To the Tax Reform Taskforce,

# **RE: Housing tax proposal consultation**

Thank you for the opportunity to comment on the consultation paper 'Buying in NSW, building a better future'.

The NSW Aboriginal Land Council (NSWALC) and the 120 Local Aboriginal Land Councils (LALCs) across NSW, operate under the Aboriginal Land Rights Act 1983 (NSW) (ALRA). This legislation was established to, among other things, deliver compensation for dispossession of our lands and waters. The objectives of the ALRA are to improve social, cultural and economic outcomes for Aboriginal people in NSW and NSWALC, as the peak body, is working to achieve these goals.

A key foundation of achieving this is securing safe, affordable and culturally appropriate housing.

We note the consultation paper seeks views on whether stamp duty and land tax should continue (where applicable) or whether new buyers could choose to pay a new annual property tax instead.

As you may be aware, Aboriginal Land Councils are currently exempt from stamp duty. We seek assurances that, in any reforms, Aboriginal Land Councils will remain exempt from stamp duty and any newly designed property taxes.

In terms of the property tax element, we note the discussion paper flags possible effects on residential and commercial rental prices, and suggests this could be mitigated though through property tax deductions for income tax purposes, or legislative protections. We have serious concerns about any proposals that could lead to increases in rental prices for Aboriginal people, particularly given the majority of Aboriginal people rent their homes, with the majority of this being private rentals. We would welcome the opportunity to further discuss this and appropriate mitigation measures.

We also note the discussion paper proposes the introduction of a hardship scheme if owners are unable to pay over time. This will be an important mechanism and we would welcome the opportunity to further discuss this.

More broadly, we are concerned that the proposals do not address the breadth of housing issues faced by Aboriginal people, including housing affordability. We would welcome the opportunity to discuss meaningful reforms that could assist in addressing these matters.

As you may be aware, the National Agreement on Closing the Gap commits the NSW Government to partnering with Aboriginal community controlled organisations to secure appropriate, affordable housing that is aligned with the priorities and needs of Aboriginal peoples.

We would welcome the opportunity to further discuss these matters with you.



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