



## *Fact Sheet – Irrigation Rights*

### **What is an Irrigation Right**

An Irrigation Right is a share of an Irrigation Trusts Water Access Entitlement which has been assigned to a specific individual or legal entity.

### **Issue of Irrigation Right**

Irrigation Rights are issued by an Irrigation Trust in accordance with the Irrigation Act 2009 and are allocated on a per megalitre basis.

### **Transfer of Irrigation Rights**

Transfer of Irrigation Rights allows the movement of rights between holders within an Irrigation Trust, and the transfer of Irrigation Rights as Water Access Entitlements out of or into an Irrigation Trust.

- An application to the Irrigation Trust for the transfer of Irrigation Right is required for all transfers and must be lodged on the relevant application form.
- All Applications must be accompanied by the relevant application fee.
- Approval for the transfer of an Irrigation Right is subject to compliance with requirements outlined in this factsheet.
- Written consent to the transfer must be provided by any party who has a registered interest in the Irrigation Right in a form approved by the Irrigation Trust.
- Irrigation Rights transfers must comply with all requirements of the Irrigation Act 2009, Landscape South Australia Act 2019, Water Act 2007 and associated regulatory policy.
- Where all Irrigation Rights on an CIT Account are being transferred and there is also an Irrigation Trust non-drinking water (domestic) supply for which 1 ML of Water Entitlement has not been previously supplied to the Trust you have the following choices to retain your CIT non-drinking water (domestic) supply.
  - Transfer 1 ML of existing Irrigation Right to the relevant Irrigation Trust for each existing non-drinking water (domestic) outlet, or
  - Purchase 1 ML of Irrigation Right/Water Access Entitlement and transfer it to the relevant Irrigation Trust for each existing non-drinking water (domestic) outlet or
  - Request CIT to purchase at your cost 1 ML of Water Access Entitlement for the relevant Irrigation Trust's Water Licence for each existing non-drinking water (domestic) outlet.
  - If you do not wish to retain a CIT non-drinking water (domestic) connection you must lodge an application removal of the existing non-drinking water (domestic) outlet(s) including payment of the closure fee.

### **Selling Irrigation Rights**

- The sale of Irrigation Rights (Water Access Entitlements) can be negotiated privately, through a water broker or as part of a State or Commonwealth government purchase program.
- As there can be significant monetary value involved in the sale of an Irrigation Right and depending on your individual circumstances the process may be complex. CIT therefore suggests that anyone selling their Irrigation Right consider seeking formal advice and/or representation to protect participants.

### **Water Delivery Rights and Security**

- There is no requirement for any actions to be made with Water Delivery Rights volume when undertaking an Irrigation Right transfer and you can retain all your water delivery rights and continue paying ongoing annual service charge.
- You can however apply to transfer some or all of them, subject to Trust approval, to another person or to pay a termination fee to terminate some or all of your Water Delivery Rights. This may occur at the same time as they Irrigation Right transfer or can occur at a later date.

- Should the Irrigation Right remaining on your CIT Account once an Irrigation Right transfer has been approved results in the Irrigation Right volume being less than 20% of your Water Delivery Rights volume you are required to provide alternative security to protect the Trusts interest in the payment of fees and charges for the delivery of water.
- Security can be provided to the Trust in one or more of the following forms:
  1. a charge over an Irrigation Right;
  2. a charge over an unencumbered Water Licence as defined under the Landscape South Australia Act 2019 (SA);
  3. a guarantee given by an authorised deposit-taking institution within the meaning of the Banking Act 1959 (Cth);
  4. an encumbrance registered under the Real Property Act 1886 (SA) over the Certificate of Title(s) of the land parcel(s) which the WDR allows water to be delivered to.
  5. a deposit lodged with CIT;
  6. any other form of security agreed upon by the Trust and the Applicant.
- Where a land encumbrance is used to secure a WDR termination fee liability, for security purposes WDR's will be limited to 12 megalitres per hectare unless otherwise agreed with the Trust.

### **Fees and Charges when selling water entitlement**

The following table provides a list of the fees and charges applicable for 2023-24 related to dealings with IR's.

<b>Trust Application Fee</b> (per application)	\$410.00
<b>SA Government Application Fee</b> (if required)	
Water Entitlement Transfer (L3)	\$514.00
Water Allocation Transfer (A1)	\$302.00
<b>Title Search Fee</b> (per Land Title)	\$24.00
<b>Termination Fee on Delivery Rights per ML</b> (if applicable)	
<b>Golden Heights Irrigation Trust</b>	\$484.00 plus GST
<b>Sunlands Irrigation Trust</b>	\$629.00 plus GST
<b>All other remaining CIT Trusts</b>	\$317.00 plus GST
<b>Landscape Water Levy</b> (per megalitre)	
Class 3a Irrigation Rights	\$7.58
Class 3b Irrigation Rights	\$7.20
<b>Meter Closure Fee per meter</b> (if required)	\$495.00
<b>Outstanding Arrears on your CIT account</b> (calculated at settlement)	TBA

### **Further Information**

If you require further information please visit our Office at 4 Fowles Street Barmera or contact us on (08) 8580 7100 or [office@cit.org.au](mailto:office@cit.org.au)