

Holmes, Lisa

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**From:** Monger, Brett  
**Sent:** Monday, 7 March 2011 2:26 PM  
**To:** Guthrie, Marsha; Holmes, Lisa  
**Cc:** Read, David; Beath, Lisa; Palfreyman, Hamish  
**Subject:** Pensioner Duty Concession Scheme

Marsha & Lisa,

I don't know how much you are aware of the review into the Pensioner Duty Concession Scheme, but this is occurring at the moment with a view that it is announced as part of this years budget

Exempt s35

Exempt s36

As I said the review is in train at the moment and I'll keep you in the loop as to when we get to a point where we can provide a recommendation on the scheme. I believe Khalid is well aware of the review and will be directly involved in the decision.

Happy to discuss further if needed.

Cheers

Brett  
70293

Exempt s41

**Holmes, Lisa**

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**From:** Read, David  
**Sent:** Friday, 30 September 2011 9:02 AM  
**To:** Smithies, Megan  
**Cc:** Prowse, Fay; Holmes, Lisa  
**Subject:** Minister Barr Media Release annual report - July 2011  
**Attachments:** Minister Barr Media Release annual report - July 2011.doc

Megan,

Back up media release regarding revenue and assistance to home buyers for your consideration.

David



**Andrew Barr MLA**

**DEPUTY CHIEF MINISTER**

**TREASURER**

**MINISTER FOR ECONOMIC DEVELOPMENT**

**MINISTER FOR EDUCATION AND TRAINING**

**MINISTER FOR TOURISM, SPORT AND RECREATION**

**MEMBER FOR MOLONGLO**

## **MEDIA RELEASE**

xxx/11

xx September 2011

### **Government assists home buyers and optimises tax collections**

The ACT Government's home buyer and pensioner duty schemes continue to assist many home buyers in Canberra.

In 2010-11, the ACT Government provided \$13.6 million in home buyer and pensioner duty concessions to approximately 1,600 home buyers. In addition, \$17.9 million in First Home Owner Grants were paid to around 2,800 first home buyers in the ACT.

The Home Buyer Concession Scheme is an ACT Government initiative to assist persons buying a residential block of land or a home by charging duty at a concessional rate. Eligible home buyers pay a concessional rate of duty on home purchases up to \$460,000. Eligible home buyers purchasing a home under \$362,000 are only required to pay \$20.

The Pensioner Duty Concession Scheme assists eligible pensioners to move to accommodation more suited to their needs (e.g. from a house to a townhouse). Eligible pensioners selling an existing residence and purchasing a home more suited to their needs are assisted by paying duty at a concessional rate.

The ACT Government's First Home Owner Grant provides a grant of up to \$7,000 to first home buyers to assist in the purchase of their first home.

The ACT Government is also optimising its tax revenue collections in line with the goal of achieving a simple, equitable and efficient tax system. Tax revenue collected by Treasury in 2010-11 was around \$1.1 billion.

The Payroll Tax Act was rewritten to mirror that of most other jurisdictions further improving payroll tax harmonisation and compliance investigations resulted in 485 assessments for \$8.4 million being issued for non-compliance.

Ends

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**Holmes, Lisa**

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**From:** Knowd, Carolene  
**Sent:** Friday, 4 November 2011 2:37 PM  
**To:** Holmes, Lisa  
**Subject:** RMD's Annual Report Briefs  
**Attachments:** Compliance activity\_10-11.doc; No. 40\_Taxation Revenue for 2010-11.docx; No. 41  
\_Revenue 10-11 compared to 11-12.doc; No. 42\_Revenue 2010-11 compared to  
2009-10.doc; No. 43\_Land Rent Scheme.doc; No. 44 Pensioner\_Duty\_Concession\_brief\_  
2010-11.doc; No. 45\_2010-11 Status of Revenue Systems.doc; No. 46\_2010-11  
Mortgage Relief Annual Report Brief.docx; No. 49\_2010-11 FHOB Scheme.docx; No.  
49a\_2010-11 FHOG Scheme.doc; No. 50\_2010-11 Status of Deferred Duty Scheme.docx;  
No. 51 Payroll\_Tax\_Harmonisation.doc; No. 52\_Number of Taxpayers by Revenue  
Type.doc; No. 53\_HLP 2010-11 Annual Report.doc; No. 54 Home Buyer Concession brief  
2010 - 11.docx; Taxation Debt Levels 2010-11.docx.doc

Hi Lisa,

Attached is RMD's Annual Report briefs for the hearing on 24 November '11.

I'm sorry there so late. Been an interesting couple of days !!!!!

Please note that:

Duty Deferment Scheme is NOW "Status of Deferred Duty Scheme"

Kind regards

Carolene Knowd | Executive Assistant to David Read  
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**SUBJECT: PENSIONER DUTY CONCESSION SCHEME**

**ISSUE: Operation of the Pensioner Duty Concession Scheme**

**Key Points:**

- The Pensioner Duty Concession Scheme commenced 1 July 2008 as part of the Affordable Housing Action Plan. The Scheme was due to expire on 30 June 2011, however, it was extended by 1 year to 30 June 2012.
- The Scheme is to assist eligible pensioners to move to more appropriate housing by charging duty at a concessional rate when they purchase residential land or a home.
- During 2010-11, 91 applications were approved with revenue forgone of approximately \$1.12 million. This compared to a 2010-11 budget of \$1.0 million.
- The actual revenue forgone in the prior two years was \$0.846 million in 2008-09 and \$0.687 million in 2009-10.
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- An eligible pensioner is a person in receipt of:
  - An Australian age pension who holds a pensioner concession card; or
  - A disability support pension and is 50 years of age or more and who holds a pensioner concession card; or
  - A Department of Veterans' Affairs Gold Card for 1 year prior to the transaction.
- The home purchased must meet a value threshold which is adjusted every six months to ensure it reflects sales prices.
  - A full concession is available at or below the lower threshold. The lower thresholds (the median of all sales prices for the last two full quarters) for the last three six month periods are:
 

Six Month Period	Lower Threshold
1 July 2010 to 31 December 2010	\$445,000
1 January 2011 to 30 June 2011	\$465,000
1 July 2011 to 31 December 2011	\$460,000
  - Duty payable below the lower threshold is \$20. The duty saving is up to \$18,280 on a property at \$460,000 or below.

- The concession reduces on a sliding scale. At the upper threshold the concession ceases and full duty is payable. The upper thresholds for the last three six month periods are:

Six Month Period	Upper Threshold
1 July 2010 to 31 December 2010	\$570,000
1 January 2011 to 30 June 2011	\$585,000
1 July 2011 to 31 December 2011	\$588,000

- o The land purchased must meet a value threshold which is adjusted every six months to ensure it reflects sales prices.

- A full concession is available at or below the lower threshold. The lower thresholds for the last three six month periods are:

Six Month Period	Lower Threshold
1 July 2010 to 31 December 2010	\$200,500
1 January 2011 to 30 June 2011	\$208,300
1 July 2011 to 31 December 2011	\$202,000

- Duty payable below the lower threshold is \$20. The duty saving is up to \$5,560 on a property at \$202,000.
- The concession reduces on a sliding scale. At the upper threshold the concession ceases and full duty is payable. The upper thresholds for the last three six month periods are:

Six Month Period	Upper Threshold
1 July 2010 to 31 December 2010	\$246,100
1 January 2011 to 30 June 2011	\$257,200
1 July 2011 to 31 December 2011	\$254,500

- o Eligibility for the concession is as follows:

- Eligible pensioners must not own property other than their current home which they must sell within 12 months of purchasing a new home.
- Eligible pensioners must live in the property for a continuous period of six months starting within 1 year of settlement or completion of construction.

- Ownership of the property being purchased must be in the same name/s as the property being sold.
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- The concession is restricted to a single concession for each applicant.