

LAND TAX

**468. Hon Dr STEVE THOMAS to the Minister for Finance:**

This might be the first one in the minister's new role!

I refer to land tax being applied to land on which people are attempting to build their principal place of residence under Commissioners Practice LT5.4.

- (1) Are those people whose build is taking more than two years due to current constraints of labour and materials being charged land tax?
- (2) Have there been people currently renting a residence in WA who have waited over two years for construction to be complete and a building certificate issued, and subsequently been issued with a land tax bill?
- (3) If yes to (2), why has the government not extended the time frame to account for building delays?
- (4) How many residential Western Australian landholders in this position have been issued with a land tax bill on their residential property?

**Hon SUE ELLERY replied:**

I thank the member for some notice of the question.

- (1) If the home is not completed within the exemption period of two years, RevenueWA will roll forward the exemption. This means the exemption will be applied for the assessment year following the second assessment year and RevenueWA will re-assess the land tax for the first assessment year.
- (2) Yes.
- (3) The state government must ensure that the tax system is fair for all taxpayers. I note that taxpayers who are not already receiving a principal place of residence land tax exemption for a home they are living in are exempt from land tax for the two years prior to the completion of their new home, regardless of the time it takes to build.
- (4) RevenueWA has applied 853 newly constructed residence exemptions for the 2020–21 and 2021–22 assessment years. RevenueWA does not hold any data to identify which exemption recipients are residing in rental accommodation.