
From: [REDACTED]
Sent: 14/03/2021 10:30:28 PM
To: Tax Reform Taskforce [taxreformtaskforce@treasury.nsw.gov.au]
Subject: Response to proposed property tax reform

Dear treasury officers,

I disagree with the move to introducing a property tax for the following reasons:

1. Wage growth has not kept pace with property prices. It's a problem that the RBA continues to talk about. Rather than having an upfront and defined cost in the form of stamp duty, buyers will be faced with the prospect of escalating property taxes that they are increasingly unlikely to be able to afford.
2. Council rates are a property/wealth tax that we are already buckling under with escalating property prices. I have one home. It's the place in which my family and I prepare each day to go out into the world to study and to work so that we can have the prospect of a better life. Young families entering the market behind my family and me will face greater uncertainty because, just like council rates, their property tax will go up every year while their incomes stay flat.
3. Like council rates, a property tax, will be a tax like no other. When someone makes a gain through owning shares, such as by selling their shares for a profit or by reaping dividends, tax on that gain is paid according to income bracket. But with council rates and property tax, we are being forced to pay tax on a gain that we haven't realised and without regard to our incomes.
4. If you want to make homeownership more affordable, you need to start taxing those with more than one property. Investment properties are working capital and ought to be taxed as such. A family home is not working capital. It is a home.
5. A blanket property tax is a flat tax on wealth. It's not fair and it will, yet again, load the market in favour of property developers. No one in future

will be able to afford paying tax on land except for developers and the extremely wealthy.

Finally, the Treasurer and the Treasury need to start thinking about building a real economy, one where we make things for export. The Socialist Republic for Developers model has failed and it won't get us out of this economic crisis that we face. You need to get real about helping real businesses to set up here and to make things that the rest of the world wants to buy.

Sincerely

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