

## 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.

A property manager/owner cannot, at the start of a new tenancy, solicit, accept or invite a tenant to pay more rent in advance that exceeds two weeks for a periodic tenancy agreement or movable dwelling tenancy agreement and one month for a fixed tenancy agreement, even if a prospective tenant makes an offer to pay more than the amount prescribed in the legislation. This is an offence under the Act, with a maximum penalty of 50 penalty units.

A property manager/owner cannot ask the tenant for more rent until the rent in advance has been used up.

**Note:** throughout the course of a tenancy, a tenant may negotiate how much rent in advance can be paid.

#### Paying the rent

Property managers/owners must offer tenants/residents at least two options to pay rent. One of these options must not exceed reasonable transactional costs (costs beyond in addition to standard bank transaction fees), and it must be reasonably accessible to the tenant/resident.

Before signing a tenancy agreement, property managers/owners must provide a written notice outlining any associated costs incurred by using the payment methods offered. This is because property managers/owners should be aware of costs associated with the offered payment methods, especially if these costs are not reasonably known by the tenant/resident.

Property managers/owners must disclose any financial benefits they may receive if the tenant/resident uses a specific rent payment method. For example, if a property manager/owner receives an incentive payment from a third-party platform or a share of the fees charged by the platform, it must be disclosed to the tenant/resident upfront.

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.

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 for the rental property. This applies to both fixed term and periodic agreements, and between agreements, even if the tenants have changed. If a property manager/owner wishes to increase the rent amount earlier than 12 months, then they can apply to Queensland Civil and Administrative Tribunal (QCAT) on the grounds of undue hardship. In deciding the application, QCAT must consider the impact to the tenant if the rent is increased.

Rent increase requirements do not apply to exempt property managers/owners. The Act provides definitions for an exempt property manager/owner. 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 by-laws 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.

For general service charges in tenancy agreements and moveable dwellings, where tenants pay for utilities or other services, a property manager/owner must provide a tenant/resident with a copy of the document from the relevant service provider that shows the charges. This must be done within 4 weeks of the property manager/owner receiving the document or a tenant is not required to pay.

This requirement applies to individually metered utilities for moveable dwellings and it does not include service charges or utilities services that are included in the rent.

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](http://rta.qld.gov.au)
- 1300 366 311 (Mon to Fri, 8:30am to 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](http://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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