

2012 Policy Commitment - Canberra Liberals

Election Commitment:

Name of Commitment: Stopping Labor's Massive Tax on Units

Reference No: LIB043

Cost Request Submitted by:¹ Zed Seselja MLA, Canberra Liberals Leader

Date Request Received: 16-Oct-12

Date of Public Release: 03-Sep-12

Additional Information Requested (including date): Additional information about the treatment of the remission rates for the residential, commercial and industrial sectors was sought on 16 October 2012

Additional Information Received (including date): 16-Oct-12

Financial Implications:

Impact On:	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	TOTAL \$'000
Revenues ^(a)	-343.0	-846.9	-1,796.8	-3,076.6	*	-6,063.4
Expenses ^(a)	0.0	0.0	0.0	0.0	*	0.0
Net Operating Balance	-343.0	-846.9	-1,796.8	-3,076.6	*	-6,063.4
Capital Requirement	0.0	0.0	0.0	0.0	*	0.0
Cash Surplus/Deficit	-343.0	-846.9	-1,796.8	-3,076.6	*	-6,063.4

(a) A negative number indicates a decrease in revenue or an increase in expenses

* No costing was requested to be undertaken for 2016-17, in line with the party's stated approach to use the standard of the current published budget and forward estimates period of 2012-13 to 2015-16.

Other Information:

Caveats or qualifications to the costing:

That this commitment reinstates the 2011-12 Lease Variation Charge remissions for the residential sector.

Other Comments:

n/a

Costing Methodology Used:

- Costing Technique:

The commitment is ongoing.

Treasury's cost varies from that announced reflecting revenue foregone associated with the reintroduction of the Lease Variation Charge remission of 75 per cent on residential building activity.

Treasury has assumed the remission rate for the commercial and industrial sectors will remain unchanged as per the remissions applied in the 2011-12 ACT Budget, and that the commitment only relates to residential zones (as confirmed by the Party).

Treasury notes that some units may be delivered through a mixed use development. Depending on the zoning of the development, some units delivered in a commercial zone will only have access to a 25% remission under legislation.

- Policy Parameters:

n/a

Statistical Data Used:

n/a



Megan Smithies
Director-General