

## **Inquiry Revenue Legislation Amendment Bill 2024**

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**Submitted by:** Property Council of Australia  
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State Development, Infrastructure and Works Committee  
Parliament House  
George Street  
BRISBANE QLD 4000

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### **REVENUE LEGISLATION AMENDMENT BILL 2024**

The Property Council of Australia welcomes the opportunity to make a submission to the State Development, Infrastructure and Works Committee for the *Revenue Legislation Amendment Bill 2024* (the Bill).

The Property Council is the leading advocate for Australia's property industry. Here in Queensland, we are proud to have more than 400 member companies who invest in, design, build and manage places that matter to Australians. They have a long-term interest in the future of our places and spaces, and are committed to creating great cities, strong economies and sustainable communities.

In Queensland, the Property Industry has the largest economic footprint, producing \$44.0 billion towards the Growth State Product, employing 290,300 Queenslanders, and generating \$34.3 billion in employee incomes.

More importantly our industry delivers the homes that Queenslanders so desperately need. As you are aware the industry continues to face enormous pressure amidst an ever-worsening housing availability and affordability crisis, making the delivery of any type of built form incredibly challenging.

Sadly, Australia is now among the least affordable places in the world to buy a home, and as the housing crisis continues to exacerbate reaching the ambitious yet necessary goal of 1 million homes by 2044 for Queensland seems further out of reach.

Queensland has the lowest home ownership rate in the nation with the dream of owning a home particularly first home buyers, beyond reach. The impact of taxation and government fees and charges on housing affordability cannot be understated, last year research released by us [Stacked against us](#), outlined that government fees and charges make up more than one-third of the cost of a new house and land package in a Brisbane greenfield estate.

The Property Council has long called for a review of the prohibitive tax settings that continue to compound housing affordability issues whilst driving out critical investment and to that end applauds the government for taking the bold step in abolishing stamp duty for first homeowners purchasing a new home or vacant land to build.

Since 2016 there have been 12 new or increased taxes levied on the property sector all resulting in significant impact to Queenslanders, with increases driving out necessary global investment – the very investment we need to deliver homes, critical job creating industrial precincts and commercial office developments into the waiting arms of more competitive jurisdictions.

The move to abolish a tax, and focus on supply side stimulus, is welcomed by industry, however to entice the critical investment to meet the growing needs of our state, we encourage government to take further bold and transformational policy changes by reviewing the impact of the how the prohibitive Additional Foreign Acquirer Duty (AFAD) and Foreign Land Tax Surcharge (FLTS) regimes are applied.

Independent research conducted by QEAS for the Property Council in September of 2024, outlined that these prohibitive taxes alone have resulted in:

- Queensland losing **32,872** new dwellings – with an estimated value of **\$17.8 billion**
- between **23,129** and **37,972** Queensland jobs being lost
- an **83.9 per cent** drop in foreign dwelling approvals (from 5,220 in 2015-16 to just 839 in 2022-23).

In their current form the AFAD and FLTS regime captures some Australian based developers who rely on international capital to fund their projects – many are household names, have been based in Queensland for decades, and employ thousands of Queenslanders.

These taxes as currently applied, are counterintuitive, resulting in lost tax revenue to the Government through forgone investment with Queensland's budget missing out on **\$99.5 million** in stamp duty and land tax including \$16.3 million in the 2023-24 Queensland Budget.

Making changes to the application of both AFAD and FLTS, will send a strong signal to international capital that Queensland is once again open for business – resulting in economic and social prosperity for our state.

The Property Council is further supportive of the inclusion of the changes within the Bill to allow First Home Buyers to rent out a room, as outlined above, all measures that will increase the supply of accommodation should be prioritised.

We thank you for the opportunity to provide feedback on this legislation, and we would be pleased to discuss any matters outlined within the submission further.

If you would like to discuss this matter further, please do not hesitate to contact me on [REDACTED] or [REDACTED]

Yours sincerely,



**Jess Caire**  
Queensland Executive Director