

**Submission
No 7**

**INQUIRY INTO PROPERTY TAX (FIRST HOME BUYER
CHOICE) BILL 2022**

Name: Mr Richard Corbett

Date Received: 25 October 2022

Submission into the enquiry by the NSW Legislative Council for the **Property Tax (First Home Buyer Choice) Bill 2022** on 26 October 2022

A. I wish the committee to ensure that this Act does not in any way emulate, or be the 'first step' towards a permanent 'land tax' on all homes as has occurred in the ACT since 2012, under the guise of replacing Stamp Duty.

Refer attached ACT 'case study' letter sent to Premier Perrottet. 17 Oct 2022.

Under this Act and its provisions our daughter and her husband paid stamp duty upon purchase, equivalent to stamp duty again in the next 10 years in a land/property tax , and impose such again but twice over in the next 10 years. This is all lumped together and misleadingly called the '**Annual Rates Assessment Notice**'. In the ACT It has become substantially an uncapped land / property tax on a private home, with no income on the property to cover this ongoing expense.

B. My recommendation in NSW, is that rather than using the words 'property tax' it be called a '**Stamp Duty Instalment Payment**' and be levied by the NSW Treasury. Council rates to continue to be levied by Local Government.

C. Once the Stamp Duty is paid there should be no further liability to the land owner.

D. If the property is sold, before the Stamp Duty is fully paid, balance to be paid by the vendor out of funds from the sale.

E. It seems to me that this choice for a 'First Home Buyer' to pay a 'property tax' rather than 'stamp duty' may have the intent to transition over time to a 'land / property tax' for all homes in NSW, as is being done in the ACT. This would potentially have the effect of making long term home ownership financially untenable in NSW.

Submission by Richard Corbett