

The Residential Tenancies Amendment Act 2024 is now in force

The Residential Tenancies Amendment Act 2024 was passed into law on 17 December 2024 and introduces a number of changes for existing and future residential tenancy arrangements which are scheduled to take effect over the course of 2025.

Introduction

The Residential Tenancies Amendment Act 2024 (**2024 Amendment Act**) rolls back many changes to the Residential Tenancies Act 1986 (**Act**) introduced by the previous New Zealand Government under the Residential Tenancies Amendment Act 2020 (**2020 Amendment Act**). The changes include:

- 1 Amendments to the notice periods to terminate periodic and fixed term tenancies.
- 2 A number of technical amendments to modernise the Act, including:
 - (a) clarification around the rules for smoking;
 - (b) empowering the Tenancy Tribunal to determine tenancy disputes on the papers;
 - (c) expansion of the provision allowing tenants to end a tenancy early due to family violence; and
 - (d) modernising how notices and communications can be exchanged between landlords and tenants.
- 3 Introduction of new rules that permit tenants to keep pets during a tenancy.

Termination of Periodic and Fixed Term Tenancies

On 30 January 2025 several changes to notice periods for the termination of periodic and fixed term tenancies took effect.

Periodic Tenancies

The 2024 Amendment Act:

- (a) reinstates 90-day 'no cause' terminations for periodic tenancies. This means a landlord can end a periodic tenancy without requiring a specific reason;
- (b) reinstates 42-day terminations for a periodic tenancy where:
 - o the landlord or a family member want to move into the property;
 - o the tenancy agreement states that the property is usually used to house the landlord's employees, and the landlord wants to move an employee into the property; or
 - o where the property is subject to an unconditional agreement for sale requiring vacant possession; and
- (c) decreases a tenant's notice period to end a periodic tenancy from 28 days to 21 days.

Fixed Term Tenancies

The 2024 Amendment Act also:

- (a) reinstates a landlord's ability to unilaterally end a fixed-term tenancy at the end of the term without having to give the tenant a specific reason for doing so.

Under the 2020 Amendment Act, a landlord could only give notice to end a fixed term tenancy at the expiry of the fixed term if one of the limited specified grounds in the Act was made out;

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- (b) decreases the tenant's notice period to renew or extend a fixed term tenancy from 28 days to 21 days; and
- (c) confirms that a fixed term tenancy will automatically convert to a periodic tenancy unless:
 - the landlord or tenant gives notice to end the fixed term tenancy between 90 and 21 days before the end of the fixed term, without requiring a specific reason; or
 - the parties agree otherwise.

The decrease in the notice timeframes for termination of a tenancy under the 2024 Amendment Act is intended to increase the availability of housing options for tenants, by granting landlords and tenants more flexibility to terminate a tenancy (for example, if a tenant needs to move for a new job, or if a landlord requires their property for housing for seasonal employees during specific periods).

Technical Amendments

From 20 March 2025, the 2024 Amendment Act will introduce several new and modified clauses to the Act. The key amendments to be aware are:

- (a) that a landlord can prohibit a tenant from smoking indoors (and on other parts of the premises in specific circumstances);
- (b) the Tenancy Tribunal is now empowered to make decisions about tenancy disputes on the papers rather than requiring parties to attend a hearing. This is intended to minimise costs to the parties and tribunal and to improve timeframes for resolution of disputes;
- (c) a tenant is entitled to end a tenancy at short notice where the tenant, or a tenant's child or dependent has experienced family violence; and

- (d) landlords and tenants may exchange documents and notices via electronic means such as text.

New Rules for Keeping of Pets

From late 2025, landlords will be able to require a "pet-bond" of up to two weeks rent as a requirement for allowing tenants to keep one or more pets in a rental property. This "pet bond" is in addition to the standard bond landlords can require for a tenancy. Landlords may set reasonable conditions for allowing tenants to keep a pet, and must have "reasonable grounds" for refusing to allow a pet on the premises.

Tenants will also be liable for the full cost of any damage to the premises due to their pet, aside from fair wear and tear.

These changes are intended to encourage landlords to offer pet friendly rentals for tenants looking for a home for themselves and their pet, on the basis the landlord will have comfort that any damage caused by pets beyond fair wear and tear can be covered in full and by the additional security of "pet bond".

Conclusion

The 2024 Amendment Act introduces a number of changes to tenancy law, and rolls back a number of changes made by the prior Government. Landlords and tenants need to ensure that they are aware of their new rights and responsibilities introduced under the 2024 Amendment Act.

Want to know more?

If you are a landlord or a tenant and have any questions about how these changes will affect you or your current and future residential tenancy arrangements please contact our specialist property team.