

DRAFT SECOND READING SPEECH

HON MICHAEL FERGUSON MP

Taxation Legislation (Miscellaneous Amendments) Bill 2024

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Speaker,

Today, this Government is delivering on its promise to provide a 50 per cent stamp duty concession to buyers of a new apartment or unit off-plan or under construction valued at up to \$750 000.

The Taxation Legislation (Affordable Housing and Employment Support) Bill 2024 provided for the stamp duty exemption for first home buyers of established homes valued at up to \$750 000. The Bill also included a two-year extension of the land tax exemption for all newly built housing that is made available for long-term rental and a two-year extension of the land tax exemption for short-term visitor accommodation converted to long-term rental. Finally, the Bill raised the tax-free threshold for land tax by \$25 000 to \$124 999.

In recent years, Tasmania has experienced a surge in housing demand.

Having already implemented measures aimed at increasing housing supply and improving Tasmania's rental market, this Government is now introducing a new duty concession for buyers of a new apartment or unit off-plan or under construction subject to the eligibility requirements detailed in the legislation.

Purchasing off-plan provides important certainty for builders and developers, minimises developers' risks for large-scale projects, and mitigates against unexpected cost increases for purchasers. Investor certainty, and project completion and delivery time is improved by this type of positive consumer purchasing behaviour.

This duty concession will incentivise the take up of unit and apartment living in Tasmania and assist development projects to get off the ground.

This Bill also makes a consequential amendment to the *Land Tax Act 2000* resulting from the increase in the land tax tax-free threshold legislated in the Taxation Legislation (Affordable Housing and Employment Support) Bill 2024. The amendment aligns the tax-free threshold for the special rate of land tax with the tax-free threshold in Schedule 1 of the *Land Tax Rating Act 2000*.

Speaker,

I commend this Bill to the House.