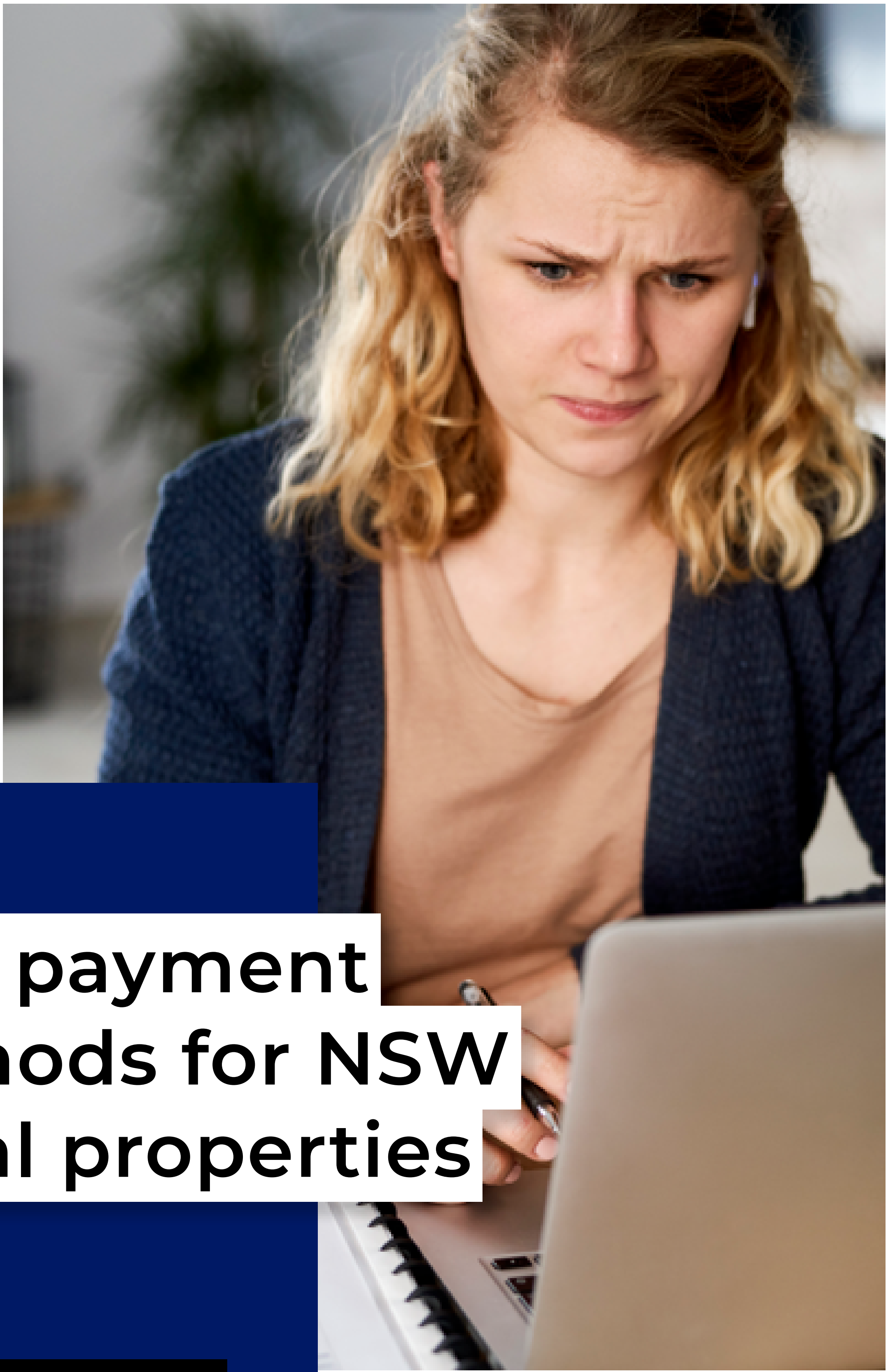

Rent payment methods for NSW rental properties

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Rent payment methods for NSW rental properties

Tenants are responsible for paying rent on time and continuing to pay their rent until the tenancy ends. The Residential Tenancy Agreement sets out how much rent the tenant needs to pay, how often and *how* rent can be paid.

Under NSW residential tenancy laws, landlords and agents must offer at least one fee-free payment method, such as an approved electronic bank transfer (EFT, Direct Debit, or BPAY) or Centrepay.

- **Electronic funds transfer (EFT):** Tenants transfer rent directly into an agency's trust account or a landlord's bank account. This method is fee-free, though standard bank processing times apply.
- **Direct debit:** Funds are automatically withdrawn from a tenant's nominated bank account. While free, a tenant must ensure sufficient funds are in their bank account to avoid dishonour fees being charged from their financial institution.
- **B/Pay:** Tenants can transfer funds from their nominated bank account. This method is also fee-free, though standard bank processing times apply.

Macquarie Bank's DEFT Payment System is another fee free option. If the managing agency holds their rent trust account with Macquarie Bank, they will provide the tenant with a unique DEFT Reference Number to pay their rent, should they choose this option.

These are all payment methods that the tenant can arrange and control through their own bank.

Landlords and agents must allow tenants to pay by whichever standard method the tenant chooses. However, if both the tenant and landlord agree, the tenant may pay rent using other options. Tenants can also choose to switch to a standard rent payment method at any point in the tenancy. This includes switching from one standard method to another.

Landlords and agents **cannot** charge fees or pass on costs for standard payment methods. However, tenants may need to pay normal fees charged by their own bank or financial institution for their transactions. If the tenant has chosen to pay by a different (non-standard) method, they may be charged a fee for the costs incurred by the landlord or agent.

Some agencies use third-party platform service provider for convenience. Note that agents cannot force a tenant to use or pay for these Apps unless the tenant agrees to it.

Paying Rent with Centrepay

Landlords and agents must now also offer Centrepay as a way for tenants to pay rent. This applies to both current and new tenancy agreements.

Landlords and agents only need to set up Centrepay if a tenant chooses this payment method.

What is Centrepay?

Centrepay is a free and voluntary service for Centrelink customers, whereby a tenant sets up a Centrepay deduction, and Centrepay deduct money from a Centrelink payment before the tenant receives it. Centrepay then send the money on the tenant's behalf to the agency they have nominated to pay.

This process lets people who receive Centrelink payments have money taken out regularly to pay for recurring costs such as rent and bills. Centrepay was introduced as a mandatory, fee-free option for renters in NSW on 2 March 2026, under the NSW rental reforms.

Who can use Centrepay?

Tenants who receive eligible Centrelink payments can use Centrepay.

If a tenant asks to use Centrepay to pay their rent, their landlord or agent will need to apply to Services Australia to set up Centrepay to receive rent.

From 1 July 2026 all businesses will pay a standard fee of $0.99 including GST per transaction. This fee is paid out of the Centrepay payment made to the landlord or agency. This is a Centrepay administration fee. For example: if a tenant pays a fortnightly rent of $1,500.00, the landlord or agency will receive $1,499.01.

Under Australian tenancy laws, tenants **cannot** be charged any fees for paying their rent through Centrepay. The nominal ($0.99) transaction fee charged by Services Australia must be covered by the agent or landlord.

Who specifically pays depends on the terms between the property owner and the real estate agency:

- **The Landlord:** Many property management agreements stipulate that processing, or third-party payment fees are deducted from the rental income paid to the landlord.

- **The Agency:** Some agencies choose to absorb this small cost themselves as a standard part of their management service, rather than charging it back to the landlord.

A warning to agents. If you intend to transfer the cost of Centrepay transactions to your landlords, this must be specified in the Agency Agreement. Should the landlord already have an Agency Agreement in place, any amendments to that agreement must be documented and outlined in writing.

To find out more about Centrepay visit the Services Australia website:

https://www.nsw.gov.au/housing-and-construction/landlords/using-centrepay-to-receive-payment-of-rent

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