

LAND VALUES — GROWTH CAP

1174. Hon Helen Bullock to the Parliamentary Secretary representing the Treasurer

I refer to the Economic and Fiscal Outlook in Budget Paper No. 3, page 54, and I ask, what is the rationale behind the 50 percent cap on growth in land values for 2009-2010?

Hon MICHAEL MISCHIN replied:

The year to year volatility and unpredictability of growth in individual land tax and metropolitan region improvement tax bills has been an ongoing cause of concern for many landowners. The cap will help address the problem by ensuring that land values for land tax purposes will not grow by more than the specified percentage from year to year. It is estimated that around 2,600 landowners will benefit from the 50 percent cap to apply in 2009-10..