

OWNERS CORPORATION REFORMS & COMMENCEMENT DATES

The Victorian Government has confirmed that the **Consumer Legislation Amendment Act 2026** received Royal Assent on **8 September 2026**.

The Act includes a number of reforms affecting owners corporations, including changes to legal proceedings, payment plans and proxy voting, as well as an amendment to the *Subdivision Act 1988*.

The table below summarises the owners corporation reforms identified by the Department of Government Services, together with their commencement dates. Some changes are now in effect, while the payment plan and proxy reforms will commence on **1 December 2027 unless proclaimed earlier**, allowing time for supporting regulations to be developed and consulted on.

Principal Act	Reform	Commencement date
<i>Subdivision Act 1988</i>	Amend section 34D of the <i>Subdivision Act 1988</i> to restore VCAT's ability to make an order in response to an application under section 34D(1)(b) where more than half of the membership of the owners corporation (OC) previously consented to the proposal.	Now in effect as commencement was the day after the Bill receives Royal Assent.
<i>Owners Corporations Act 2006</i> – Legal proceedings	Amend section 18 of the <i>Owners Corporations Act 2006</i> (OC Act) to clarify that an OC may commence legal proceedings seeking a non-monetary order with an ordinary resolution (50% of lot owners present vote in favour), instead of a special resolution (75% of all lot owners, not just those present).	Now in effect as commencement was the day after the Bill receives Royal Assent.
<i>Owners Corporations Act 2006</i> – Legal proceedings – additional amendments	Additional amendments to section 18 were agreed to in the Legislative Council. An OC can now be authorised by ordinary resolution to initiate legal proceedings for a monetary amount or relief in any court or tribunal that has jurisdiction to make such monetary orders, provided that the claim is less than twice the OC's total annual fees. A special resolution is required for an OC to bring a legal proceeding for monetary claims over twice the annual fees. The amendments also mean that an OC may be authorised by ordinary resolution to bring non-monetary proceedings in any court or tribunal that has jurisdiction to make such an order – rather than limiting this to the Magistrates' Court, VCAT or any other Tribunal, or corresponding court of another State or Territory.	Now in effect as commencement was the day after the Bill receives Royal Assent.

Principal Act	Reform	Commencement date
<i>Owners Corporations Act 2006</i> – Payment plans	Amend the OC Act to establish a framework where lot owners in an OC can access a payment plan, which will allow them to spread payment of their owners corporations fees over a longer period. All lot owners in tier 1-4 OCs can request a payment plan of any length under the framework, which includes protections from debt recovery and penalty interest. • OCs will continue to be able to exercise their own discretion when deciding whether to accept a payment plan request by a lot owner who is not an owner-occupier. • Tier 1-4 OCs must accept payment plan requests from lot owners who are owner occupiers, as long as: - the request includes prescribed hardship information (with detail to be prescribed in regulations) - the lot owner does not have an existing payment plan - the lot owner has complied with any previous payment plans in the previous two years - accepting the request would not result in the OC having insufficient funds to meet its statutory obligations, with details to be prescribed in regulations - the payment plan is for a term up to a maximum of 12 months.	1 December 2027 (unless proclaimed earlier) to allow for the preparation and consultation on regulations to support the provisions in the Act. This consultation will commence shortly.
<i>Owners Corporations Act 2006</i> – Proxy votes additional amendments	Additional amendments were agreed to in the Legislative Council to amend section 89D of the OC Act to provide that a person may only act as a proxy on behalf of one lot owner, regardless of the number of lots in the OC. This replaces the existing proxy cap which prohibits a person acting on behalf of more than one lot owner (if there are fewer than 20 occupiable lots) or more than 5% of lot owners (if there are more than 20 occupiable lots).	1 December 2027 (unless proclaimed earlier) as this commences as part of the payment plan reforms