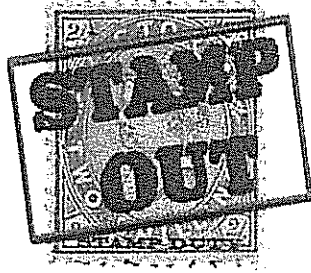


# Stamp Out Stamp Duty

by David Collyer



**“The Victorian Government should remove stamp duty from the sale of property to increase housing affordability, support first home buyers and give the economy a much needed boost.”**

The Stamp Out Stamp Duty campaign calls on the Baillieu Government and Treasurer Kim Wells to heed the advice of their own departments and scrap stamp duty in favour of a small value based land tax on residential property. The proposal is revenue neutral.

Stamp duty creates an unnecessary barrier for first home buyers and is an economic dampener which prevents easy property transfers and best use by owners.

“First home buyers are hit with a huge tax at the same moment they take on a giant mortgage debt. Stamp Duty also takes advantage of people forced to sell due to the death of a family member, illness, unemployment, family breakdown or a change in circumstances. It’s an unfair and poorly targeted tax that serves no real economic purpose.”

“Stamp duty also adds around \$25,000 to the cost of an average block of land, which makes already expensive properties even more expensive.”

To make up the lost revenue from stamp duty, a small efficient value based land tax should be introduced, a proposal supported by leading economists such as Dr Ken Henry and the Victorian Department of Treasury and Finance.

“Victoria already has a State Land Tax, however owner-occupied properties are currently exempt. We are calling for this tax to be extended to residential properties with appropriate measures to safeguard community housing and those who have recently paid stamp duty from an unfair burden.”



David Collyer is the Campaign Manager for Prosper Australia  
Contact:  
[david.collyer@prosper.org.au](mailto:david.collyer@prosper.org.au)

“This change would provide a genuine spur to development on high-value land and reduce the pressure for more urban sprawl. Both the supply and affordability of rental housing would be boosted as a broader land tax base would put landlords and home owners on an equal footing. For the vast majority of Melbournians, this change would lead to a net cost saving.”

Economic modelling of this key recommendation of the Henry Review by Australian Housing and Urban Research Institute shows landowners in Melbourne, Port Philip Boroondara, Bayside, Stonnington and Yarra municipal areas would overall pay more while the vast majority of homeowners elsewhere would pay considerably less.

“For too long discussion on tax reform has been stifled by vested interests. We now have quality economic modelling that shows wealthy landowners benefit most from Victoria’s very bad tax system.”

“This modest change would galvanise economic activity in Victoria, something the Baillieu government – and every Victorian government before them – proclaim loud and long is a key objective.”