



Standing Committee on Public Accounts

Inquiry into Annual and Financial Reports 2021-2022 **ANSWER TO QUESTION TAKEN ON NOTICE**

Asked by Mr Peter Cain MLA on 4 November 2022: Mr Kim Salisbury took on notice the following question(s):

Reference: Hansard [uncorrected] proof transcript 4 November 2022, page 32

In relation to: Land Tax on vacant residential properties

MR BRADDOCK: Still keep that time. Substantive, just a question about the Revenue Office which is responsible for both rental bonds and land tax as well. I was wondering in terms of is there any sort of cross-compliance checks that happen to ensure that we are fully capturing those who should be paying either/or of those?

Mr Barr: Mr Salisbury will assist there.

Mr Salisbury: I am Kim Salisbury. I am the group manager of revenue Bruce and also the Revenue Commissioner and I acknowledge the privilege statement. The answer to your question is yes. We have an active compliance program that uses resources like rental bonds to ensure that land tax compliance is up to date.

MR BRADDOCK: Do you do it also in reverse in terms of checking whether those who are paying land tax have also got a rental bond watched?

Mr Salisbury: No. We do not do that type of compliance. That compliance is not the responsibility of the Revenue Office. I believe that is an Access Canberra issue.

MR BRADDOCK: Thank you.

MR CAIN: I have a sup.

THE CHAIR: Yes please, Mr Cain.

MR CAIN: Treasurer or commissioner, obviously land taxes across all residential land lessee exempt. Regarding land tax on vacant residential properties approximately what percentage of properties and then what percentage of revenue are collected from vacant residential properties?

Mr Salisbury: I will have to take that question on notice, Mr Cain.

Andrew Barr MLA: The answer to the Member's question is as follows:–

Land tax is payable on all residential properties that are not a principal place of residence (subject to limited exemptions). The Revenue Office does not collect information on the reason why a property is not a principal place of residence. Consequently, neither the percentage of vacant properties nor the percentage of land tax revenue that is collected from vacant residential properties can be derived from land tax administration data.

In its submission to the Inquiry into Housing and Rental Affordability in the ACT, the ACT Government explored the use of alternative methodology to estimate the number of vacant dwellings.

Approved for circulation to the Standing Committee on Public Accounts

Signature:

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke, positioned over the signature label.

Date:

16/11/22

By the Acting Treasurer, Yvette Berry MLA