

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

29 May – 31 May 2012

Question: BET 137

Topic: Stamp Duty – Effect on Mobility

Hansard Page: Thursday 31 May 2012, page 43-44

Senator SINODINOS asked:

Senator SINODINOS: Senator Cameron has also raised these issues of mobility in the past and you talked about the stamp duty and things like that. Has that gone any further? Have there been discussions with the states about how to facilitate changes in some of those areas? How is that being progressed?

Dr Parkinson: Some of these things will have been discussed in the broad at COAG, but I am unaware of—

Senator Wong: If I may, I am not sure if you were here for the discussion last night with Mr Heferen about this. We had a brief discussion about the progress of the working group which came out of the tax forum on various state taxes and so forth. We can probably take it on notice, but I would refer you back to that discussion.

Dr Parkinson: The South Australian and New South Wales treasurers—the South Australian Treasurer is stepping in after the change of government in Queensland—are looking at what can be done in the state tax area. Once that report is done I imagine this will be discussed in more detail both at Heads of Treasuries and at COAG. I would have to take it on notice as to whether anything else is being done.

Answer:

As well as the work being done by South Australia and New South Wales, the GST Distribution Review is examining possible changes to the form of Horizontal Fiscal Equalisation (HFE) to ensure that HFE does not provide a disincentive to State tax reform, including reforms around stamp duty. The Panel will provide a final report to the Treasurer in October 2012.