



Rent payments

Common questions

Landlords or their agents, and tenants must agree about rental payments when entering into a residential tenancy agreement. If an agreement is in writing, it must include information about how and when to pay the rent, as well as the rental amount.

Usually, rent is paid on a fortnightly basis but some tenants and landlords/agents prefer weekly, 4-weekly or calendar monthly rental payments. Although, generally, the legislation allows for the tenant and landlord/agent to arrange the way the rent is to be paid between themselves, there are some legal requirements that parties should be aware of.

How much rent can a landlord/agent ask for when I sign an agreement?

At the start of a residential tenancy agreement the landlord or agent can't ask a tenant to pay more than the first 2 weeks rent, even if the lease agreement states that the rent is to be paid every 4 weeks or calendar monthly. After the first 2 weeks, the rent can then be paid as stated in the agreement, such as weekly, fortnightly, 4 weekly or calendar monthly.

The landlord or agent can't solicit or invite an offer that is higher than the advertised amount.

How do I calculate the amount due when rent is paid calendar monthly?

If the rent is to be paid calendar monthly, it's important to ensure that the amount due is calculated correctly. To calculate calendar monthly rent for a 12-month lease, use this formula:

- Weekly rent divided by 7, multiplied by 365 (or 366 in a leap year), divided by 12.
- For example:
 - A weekly rent of \$340 would become a calendar monthly payment of \$1477.38. $340 \text{ divided by } 7 \times 365 = 17728.57$ (annual rent).
 - Divide this by 12 to get the monthly payment - \$1477.38.

How can rent be paid?

The landlord/agent must permit the tenant to pay by an electronic method. The collection of any rent cannot involve charging the tenant a collection fee.

Rent collection agencies provide an electronic rent payment service and require the tenant to enter into an agreement which is separate from the residential tenancy agreement. If the tenant pays rent electronically, the rent will not be considered to have been paid until it is credited to the landlord's/agent's account. It may be necessary to allow extra time for the transfer to be completed, otherwise the rent payment may be late.

When must a receipt be provided?

Unless the rent is paid directly into a landlord or agent's bank account, a person who receives rent under a residential tenancy agreement must give the person paying the rent a receipt which includes the following:

- the date rent was received
- the name of the person paying the rent
- the amount paid
- the rental period for which it pays
- the address of the premises.

If the rent is paid by cash, money order or cheque, a receipt must be provided on each occasion within 48 hours.

If the rent is paid directly into a bank account kept by the landlord or agent, a receipt need not be given.

The landlord/agent must keep a proper rent record containing all information as required on a receipt. If a tenant makes a written request for a copy of this record, the landlord/agent must provide it to the tenant within 7 days. Note: Bank account statements are not proper rent records.

Who pays the charges associated with rent payments?

For those landlords/agents requiring the rent to be paid via a rent card or a deposit book, any cost for the card, deposit book or any account keeping or transaction fee must be borne by the landlord or agent; whoever holds the account.

Under Section 53 of the *Residential Tenancies Act 1995* (the Act), a landlord/agent can only ask for certain payments from the tenant. This includes rent and bond, and other charges specified by regulation. If the landlord/agent asks for payments that are not allowed, there is a maximum penalty of \$25,000. Offenders may also have to repay the amount wrongly charged to the tenant.

What about 'rent in advance'?

A misconception is that the 2 week's rent paid by the tenant 'in advance' at the start of the tenancy can be held by the landlord/agent and used for the last 2 week's rent of the lease.

It isn't actually rent in advance but rather, the first 2 week's rent.

A tenant who pays their rent fortnightly, would pay 2 weeks rent 'in advance'. At the end of those 2 weeks the next rent payment will be due. The tenant can pay more than 2 weeks in advance if they wish to.

How often can a landlord increase rent?

Under a residential tenancy agreement, any rent increase must be at least 12 months after the start of the agreement or at least 12 months since the previous rent increase.

What if the tenant loses a rent card or deposit book?

If a tenant loses a rent card or deposit book they can be asked to pay for the replacement cost. But they can't be charged a fee for a lost card or deposit book where no fee is incurred by the landlord/agent.

Can the method of paying rent be changed during the tenancy?

The method of paying rent may be changed during the tenancy if the landlord/agent and tenant agree on the change. Otherwise, the tenant must pay in the manner specified in the original agreement. Landlords/agents can change their nominated address or bank account at any time, provided they notify the tenant.

Are there any other charges associated with renting?

A landlord can't pass on the statutory charges connected with a premises such as sewerage, council rates and the Emergency Services Levy.

Landlords are also responsible for water supply charges (not consumption) unless the tenant agrees otherwise.

If a landlord/agent fails to provide a copy of the invoice for any water use incurred by the tenant within 30 days of the issue of the invoice, the tenant isn't required to pay.

The landlord WILL be responsible for excessive water use charges caused by a fault in water infrastructure, equipment or other appliances, fittings or fixtures at or connected to the premises – as long as the tenant has notified the landlord/agent of any fault they've become aware of as soon as practicable.

The landlord WON'T be responsible for costs associated with a fault that is the responsibility of SA Water.

The landlord/agent MUST also let tenants know if their electricity is being provided via an embedded (private) network, including full provider details and information about the nature, benefits and potential consequences of participating in an embedded network.

More information

For further details:

- see rights and obligations in the Tenant Information Guide www.cbs.sa.gov.au/tenantinfo
- visit www.sa.gov.au/renting or contact Consumer and Business Services on 131 882 or www.cbs.sa.gov.au.

The information provided in this fact sheet is of a general nature only and should not be regarded as a substitute for legal advice and/or reference to the appropriate residential tenancies legislation.