



Speech By  
**Hon. David Janetzki**


**MEMBER FOR TOOWOOMBA SOUTH**

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Record of Proceedings, 18 February 2025

## **REVENUE LEGISLATION AMENDMENT BILL**

### **Second Reading**

 **Hon. DC JANETZKI** (Toowoomba South—LNP) (Treasurer, Minister for Energy and Minister for Home Ownership) (4.56 pm): I move—

That the bill be now read a second time.

As I detailed in the explanatory speech, the main purpose of the Revenue Legislation Amendment Bill 2024 is to amend the Duties Act 2001 and the Payroll Tax Act 1971 to implement revenue measures we announced during the 2024 state election campaign. The LNP Crisafulli government is delivering today on two of our key commitments from the government's 100-day plan. We are not only abolishing two taxes but also delivering on our cost-of-living commitments.

Each year, approximately 20,000 Queensland households take the step of purchasing a home. Despite this, Queensland has the lowest rate of home ownership of any state, at just 63½ per cent, and just 35 per cent of Queenslanders aged 25 to 29 own their own home. Of most concern is that since 1971 home ownership in the 25- to 34-year-old bracket has dropped by 18 per cent. The new *Generations defined* report reveals that 63 per cent of gen Z Queenslanders want to buy a home but just 47 per cent of them believe they will ever afford to. Data from the Residential Tenancies Authority indicates that the average length of tenancies for a home is currently around 21 months compared to around 13 months in 2012. These statistics point to the fact that the traditional pathway to home ownership in Queensland is broken. A 2021 Canadian study demonstrated that home ownership is generational, with children of parents who own a home being twice as likely to own a home themselves. This correlation is strongest amongst those earning below Can\$80,000; hence why it is important to arrest this slide, to embed a culture of property ownership amongst each generation.

Queenslanders are losing hope in the great Australian dream of home ownership, and the situation has never been more dire for young people wanting to purchase their first home. Never before have so many young Queenslanders wanted to own a home and never before have so many believed it is unachievable. This is not the future we should aspire to, and that is why the Crisafulli government is committed to delivering a big boost into home ownership for Queenslanders. We are the party of home ownership and are determined to re-establish the pathway to home ownership and to bring Queensland to the top of home ownership ranks by 2034.

As a first step in achieving that goal, the Crisafulli government took two key measures to the 2024 election that are now enacted in this legislation. The first piece is that the Crisafulli government is abolishing transfer duty for first home buyers purchasing a new build. More particularly, the bill amends the Duties Act to provide full transfer duty relief for eligible first home buyers purchasing a new home to live in or land on which they will build a home to live in. The bill also amends the Duties Act to allow recipients of the transfer duty home concessions to rent part of their property during the one-year occupation period and retain the full benefit of this relief. Again, more particularly, an ability is granted

for any first home buyer who has received a transfer duty concession to rent out a room without losing that concession.

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**Hon. DC JANETZKI** (Toowoomba South—LNP) (Treasurer, Minister for Energy and Minister for Home Ownership) (5.43 pm), continuing: Abolishing stamp duty will help young Queenslanders save on transaction costs and, for the first time in Queensland, you will also be able to rent out a room without losing your stamp duty home concession or your first home owner's grant. These measures will ease the pressure on home ownership and increase housing supply. Under these measures, first home buyers purchasing a new build costing \$850,000 will save more than \$24,000.

By freeing up recipients of the home concessions on stamp duty to rent out a room, we will allow Queenslanders to make a choice for themselves to supplement their income by renting out to family and friends. Since we announced this measure, I have had Queenslanders from across the state indicate to me that if the scheme had been available when they were buying a house they would have taken advantage of it.

Whilst administrative in nature, it was in fact affecting the choices first home buyers were making. Look at the choices that are being made. Over the last year, Queensland had the lowest proportion of first home buyers of any mainland state, both for all purchasers and owner-occupiers. We also had more people renting in the 25 to 39 age bracket—236,210—than in home ownership itself—227,572.

While it might not be everyone's dream to own a home, our government wants to make it more achievable for every Queenslanders who wants to. Submissions to the bill confirm that so many in the community want change too. The UDIA stated that they strongly support the bill where it amends the Duties Act to implement revenue related commitments. They stated—

The Institute supports the intended full transfer duty relief from eligible dutiable transactions for first home owners purchasing a new home or vacant land on which to build a home. The Institute also supports the proposal to allow recipients of transfer duty home concessions to rent part of their property during the one-year occupation period requirement.

The Strata Community Association commented—

... the change to allow first home buyers to rent out a room is a sensible one which helps alleviate mortgage serviceability concerns and release otherwise untapped rental supply. This policy has twin benefits in alleviating the ongoing housing crisis and we are strongly supportive of this measure.

QShelter observed—

Both of these measures are worthy of implementation and, given their newness, would justify appropriate evaluation and monitoring in the first 12 months ...

The REIQ supported the measures and questioned if the government had modelled the expected take-up of the new concessions. That, too, was a point raised by the opposition in their statement of reservation. I confirm that the exemption is expected to benefit thousands of Queensland first home buyers each year. It will be available to all first home buyers if they choose to purchase a new home. Treasury estimates indicate around 3,000 first home buyers per year could benefit from this measure, inclusive of additional demand expected given the more favourable tax treatment for new builds compared to existing dwellings.

The Property Council welcomed the abolition of a tax, and the Housing Industry Association supports the 'dual purpose to abolish stamp duty for new first home buyers, and to legally enable renting of rooms by first home buyer grant recipients'.

Increasing property prices, the rise in the cost of money and growing rents are significant challenges in saving a deposit. The nation's fifth biggest lender is the bank of mum and dad. If you do not have the privilege of access to parental generosity or another source of funds, home ownership is a daunting mountain to climb. It is why today's changes are the first step.

Now, we continue our work on a shared equity scheme to offer other options to Queenslanders seeking to purchase a home. The work will be done and further announcements will be made later in the year because the Crisafulli government will always keep seeking policy opportunities to support home ownership—and the aspirations of Queenslanders.

I will now turn to the amendments to the Payroll Tax Act 1971. The now government first asked questions during question time in November 2022 in relation to the impact of Labor's patients tax on bulk-billing and emergency department presentations and what it would ultimately mean to the cost of seeing a doctor. At the time, the member for Woodridge said, 'I will not be acting because it is not proper

for me to do so.' There followed complex rulings. The first ruling was dropped at Christmas in 2022, with the Labor government not having undertaken consultation or modelling. It confirmed that general practice and other health practitioners would now be subject to payroll tax.

The Royal Australian College of General Practitioners labelled the change an 'illogical tax grab' and warned that general practitioners would have no option but to pass on the costs to patients. The AMAQ described it as 'a crippling patient tax that will mean the end of bulk-billing in Queensland'. The AMAQ went on to say that the targets for this tax are 'small suburban and regional clinics owned by mums and dads and will impose an unprecedented extra cost on patients at a time when cost-of-living pressures are hitting communities hard'. Doctors also warned that after-hours practices would be particularly vulnerable to the tax and could wind back their hours as a result, and more Queenslanders would be forced to go to already overstretched, overcrowded and under-resourced hospital emergency departments.

For months I warned of the risks. In an op-ed in January 2023 I referred to the fact that less than 30 per cent of patients in Greater Brisbane were being bulk-billed when visiting their GP, with average out-of-pocket expenses totalling around \$40. Deloitte's *General practitioner workforce in Australia* report predicted a national shortfall of 11,392 GPs by 2032, with major cities expected to be hit hardest. The former Labor government fundamentally misunderstood how general practice operated. It operated on a contractor model whereby sole trader GPs rent rooms and services from a practice. I spoke to doctors and accountants from across Queensland who affirmed that changes would have significant impacts on the viability of the operations of practices.

On Australia Day in 2023 Alissa Mahoney bravely spoke out in the *Courier-Mail*. She is the practice manager at Hervey Bay's Family First Medical Centre. Her practice bulk-bills close to 80 per cent of its 27,000 patients. The vast majority of the patients at this practice are elderly or children. She said it would mean every patient would soon be charged a fee to see a doctor. She said—

It's going to leave a lot of vulnerable people without any health care at all.

I can tell you right now that elderly people will not see a doctor, they would rather feed themselves or have electricity or die, because that is what is going to happen. Patients with a treatable condition will just let it go.

She received significant criticism. In that same article the now shadow health minister labelled the claims a 'beat-up'. The then Labor government implied that GPs were tax dodgers. It was a true pleasure recently to visit Alissa and her team in Hervey Bay and thank them for their courage in speaking out and sharing their experience.

Back in 2023 I spent a weekend in Townsville meeting local doctors Danielle McMullen and Michael Clements, who were reported as confirming that bulk-billing practices could disappear from northern Queensland and private practices could increase fees by 15 per cent. A few days later the now Premier and Deputy Premier stood with Saltwater practice director Jen Kettleton-Butler at Caloundra. She also courageously shared her views on what it would mean to patient care and the viability of practices if the patients tax was to continue. There were numerous stories from numerous doctors who wished to remain anonymous so as not to worry their patients. They warned that the health care of nursing home residents was in the balance, as GPs would no longer be able to bulk-bill if the patients tax was not stopped. All the while, the member for Woodridge doubled down day after day. Then in February 2023 the Labor government finally granted an amnesty and addressed retrospectivity, but the risk remained.

Under my questioning at estimates in 2023 the former government conceded that, among other things: Treasury had not worked with Queensland Health to determine the impact of this new tax on ambulance callouts at a time of record ramping; no modelling had been undertaken to determine the impact of this new tax on bulk-billing rates in Queensland; and no modelling had been undertaken to determine the impact of this new tax on the access of aged-care facility residents to their visiting GP, given a large proportion of those visits were not currently charged a gap. The then treasurer admitted there was no idea how many doctors or medical centres would be impacted by the patients tax, nor was there any idea how much additional payroll tax would be raised from a range of other health services, and there was no explanation as to why existing medical practices had been granted an amnesty at the time while new medical practices had not.

When the then Labor government finally released the second attempt at the framework for its patients tax in September 2023—after 78 clauses over 29 pages in two complex rulings—we knew that the devil would be in the detail. Rather than fix a problem the then treasurer claimed did not even exist, the then treasurer only made it more complicated and more expensive for Queensland patients. Either medical practices would be forced to pay Labor's patients tax or they would be forced to restructure their business models, resulting in longer and higher administrative burdens that would be forced to be passed on to patients.

The risks persisted, but practices quietly started preparing their arrangements in advance of Labor's patients tax. As I travelled around Queensland I continued to listen to practices that were under political pressure not to speak out and doctors and practice managers who continued to warn that the changes would drive down bulk-billing, drive up emergency presentations at our hospitals and drive up the cost of seeing the family doctor.

I recall meeting Dr Rod Martin, a general practitioner on Brisbane's north side in the electorate of the minister for the Olympics who operates GO2 Health in Everton Park. It is a 15-year-old practice with a history of looking after ex-military veterans through DVA. He manages a large number of highly complex and vulnerable patients—men and women who have served our country. The practice is the largest veteran-centric medical centre in Australia. Rod currently serves thousands of veterans, who represent 85 per cent of his practice. He said those changes were unworkable for large bulk-billing multidisciplinary centres like his, which would attract a significant compliance and administrative burden. Some of the increased administrative burden Rod was concerned about at the time would include dozens of EFTPOS machines having to be installed and additional staff that would be needed to amend the administrative procedures of the clinic.

The AMAQ under Dr Maria Boulton vigorously argued the case that this tax would put Queensland clinics at a competitive disadvantage and general practitioners would move interstate, adversely impacting rural and regional practices. Another general practitioner, Dr Aaron Chambers, went on the record and described the changes as 'unworkable'. We listened, and before the election we took a stand with vulnerable, sick and aged Queenslanders and committed to abolish Labor's patients tax once and for all.

The bill amends the Payroll Tax Act 1971 to provide a payroll tax and mental health levy exemption for wages paid or payable by medical practices to general practitioners. The Payroll Tax Act will be amended to give legislative effect to a beneficial administrative arrangement to provide that, where relevant conditions are met, wages paid or payable by a medical practice to GPs will not be subject to payroll tax or the mental health levy. The Duties Act will be amended to give effect to beneficial administrative arrangements.

I turn now to the committee's findings. I acknowledge the State Development, Infrastructure and Works Committee's report on the bill tabled on 7 February 2025. I would like to thank those who made submissions to the committee about the bill and those who appeared as witnesses as part of the committee's inquiry. I note and welcome the committee's first recommendation—that the bill be passed. I note that the committee made a further three administrative recommendations which the government supports, and I table the full government response to the committee report.

*Tabled paper:* State Development, Infrastructure and Works Committee: Report No. 1, 58th Parliament—Revenue Legislation Amendment Bill 2024, government response [92](#).

I would like to foreshadow amendments which will be moved during consideration in detail of this bill. These will be circulated in due course in the House.

The amendments to the Duties Act 2001, the Land Tax Act 2010 and the Taxation Administration Act 2001 are to ensure the existing foreign surcharge provisions of these acts apply as intended. In recent times there has been uncertainty about the interaction between international double taxation agreements and foreign investment fees and property taxes levied by federal, state and territory governments. In response, the Australian government made legislative amendments to clarify that these international agreements only apply to income tax and fringe benefits tax.

The amendments I will introduce validate the operation of the foreign surcharges, in alignment with the Commonwealth amendment. This protective action was also taken by the Victorian government, with amendments approved in December last year. The government will continue to monitor and actively manage any risks to validly collected state revenue so we can continue to fund the vital services and infrastructure our state needs.

While the opposition's statement of reservation vaguely suggests that they will vote in support of this bill—and I look forward to hearing from the shadow treasurer—their past actions while in government reveal their true values and intentions. When it comes to policies to give first home buyers a leg-up, when it comes to backing doctors and protecting patient services, we cannot trust a word this opposition says, but we have good news for the people of Queensland. Not only do they now have a government which fundamentally supports the values of home ownership and the benefits it brings, and not only do they now have a government which fundamentally respects the centrality of general practice to supporting healthcare outcomes in Queensland, but through this bill the Crisafulli government enshrines these important tax reforms in legislation and protects them from any future Labor government. If the next Labor government want to reintroduce stamp duty for first home buyers

purchasing new builds, and if the Labor Party want to reintroduce a patients tax which would end bulk-billing, push up emergency presentations to overcrowded emergency departments or drive up the cost of seeing the family doctor, they will need to come into this House, the people's house, and explain why they would want to sell out first home buyers, the sick, the aged and the vulnerable people of Queensland.

The bill delivers on several important commitments the Crisafulli government made during the 2024 state election campaign to support Queenslanders by helping address the significant cost-of-living pressures facing them relating to housing and health care. We will always fight to deliver structural, long-term cost-of-living support for Queenslanders. We promised before the election to deliver on this commitment, and that is exactly what we are doing today. I commend the bill to the House.