



## Changes to rental laws

 [nsw.gov.au/departments-and-agencies/fair-trading/changes-to-rental-laws](https://nsw.gov.au/departments-and-agencies/fair-trading/changes-to-rental-laws)

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### Key information

- The NSW Parliament passed changes to rental laws on 24 October 2024.
- Some changes have started. Most changes will start on 19 May 2025.
- You can stay up to date with the progress of the changes by signing up for the [NSW Fair Trading Property Matters newsletter](#).

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### What is changing?

On 24 October 2024 the NSW Parliament passed the [Residential Tenancies Amendment Bill 2024](#). The legislation is now the [Residential Tenancies Amendment Act 2024](#) (the Act). Changes to end no grounds terminations and making it easier to keep pets are part of the [Residential Tenancies Amendment Regulation 2025](#).

The Act delivers on the NSW Government's commitment to improve rental laws to support renters, landlords and the community. It sets up better renting rules that will help give more stability for renters and certainty for landlords.

The changes:

- require landlords to provide reasons to end a lease - ending 'no grounds' terminations for renters

- make it easier to keep a pet in your rental home
- limit rent increases to once per year for all lease types
- prevent extra fees at the start of a tenancy, including fees for background checks and for preparing a tenancy agreement
- ensure renters can pay rent by bank transfer.

Jump to [Summary of the changes](#) for more information on each change.

## Why are rental laws changing?

The proposed changes to rental laws will progress the NSW Government's election commitments to make renting in NSW fairer and improve protections for renters.

These reforms follow extensive public consultation through the NSW Government's [Have Your Say platform](#) in 2023 and targeted consultation with renters, landlords, tenant advocates, real estate and industry stakeholders.

## When will the changes start?

Two important changes started on 31 October 2024. These changes are:

- preventing extra fees at the start of a tenancy, including fees for background checks and preparing a tenancy agreement
- limiting rent increases to once per year for all leases.

Other reforms, including changes to require a reason to end a lease (ending no grounds terminations), making it easier for renters to keep pets, and ensuring renters can pay rent by bank transfer, will start on 19 May 2025.

## How will the changes be implemented and enforced?

NSW Fair Trading will enforce the changes. A new Rental Taskforce has been created within Fair Trading with dedicated inspectors and compliance officers who will focus on preventing and responding to breaches of rental laws.

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## Summary of the changes

### Fees at the start of a tenancy (including background checks)

Changes that started on 31 October 2024 make it clear that a renter or rental applicant cannot be charged for extra costs while searching, applying for, or starting a tenancy. This includes fees for background checks and fees for preparing a tenancy agreement.

More information is available on the [Costs at the start of a residential tenancy](#) page.

### Rent increases

Rent increases can only be made once per year for all leases from 31 October 2024.

Previously, only periodic leases and fixed-term leases of two years or more had this rule. It now applies to all leases.

Different rules apply for fixed-term leases of 2 years or less that were entered into before 13 December 2024.

More information is available on the [Tenants and rent increases](#) page.

## Ending a tenancy

Landlords will need a reason to end a tenancy for both periodic and fixed term leases.

This will include reasons such as:

- the existing reasons where the renter is at fault, because of a breach of lease, damage to the property, or non-payment of rent
- the property is being sold or offered for sale with vacant possession
- the property needs to be empty for significant repairs or renovations, or the property will be demolished
- the property will no longer be used as a rental home – for example, it will instead be used for a business
- the landlord or their family intend to move into the property
- the renter lives in the property as part of their employment and their employment has ended
- the renter is no longer eligible for an affordable or transitional housing program, or the property is purpose-built student accommodation, and the renter is no longer a student
- the property is part of a key worker housing program and needs to be used by a key worker, like a teacher, health worker or police.

Landlords who want to end a lease will need to give renters a termination notice with an information statement explaining the landlord's responsibilities and the renter's rights when ending a lease. NSW Fair Trading will provide an information statement for landlords and agents to use.

The landlord will also have to provide supporting documents where they are ending the tenancy because the property:

- is sold or offered for sale
- will have significant renovations or repairs
- will be demolished
- will no longer be used as a rental home, or
- will be occupied by the landlord or their family member.

Heavy penalties apply to landlords or agents who provide a termination notice on a non-genuine ground or give supporting documentation that is false or misleading.

## Re-letting restriction

Where a landlord or agent ends a lease for certain reasons, there will be a period where a new tenancy agreement cannot start. This is known as a re-letting restriction. The reason for ending the tenancy will determine the length of the re-letting restriction. Refer to the table below for more information.

Reason for the tenancy ending	Re-letting restriction
Premises no longer to be used as a rented residential premises for 12 months	12 months
Proposed sale of premises	6 months
Landlord or family member to reside at the premises	6 months
Demolition of premises	6 months
Significant renovations or repairs	4 weeks
Reason for the tenancy ending	

Premises no longer to be used as a rented residential premises for 12 months

Re-letting restriction

12 months

Reason for the tenancy ending

Proposed sale of premises

Re-letting restriction

6 months

Reason for the tenancy ending

Landlord or family member to reside at the premises

Re-letting restriction

6 months

Reason for the tenancy ending

Demolition of premises

Re-letting restriction

6 months

Reason for the tenancy ending

Significant renovations or repairs

Re-letting restriction

4 weeks

Penalties may apply to a landlord or agent who enters a new lease within the re-letting restriction period without approval from NSW Fair Trading.

Changes to ending a tenancy will start on 19 May 2025.

From 1 July 2025, NSW Fair Trading will collect information about reasons a tenancy has ended. A landlord or agent will need to provide this reason when releasing a bond or claiming a bond refund through Rental Bonds Online.

### **Notice periods for ending a lease**

Renters must be given enough notice before the termination date to leave the property. The amount of notice a renter must be given before their lease ends will increase for renters in a fixed-term lease.

The amount of notice generally required will be:

- for a **periodic lease**: at least 90 days' notice.
- for a **fixed term lease of 6 months or less**: at least 60 days' notice, and the termination date cannot be before the end of the fixed term
- for a **fixed term lease of more than 6 months**: at least 90 days' notice, and the termination date cannot be before the end of the fixed term.

There are some grounds (such as a breach of the agreement) that have a shorter notice period.

Longer notice periods will provide renters with much-needed additional time to find a new home.

Changes to notice periods will start on 19 May 2025.

### **Keeping a pet**

The new laws will make it easier for renters to keep pets in their home. A landlord will only be able to refuse a pet for certain reasons.

Landlords will need to provide a written response to a pet request within 21 days. If they do not respond, the request will be automatically approved.

Landlords will be able to refuse the request if:

- there would be too many animals at the property
- the property is unsuitable for the animal because of the fencing, or lack of open space, or because it would harm the animal's welfare
- the animal is likely to cause more damage than the bond could repair
- the landlord lives at the property
- keeping the animal would break other laws, local council rules, strata or community scheme by-laws, or a residential community rule
- the renter did not agree to a reasonable condition for keeping the animal.

There will be limits on the kinds of conditions a landlord may ask for. For example, a landlord will not be able to ask a renter to increase the bond or the rent as a condition for allowing the pet.

Strata by-laws that ban all pets are not valid and cannot be used as a reason to refuse a pet.

If a renter disagrees with a decision, they will be able to apply to the NSW Civil and Administrative Tribunal.

Once consent to keep a pet has been given, consent continues at that property for the life of the animal, even if the landlord or agent changes.

Landlords and agents will also not be able to state in an advertisement that no pets are allowed at a rental property.

These changes do not apply to purpose-built student accommodation.

The changes to keeping pets in rental homes will start on 19 May 2025.

## **Payment of rent**

Landlords and agents will need to offer renters certain ways of paying rent that do not have additional fees. Renters will be able to choose:

- bank transfer, or
- payment via the Commonwealth Government's Centrepay.

The requirement for a landlord or agent to offer Centrepay will not start until later in 2025, whereas the requirement to offer an electronic bank transfer option will start on 19 May 2025.

Landlords are only required to register for Centrepay if the renter has chosen to pay by that method. If both the renter and landlord agree, the renter may pay rent using other options.

Renters cannot be required to use a particular service provider, such as an app, to pay their rent.

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## **Stay up to date with the changes**

Further information will be made available on [nsw.gov.au](https://nsw.gov.au) including:

- details on the changes to rental laws
- when the laws start
- how the laws will be implemented and enforced.

For the latest updates, sign up to the [NSW Fair Trading Property Matters newsletter](#).

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## Related information

- [Minns Labor Government to cap rent increases at one per year](#)
- [Residential tenancy complaints](#)
- [NSW Rental Commissioner](#)
- [Renting a place to live](#)
- [Rent Check](#)

## Contact NSW Fair Trading

Online: [Complaints and enquiries](#)

Phone: [13 32 20](#) (Monday to Friday, 8:30am-5pm)

In-person: [find a service centre](#)