



Media Release
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Liberal Party steals the march on land tax reform delivering on commitment to abolish

THE LandTax 2010 Coalition has welcomed the Liberal Party's announcement it will 'cap and cut' land tax in Tasmania with a view to its abolition by 2020, stating the initiatives announced have stolen the march on the issue of taxation reform in Tasmania.

LandTax 2010 Coalition Chairwoman Mary Massina said the decision to cap land tax receipts at 2009/10 levels as well as simply rebate all taxpayers with a land tax valued over \$350,000 will simplify a complex process, as well as meaning that this year's land tax bills are the highest anybody will ever need to pay in Tasmania.

"This is great news for small business, private residential tenants, mum and dad investors, and shack owners, as well as a shot in the arm for the state's economy," Ms Massina said.

"The Liberal Party has shown it is listening to the concerns of ordinary Tasmanians who have been plagued by rampant increases in the land tax bills over the last decade.

"The move will mean that for the commercial and residential property sector that employs some 24,000 Tasmanians, the state will lead the nation in attracting more jobs and investment.

"Tasmania is set to capture the attention of significant investors to the state for the first time in many years and could be a real boost to the current levels of property values.

"This will lead to increased property gains for the private sector through increased economic activity.

"Tasmania is now at the front of the game with regard to land tax reform and the Liberal Party has significantly upped the ante with a pledge to cut land tax this year and then further cuts during its first term of Government.

"In the Northern Territory, there is no land tax and the territory has seen significant investment in recent times. We would anticipate a similar increase in investment in Tasmania if the Liberal Party is elected, creating much needed jobs and investment for the Tasmanian community as a whole."

The reforms at a glance:

- Land tax will be capped at 2009/10 levels
- A simplified rebate system will be introduced for those with land valuations are above \$350,000
- Land tax will not increase in 2010/11 and will be cut by 5 per cent in 2011-12 and by 10 per cent in 2012-13.
- A commitment to abolish land tax by 2020.
- Shack owners whose property's land value is less than \$500,000 will be exempt from land tax from the next financial year
- First home builders will have two years to complete their house to be eligible for a full rebate on the land tax they've paid on their block
- Small businesses that operate from home will no longer pay land tax
- Property valuations will cease for land tax purposes.

The LandTax 2010 Coalition represents some 18 peak bodies in Tasmania, who have been united in their call for reform to land tax in Tasmania.

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