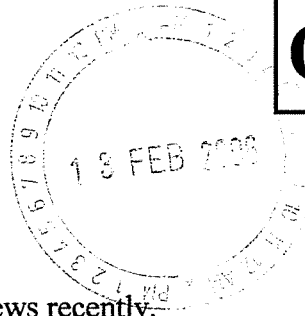


30a Munro Place Curtin ACT 2605
9th February 06

Richard Mulcahy MLA
PO Box 1020
Canberra ACT 2601

COPY



Dear Richard,

The shortage of rental properties has been on the news recently.

I would like to bring to your attention again the effect of land tax on the rents charged in the ACT.

As you know the land tax is levied on any rental property producing income irrespective of the rent charged or the size or condition of the dwelling. This puts pressure on landlords to increase the rent to cover the tax and in effect transfers the tax to the tenants.

I own a property positioned between two public tenanted properties. My tenants in effect pay land tax and rates when their neighbours don't because they are lucky enough to live in public housing.

It would be more equable to remove the Land Tax on tenanted properties and raise the rates for everyone. This solution seems to be unpopular in the assembly only because there are more ratepayers than tenants.

Other solutions are-

Wave the Land tax on properties with rentals below a determined level thereby encouraging landlords to keep their rents low.

Make Land Tax an imputed tax for income tax assessment purposes. Landlords pay two taxes on the same income.

I hope you will give consideration to my suggestions.

Yours faithfully,

Jane Rudge

 A.C.T. LEGISLATIVE ASSEMBLY COMMITTEE OFFICE	
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