

Media Release

Thursday, 20 August 2015

UDIA Calls on Treasurers to Work Together on Stamp Duty Ahead of Tax Talks

The peak body representing Australia's urban development industry has called on the Federal Treasurer and his state counterparts to work together to phase out stamp duty, ahead of a meeting of Australian Treasurers in Canberra this Friday.

Urban Development Institute of Australia (UDIA) National President Cameron Shephard said that tax system relics such as stamp duty were holding back Australia's economy, and that now was the time for governments to get serious about reform.

"Stamp duties are well known to be among the least efficient and most economically damaging taxes available to governments, and there is strong and growing consensus across the community about the need for governments to replace them with something better," said Mr Shephard.

"They reduce labour mobility and productivity by locking people into a certain location, and along with other high up front taxes and charges, reduce housing affordability and the supply of new housing."

"In contrast, the GST and taxes on the value of land are widely recognised as being much more efficient from an economic perspective, particularly when applied across a broad base."

"Phasing out stamp duty in favour of a broader based GST, and broad based, lower rate land taxes could deliver real dividends for economic growth and productivity, and housing affordability and supply."

"Now, more than ever before, is the time for governments to act on tax reform, and we hope that Friday's meeting will be used as an opportunity to make substantial progress," concluded Mr. Shephard.

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