to go ahead with the tenancy within the agreed holding period. If the prospective tenant indicates that they will proceed with the tenancy but then fails to enter into the tenancy agreement, they will forfeit the holding deposits.

When a tenant signs a tenancy agreement after paying a holding deposit, the holding deposit becomes part of the rental bond. Any surplus amounts then become rent in advance.

Service charges

The property manager/owner must pay all charges, levies, premiums, rates and taxes for the premises. The property manager/owner can only require payment of fees and charges allowed by the Act and cannot ask the tenant to pay more than the supply authority would charge, or pay late fees. If the premises are not separately metered, the tenant may be charged only for items specified in the tenancy agreement, showing the method of calculating the tenant's share and how this is to be paid.

Property managers/owners are allowed to pass on the full water consumption costs to tenants provided the criteria for water charging have been met. See the [Water charging fact sheet](#) for more information.

Property managers/owners cannot charge a fee to cover the costs of complying with the *Residential Tenancies and Rooming Accommodation Act 2008*.

Dispute resolution

Tenants and property managers/owners can usually resolve disputes by talking to each other and finding out about their rights and responsibilities under the Act. If this is unsuccessful, the RTA's dispute resolution service may be able to help. If all parties cannot reach agreement, an application may be made to the Tribunal for an order about the dispute.

Tenants and property managers/owners can request free RTA dispute resolution quickly and easily online via the [Tenancy Dispute Resolution Web Service](#). Customers who cannot access Web Services can request RTA dispute resolution via the paper [Dispute resolution request](#) (Form 16).

Accessing RTA forms

The RTA's forms can be obtained electronically or in person via:

• rta.qld.gov.au • 1300 366 311 (Mon – Fri: 8.30am – 5.00pm) • Level 11, Midtown Centre, 150 Mary Street, Brisbane



Other languages: You can access a free interpreter service by calling the RTA on 1300 366 311 (Monday to Friday, 8.30am to 5.00pm).

Further information

For more information contact the Residential Tenancies Authority.



rta.qld.gov.au



1300 366 311



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Disclaimer:

This fact sheet is prepared for information only. The Residential Tenancies and Rooming Accommodation Act 2008 is the primary source on the law and takes precedence over this information should there be any inconsistency between the Act and this fact sheet.

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