

## Property and Home Building NOT a Low Tax Industry

Despite Australia's overall tax system comparing favourably to other developed countries, Australia's home building and property industries are very clearly not a lightly taxed industry.

Commenting today on the release of the Warburton-Hendy International Benchmarking Study, Australia's peak building industry body HIA said that by international standards, our reliance on property and transaction taxes at a time of record low housing affordability is nothing to be proud of.

HIA Acting Chief Executive Industry Policy, Ms Elizabeth Crouch said that the Study reveals that with specific taxes such as stamp duties on conveyances, Australia has the highest tax burden of the top 10 OECD countries.

"In addition, our top rate for stamp duty on conveyancing is the equal second highest, and as the report states, Australia has a high reliance on property and transaction taxes, accounting for a staggering 3.0 per cent of Australia's GDP," Ms Crouch added.

"This false reliance on property taxes has not only added to affordability woes but has contributed to a housing slowdown that has put the squeeze on Australia's builders and materials manufacturers," she added.

"It is simply unacceptable that at a time when housing affordability across Australia is stuck at near record lows and the proportion of home ownership among the 25-39 year old age group continues to fall, we remain among the highest property taxing nations in the world." Ms Crouch said.

Aside from an immediate review of property taxation, HIA supports calls for cuts to Australia's top marginal tax rate, further reductions in the burden of Capital Gains Tax, and for States to abolish all the taxes that were included in the 1999 GST agreement.

### **Further information:**

Elizabeth Crouch, Acting Chief Executive Industry Policy on 0419 868 684 or  
Simon Tennent, HIA Executive Director of Housing and Economics on 0419 445 557  
Website: <http://economics.hia.asn.au>

