



the voice of the industry

FOR IMMEDIATE RELEASE

5 November 2018

Good Start to Getting Rid of Stamp Duty

“The indexation of Stamp Duty is a step forward in reducing the taxation imposts on housing,” stated Tim Reardon, HIA’s Principal Economist.

“This is the first adjustment to Stamp Duty rates since the average house in Sydney cost just \$80,000.

“State governments have become increasingly reliant on Stamp Duty from housing as a main source of revenue.

“Around \$1 in every \$5 of state government revenue comes from Stamp Duty on houses.

“The announcement by the NSW Government to address bracket creep for the first time in over 30 years is a meaningful contribution to ensuring that the impost of Stamp Duty does not continue to grow.

“Stamp duty is an inefficient tax and it has a disproportionately high impact on households that are vulnerable due to changes in their circumstances including employment, health or other family related matters.

“Stamp Duty is also a volatile source of tax revenue, as the NSW Government is currently experiencing. A small fall in house prices has had a disproportionate impact of state government revenue.

“A better long term solution would be to phase out Stamp Duty altogether and replace it with a form of revenue that doesn’t punish buyers for wishing to pursue their dream of owning a home,” concluded Mr Reardon.

For more information contact:

Joe Shanahan, National Media Manager 0410 449 556

Tim Reardon, Principal Economist 0423 141 031

MEDIA RELEASE

