



Speech by

RACHEL NOLAN

MEMBER FOR IPSWICH

Hansard 30 July 2002

LAND TAX AMENDMENT BILL

Ms NOLAN (Ipswich—ALP) (3.42 p.m.): I rise to speak briefly in support of the Land Tax Amendment Bill introduced to the House by the Treasurer. Unlike the previous speaker, I will speak primarily about this bill. As the Treasurer has outlined, land tax is paid on the unimproved value of land. Individuals receive significant deductions, and there are concessions for properties used as a principal place of residence, that is, the house one lives in, or if the property is used for agriculture. This bill affects land tax only for companies, trustees and absentees, not for individual land-holders. It affects them by increasing the value of land they can have without paying land tax from \$100,000 to \$150,000. It changes the way the tax is phased in above \$150,000 and removes the 15 per cent general rebate for companies, trustees and absentees.

I want to speak about this because I strongly support the principles underlying the bill. The effect of this change is that some companies with relatively low value properties will pay less tax while companies and overseas investors with big property investments will pay more. There is a view in the community that the little people pay tax while the big companies, and particularly the multinationals, get off. This tax change is inherently progressive. It taxes those who can afford to pay. State governments have to raise revenue—or at least we recognise that state governments have to raise revenue. We have not quite gone down the unexplained utopian path of the opposition where there is no tax but all the services in the world. State governments have very few sources of revenue raising. Tax changes are never popular. Everyone wants services but no-one likes paying tax. This is a good tax change because it focuses on those who can afford to pay. As such, I commend the bill to the House.