

REVENUE LEGISLATION AMENDMENT BILL 2023 STATEMENT OF PUBLIC INTEREST

Need: Why is the policy needed based on factual evidence and stakeholder input?

The measures in the Revenue Legislation Amendment Bill 2023 were announced by the former government with revenue impacts incorporated into the Budget at the 2022-23 Half-Yearly Review.

Objectives: What is the policy's objective couched in terms of the public interest?

The objectives of this Bill are to:

- Remove a concession in the amount of duty payable on the acquisition of a public landholder, and
- Provide for an extension of time during which unoccupied land due to building or renovation work may be treated as a person's principal place of residence in relation to the payment of land tax.

Removal of landholder duty concession

Removing the duty concession on the acquisition of public landholders to charge the full general rate is consistent with arrangements in Western Australia and the Northern Territory. It is also consistent with the treatment of acquisitions of private landholders and the direct transfer of land.

Principal place of residence exemption for unoccupied land

In recent years, there have been instances where the exemption has been revoked because of a failure to reoccupy the land before the end of the four tax years period, including cases where the building work being undertaken could not be completed because of factors beyond the owner's control.

There is currently no discretion for the Chief Commissioner of State Revenue to extend the time during which unoccupied land may be treated as an owner's principal place of residence in relation to the payment of land tax in the event of exceptional circumstances.

Options: What alternative policies and mechanisms were considered in advance of the bill?

Nil. These measures were announced by the former government with revenue impacts incorporated into the Budget at the 2022-23 Half-Yearly Review.

Analysis: What were the pros/cons and benefits/costs of each option considered?

These measures were announced by the former government with revenue impacts incorporated into the Budget at the 2022-23 Half-Yearly Review.

Pathway: What are the timetable and steps for the policy's rollout and who will administer it?

Both measures commence on 1 July 2023.

The Chief Commissioner of State Revenue will administer these two measures. Revenue NSW will inform external stakeholders through normal engagement channels.

Consultation: Were the views of affected stakeholders sought and considered in making the policy?

These measures were announced by the former government with revenue impacts incorporated into the Budget at the 2022-23 Half-Yearly Review.