



A bond - or security deposit as it is called in the Residential Tenancy Act - is the money a tenant pays at the beginning of the tenancy as a financial security. It is held with the Rental Deposit Authority and can be used to cover costs like rental arrears or repairs for damage caused by the tenant at the end of a tenancy. The bond is intertwined with the condition report as the document of reference for a decision in bond disputes. While it is common practice, it is not compulsory for a landlord/agent to charge a bond.

Managing the payment of a bond in a share house can be tricky. Check our *Share House Living* fact sheet for more information.

How much is a Bond?

The **maximum** amount of bond that can be charged is the **equivalent of four weeks rent**. It is an offence for a landlord or agent to charge more than this amount, and they could be fined for doing so.

Condition Reports

If a landlord/agent requires a bond, they must provide the tenant with two copies of a condition report. The condition report records the condition of the premises on the day the lease begins. Once received, the tenant has two days to inspect the property, make any amendments or additions to the condition reports, sign and return one copy to the landlord/agent. It is a good idea to take dated photographs at this point. Keep

this report and any photos in case of a bond dispute at the end of the lease.

Rental Deposit Authority

In 2009 Tasmania introduced the Rental Deposit Authority (RDA), which is part of Consumer Affairs and Fair Trading. Bonds are required to be held by the RDA.

Bond Lodgement

If a bond is required, it is due to be paid in full at the beginning of the tenancy.

When renting through an AGENT: Tenants can pay the bond to the agent who then must lodge it with the RDA within three working days. Many agents are connected to the RDA electronically and can issue a receipt immediately.

When renting directly from a LANDLORD/PROPERTY OWNER: Tenants do NOT pay them the bond directly. The landlord must provide a tenant with a signed Bond Lodgment Form, stating the bond amount.

The tenant must lodge this form and their bond with the RDA. The form must be signed by everyone who contributed to the bond (including Colony 47, Anglicare and joint tenants, if applicable).

Payments and lodgements can be made at any Service Tasmania shop. Alternatively, a bank cheque or money order can be posted to the Rental Deposit Authority at the following address:

**Rental Deposit Authority
PO Box 56, Rosny Park TAS 7018**

Upon lodging the bond, the tenant will receive several receipts. One of these may be required by the landlord before gaining possession of the property.

It is important to keep the receipt as it contains a bond number, which will be needed when claiming the bond back.

The RDA holds the money until the end of the tenancy. Interest is NOT paid on bonds.

Claiming the Bond

At the end of a tenancy any person or organisation who has contributed to a bond and has signed the bond forms is entitled to make a claim.

The landlord/agent must provide the tenant with a signed claim form within three days of the end of the lease. If all parties to the tenancy agree they should sign and submit their claim form. The RDA will pay out the bond as soon as possible, in the proportions agreed to on the claim form.

What if a Claim Form is Not Signed?

A landlord/owner may lodge a Claim Form without the tenants' signature. They must provide evidence to support any claim.

A bond dispute notification will be sent to the tenant. If they do not agree with the claim within ten days the matter will be deemed a bond dispute.

A tenant may lodge a Bond Claim Form without the signature of the landlord/agent

if they have not received a signed claim form from the landlord/agent within three days of leaving the premises. The landlord/agent will receive a notification of this claim and can either agree to the claim or dispute it.

It is essential that MyBond has an updated address so that correspondence is not sent to the vacated address.

Bond Disputes

If no agreement between landlord and tenant has been found within ten days of a Bond Dispute Notification or a Bond Claim Notification the matter will be referred to the Residential Tenancy Commissioner (RTC) for investigation and determination.

The RTC will make a decision either based on one parties' evidence or both parties' evidence. Supporting evidence can include lease agreement, condition reports, rent receipts, any relevant correspondence, photographs and receipts associated with cleaning the property when it is vacated. Depending on the nature of the dispute it can take up to 15 days to process a dispute.

After the Commissioner makes a decision on the bond distribution both parties have seven clear days to lodge an appeal against the decision before the bond is paid out.

USEFUL CONTACTS

Tenants' Union of Tasmania Inc
166 Macquarie Street Hobart
☎ 6223 2641 or 1300 652 641

www.tutas.org.au

Rental Deposit Authority (MyBond)
(Consumer Affairs and Fair Trading)
☎ 1300 654 499

www.mybond.tas.gov.au

Centacare Homelessness and Tenancy Services
(CHATS) via Housing Connect
☎ 1800 800 588

BOND ASSISTANCE

Housing Connect
☎ 1800 800 588

Offices in:
Burnie

Devonport

Launceston

North Hobart

Queenstown

and more.

<http://www.dhhs.tas.gov.au/housing/>