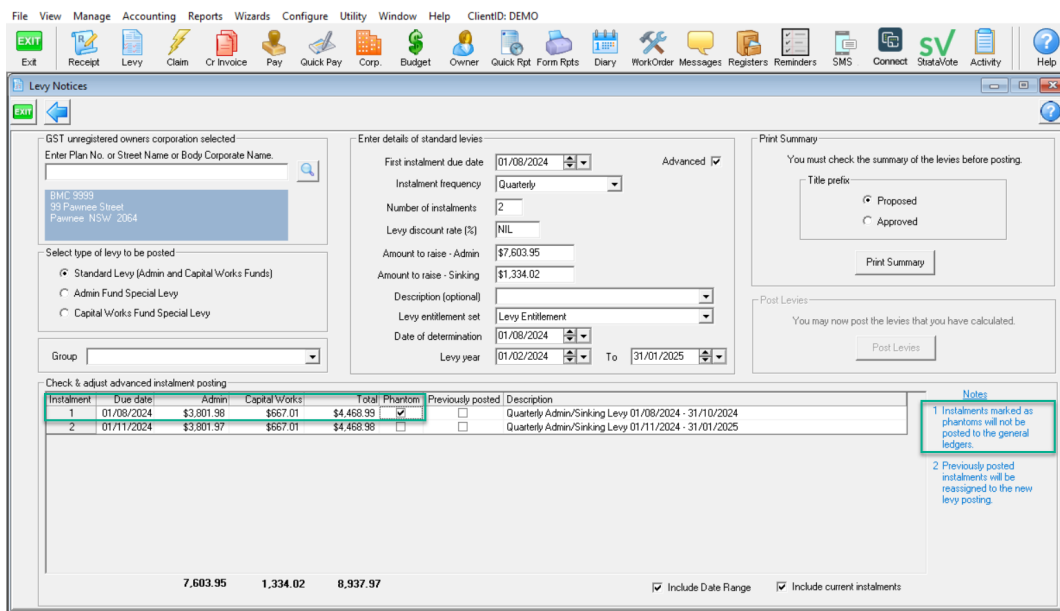




# Issuing A Levy Notice On A Phantom Levy In Strata Master

## Summary

When taking on a new Plan, some owners may have an arrears. To pay those arrears the lot owners need new payment information. Learn how to send a Notice to the lot owner informing them of their arrears and the new method of payment.



## Overview

A phantom levy is a levy that has been posted on a Plan and issued by a prior Strata Manager, usually just prior to take-over by current manager. Some or all of the lots on that Plan may have fully paid the levy to the prior Strata Manager. The phantom levy is not recorded in Strata Master as a levy due, however the arrears shows on the Lot Ledger as an opening arrears balance to be paid.

However the levy is sometimes posted in Strata Master by current manager and ticked as a phantom levy as it then shows on Status/Section reports. This provides a more complete levy record on Status/Section Reports when the lot is being sold.

It is possible to have more than one levy marked as Phantom.

## The Phantom Levy Does Not Appear On The Ledger

When you processed levies for a new Plan and mark a levy as a phantom levy, there is no entry to Strata Master general ledgers of any levy so a Levy Notice will not generate.

However, where an arrears existed for a Lot you will note that the unpaid balance shows as 'opening balance arrears' and requires payment. In the example below, a levy issued by a prior manager for 1/8/24, and entered as a phantom levy, will not show however the arrears at take-on date of 1/8/24 do show.



### Owner Ledger

Start Date: 01/08/2024  
End Date: 31/08/2026  
Owners: One only

The levy posted as a Phantom does not show on the ledger.

The Owners Corporation for SP 9999      99 Pawnee Street, Pawnee NSW 2064

Lot 3    Unit 3    Anne Perkins      100.00 / 400.00

Levy no.	Due date	Frequency	Details	Admin Fund		Sinking Fund		Interest paid	Discount	Levy type	Status	Group
				Due	Paid	Due	Paid					
			Balance brought forward	0.00		0.00						
1	01/08/2024	Once-off	Opening balance arrears	24.00	0.00	36.00	0.00	0.00	0.00%	Standard	Normal	None
2	01/11/2024	Quarterly	Quarterly Admin/Sinking Levy 01/11/2024 - 31/01/2025	950.50	0.00	166.75	0.00	0.00	0.00%	Standard	Normal	None

Current position: Unallocated prepayments \$0.00      Levy arrears & owner invoices due \$60.00      Interest on levy arrears \$0.00

## Issuing a Levy Notice

This first option is to issue a Levy Notice. The Levy Wizard > Issue a Levy Notice will recognise an arrears at the month of take-over date and produce a Levy Notice. If a levy notice does not generate, go to the next option, being "Issuing a Statement".

1. Navigate to the Levy Wizard
2. Select Issue Levy Notices
3. Enter the Plan and make other filter selections as required. Check the lot ledger if necessary to select the correct month.
4. Select the relevant lots and click Finish.

### Notice of Levies Due in August 2024

*Issued 22/08/2024 on behalf of:*

The Owners Corporation for SP 9999

99 Pawnee Street  
Pawnee NSW 2064

for Lot 3 Unit 3  
Anne Perkins

Anne Perkins  
3/99 Pawnee Street  
Pawnee NSW 2064

Due date	Details	Amounts due (\$)		Total
		Admin Fund	Sinking Fund	
01/08/2024	Opening balance arrears	24.00	36.00	60.00
	Total levies due in month	24.00	36.00	60.00

Total of this levy notice	60.00
Levies in arrears	0.00
Interest on levies in arrears	0.00
Outstanding owner invoices	0.00
Subtotal of amount due	60.00
Prepaid	0.00
<b>Total amount due</b>	<b>\$60.00</b>

Late Payment: If payment is not made by the due date, interest may be charged at an annual rate of 10%.  
Cheques should be made payable to 'Rockend Strata Management - General Trust'

**Levy Payment due 01/08/2024**

Arrears entered at opening balances with take-over date of 1/8/24

## Issuing a Statement

An alternative, should the Levy Notice not generate, is to produce a statement for the lots with arrears.

A statement will provide the lot owner with the new payment details along with the amount of arrears to be

paid. It will also provide an estimate of interest that will be accrued to your selected date, however this has not often accrued on a new Plan.

**Note:** Where interest has accrued in a prior manager's records, this is often charged to the lot owner as a misc owner invoice in opening balances.

The statement shows the status of the Levies as at the date and time the statement is generated.

1. Navigate to the Levy Wizard
2. Select Issue Statements
3. Enter the Plan and make other filter selections as required.
4. Select the relevant Lots and Click Finish.

**mri** OWNER STATEMENT

Example of a Lot in place for some time shows the levies paid and the levies unpaid, along with interest accrued and interest paid

Issued 22/08/2024 on behalf of the owners of:  
The Owners Corporation for SP 9999

99 Pawnee Street  
Pawnee NSW 2064

Andy Dwyer  
4/99 Pawnee Street  
Pawnee NSW 2064

Lot 4, Unit 4  
Andy Dwyer

Due Date	Details	Amount due	Amount paid	Interest accrued*	Interest paid	Amount outstanding
01/02/2021	Opening Balance	5,975.41	5,975.41	158.11	158.11	0.00
01/05/2021	Quarterly Admin/Sinking Levy	507.85	507.85	47.17	47.17	0.00
01/08/2021	Quarterly Admin/Sinking Levy	507.85	507.85	34.37	34.37	0.00
01/11/2021	Quarterly Admin/Sinking Levy	507.85	507.85	21.57	21.57	0.00
01/02/2022	Quarterly Admin/Sinking Fund Levy	558.65	558.65	9.64	9.64	0.00
01/05/2022	Quarterly Admin/Sinking Fund Levy	558.65	0.00	130.41	0.00	689.06
01/08/2022	Quarterly Admin/Sinking Fund Levy	558.65	0.00	116.33	0.00	674.98
01/11/2022	Quarterly Admin/Sinking Fund Levy	558.65	0.00	102.24	0.00	660.89
*Interest calculated to 30/08/2024		\$9,733.56	\$8,057.61	\$619.84	\$270.86	\$2,024.93
<b>Total amount outstanding</b>		<b>\$2,024.93</b>		Cheques should be made payable to Rockend Strata Management - General Trust		

## Why Can't I Print a Levy Notice for a Phantom Levy for All Lots?

Phantom Levies are records only in Strata Master, not transactions. **The transaction was created by the prior management and is included in their financials when handed over, so cannot be included again by a management taking the Plan on.**

Phantom levies are not posted to the general ledgers. Phantom levies cannot be paid, they do not attract interest, and they are not counted in levies in arrears.

Phantom levies are only disclosed on status certificates, in the levy posting report, and in the levy journal function, purely as a historical record. They can be cancelled, either individually or as part of a levy posting, which has the effect of them not being disclosed on status certificates.

The Levy Journal reflects Phantom Levies, as below. Note the Interest accrual states 'True' meaning interest is NOT accruing -

01/01/2022	Phantom	975.00	NIL	512.50	NIL	NIL	NIL	NIL	True
01/04/2022	Phantom	975.00	NIL	512.50	NIL	NIL	NIL	NIL	True
01/07/2022	Standard	975.00	NIL	512.50	NIL	NIL	NIL	NIL	False
01/10/2022	Standard	975.00	NIL	512.50	NIL	NIL	NIL	NIL	False

## Related Articles

Accrued interest in opening balances

03/09/2024 1:04 pm AEST