

# Land-tax price named

MATT SMITH

THE man who could make or break Treasurer Rob Lucas's land-tax reforms has outlined what it will take to secure his support for the changes.

Advance SA Upper House MP John Darley is shaping as a key player in the land-tax debate. His vote is expected to be crucial for Mr Lucas to get his reforms passed in the Upper House. But he has concerns about the changes, which he says are ill-considered, with little regard for consequences.

## Land-tax kingmaker Darley names price for crucial vote"



If the Liberals show a united front in the House of Assembly, and Labor does not support the reforms, Mr Lucas will need the Greens – who have already indicated support for the Bill and Mr Darley – to get the legislation over the line. "If that is the case, I can either get it through or kill it," Mr Darley, pictured, said.

He has also raised concerns about the SA economy if the issue is not resolved swiftly. "The impact of announcing the changes has already had a negative effect on the South Australian economy with many investors, developers and agents advising me that investment and building activity has stalled since the land tax changes were announced," he said. "The objective now is to minimise the damage caused from this announcement." He wants the Government to consider a series of amendments in return for his support:

HOUSES rented to low income tenants to be exempt from aggregation.

RETAIL premises with annual rent less than \$400,000 to be exempt from aggregation.

STAMP duty for the transfer of properties to be waived if property is transferred into a self managed super fund.

ALLOTMENTS deemed to be land allocated for affordable housing to be exempted from aggregation.

Mr Darley also wants the State Government to consider a change to land tax rates and thresholds.

Treasurer Rob Lucas said about 200 submissions had been provided to the consultation process. "Now that the consultation period has closed, the Government will be considering all the submissions received, and will then release them publicly, except in cases where an organisation or individual has

indicated that they do not want their submission released," he said.

Most submissions made public so far have raised concerns about the proposed changes, many focused on aggregation. But Mr Lucas received unlikely support from The Australia Institute, after SACOSS backed his move to scrap aggregation earlier in the week. "The proposed changes to land tax aggregation are a common sense

reform that should be supported on the grounds of fairness and transparency," the institute's SA projects manager Noah Schultz-Byard said yesterday.

He did raise concerns that proposed top rate tax cuts could mean other community services suffer.

"While closing the land tax loophole is good policy, cutting the top rate of the tax so severely will have a lasting, negative effect on the Government's ability to collect adequate revenue," he said.

"There is strong public support for policies that would see wealthy South Australians and property investors paying more, not less."