

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Oversight of ASIC, the Takeovers Panel and the Corporations Legislation

2022 - 2023

Division: Foreign Investment Division
Topic: Domestic residential and foreign investment overlap
Reference: Spoken
Senator: Deborah O'Neill

Question:

CHAIR: Can I ask one question before Senator Scarr gets the call again? Do you interact with the ATO, which is monitoring investment in residential, and assess for any overlap between the two entities? Dr Evans, you are nodding your head.

Dr Evans: We do. Often we have entities that have both commercial and residential interests, so we coregulate. I have a weekly meeting with my counterpart at ATO where we discuss compliance matters. At a more senior level, at Mr Tinning's level, we have a monthly catch-up with ATO to discuss strategic issues. So we very openly refer to ATO as a coregulator, and we work very closely to ensure that we understand each other's business.

CHAIR: At a senior level, to whom?

Dr Evans: Mr Tinning will meet with Hector.

Mr Tinning: Hector Thompson is my counterpart at ATO.

CHAIR: Can you give us a sense of scale of the intersectionality of those two—the domestic residential investment alongside foreign investment in the market?

Dr Evans: We'd have to take on notice the overlap. Certainly in our quarterly report, which I can see Ms Kelley is looking at, we have the raw figures in terms of numbers. But in terms of investors who are both, I would have to take that on notice.

CHAIR: Thank you, that's fine. Back

Answer:

The Australian Taxation Office assesses all Foreign Investment Residential Land applications under the *Foreign Acquisitions and Takeovers Act 1975*.

The Treasury assesses all Foreign Investment Commercial applications, including commercial land, which in a small number of cases also comprised no more than ten residential dwellings (commercial applications with more than ten residential dwellings are treated as residential land under the legislation).

Of the 1,563 commercial investment proposals approved in the period of 2021-2022, approximately 3 per cent included both commercial and residential land.