

Question on Notice

No. 667

Asked on 24 May 2023

MS S BOLTON ASKED TREASURER AND MINISTER FOR TRADE AND INVESTMENT (HON C DICK)—

QUESTION:

With reference to the projected impacts to renters from increases in land tax due to extreme land valuation increases—

Will the Treasurer (a) commit to mitigating these impacts by freezing tax increases to the 2021 valuations for residential and commercial properties that are being rented out, (b) provide Queenslanders the specific details of how individual property valuations are determined and (c) create an independent body for objections to be lodged?

ANSWER:

The thresholds at which land tax becomes payable in Queensland remain among the most generous in Australia. For individuals, the land tax-free threshold of \$600,000 is the second highest in the country. For companies and trusts, the \$350,000 land tax threshold is well above thresholds in other jurisdictions that have separate trust regimes.

Importantly, Queensland's land tax thresholds continue to be generous compared with other states, despite the fact several other states have average house prices and land values that are considerably higher than Queensland. For example, based on data from CoreLogic, the median house price in Sydney is \$1,253,759, 60 per cent higher than the median price of \$781,881 in Brisbane (as at April 2023).

Land tax in Queensland is also subject to three-year averaging of land values, which further reduces the impacts of increasing land values on the tax payable by landholders.

Land tax forms an important part of the Government's general revenue base that is used to provide essential government services and infrastructure across all regions of the state, including the provision of health, education, law and order, transport and other essential services to all Queenslanders.

Details of how individual property valuations are determined and any questions related to land valuation objections are questions that should be directed to the Minister for Resources.