

Sub-divide a water access licence 71P(a)

Fact sheet

Under the *Water Management Act 2000*, a water access licence can be sub-divided, by cancelling a water access licence and creating two or more new water access licences in its place. Limited aspects of the licences created through sub-division can be changed – those which cannot are outlined below.



Note WaterNSW can provide general advice on water access licence dealings. Please seek independent advice that considers your specific circumstances.

When might this transaction be used?

A water access licence might be sub-divided to facilitate a water trade and/or to change one or more of the licences in preparation for sale.

Any holder can apply to sub-divide or sub-divide and change a water access licence. Sub-division cannot be restricted by a water sharing plan.

Limitations to keep in mind.

There are some limitations to sub-divide or sub-divide and change dealings. Water access licences arising from sub-division can only be granted:

- In the same water management area or water source as the original water access licence/s.
- With combined share and extraction components not more than the original water access licence.
- With the same mandatory conditions as the original water access licence.
- For a period not greater than the period for which the original water access licence would have had effect if it had not been cancelled.
- For the same category or sub-category as the original water access licence.
- Water allocation remaining in the original licence is credited to the new water access licence/s on cancellation of the original.



Additional limitations may apply to nominations of water supply works for licences created by subdivision in the Lower Murrumbidgee Groundwater Sources Local Management Areas.

Sub-dividing a water access licence **does not** increase the amount of water; change share and/or extraction components; change conditions that apply; change the water source/water management area or the category or sub-category; or increase the period the licence is granted for.

Some questions to consider

You need to be able to answer the following questions in sub-dividing a water access licence:

- How will the share component be divided?
- Are [additional nominated works](#) approvals to be added or removed from one or more of the subdivided licences?
- Will the sub-divided licences be held in the same names and tenancy as the original water access licence? If any change of ownership is required, then a [71M Transfer form](#) should be lodged with NSW Land Registry Services by the applicant at the time the new water access licences are registered.
- How will the water allocation and, where applicable, the carryover water in the existing water account be distributed in the sub-divided licences' water accounts? Any excess may be forfeited - refer to the relevant water sharing plans account rules.

You must register the new water access licence/s with [NSW Land Registry Service](#) immediately. Impacts of delayed registrations on the distribution of account water include e.g. a new water year, and timing of available water determinations (AWD) should also be considered.

When is this dealing type prohibited?

The *Access Licence Dealing Principles Order 2004* prohibit dealings under s71P if the original licence is suspended.

How do I go about it?

To sub-divide a water access licence, or sub-divide and change nominated works for nominated works for a water access licence, use the [Application to sub-divide and change nominated works for a water access licence form](#). Remember to download the [guide](#) to the form as well. You can also submit this application through [Water Applications Online](#).

Once approved, WaterNSW prepares a Notification form, and you lodge this AND the original water access licence certificate with NSW Land Registry Services **before the expiry date recorded on the Notification form**.

The new water access licence/s (and certificates) will show the same holders and tenancy arrangements as the original water access licence. If you also wish to:

- transfer one or more of the sub-divided licences to another holder or
- change ownership from, for example, three current holders to a single holder then you will also need to lodge a Transfer form.

Need help?

[Schedule a meeting](#) with one of our Water Regulations Officers to discuss your dealing. If you need more information, please contact our Customer Service Centre on [1300 662 077](#), Monday to Friday between 8am-5pm or email Customer.Helpdesk@waternsw.com.au

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