

Name: WELLS

Hearing: State Government Financial Management

Date: 19 MAY

Venue: MELBOURNE

Victoria's New and Extended Taxes Under Labor

Gaming machine levy – levied on each gaming machine and applied to Victoria's three gaming machine operators - Tattersalls, Crown and Tabcorp. Levy is now \$4,333.33 per machine, with the revenue going directly into the Hospital and Charities Fund.

Payroll tax on fringe benefits, eligible termination payments and leave - from 1 July 2007 the total taxable value of the fringe benefit grossed up.

Payroll tax on apprentices and trainees - removed the former payroll tax exemption in 2003 for apprentices and trainees on employer payrolls for wages paid or payable.

Stamp duty on mortgage backed debentures – stamp duty imposed on a form of security taken over a company's assets.

Annual indexation of fines, fees and charges – applied to all State government fines, fees and charges from 1 July every year.

Transit City Tax - a new charge called an 'infrastructure recovery charge' to be levied by the government on declared project or development areas.

- Stamp duty extensions on land-holding bodies – introduction of 'land rich' tests in 2004 on all transactions in property involving land.
- Payroll tax on employment agencies – employment agencies came liable from 2005 for on-hired workers rather than the clients of agencies.
- 5% water levy – environmental levy on all water users, including water companies.
- Long-term parking tax (the so-called congestion tax) – levy imposed on owners of non-residential, long-stay, off street car parking spaces in and around the Melbourne CBD.
- Land tax on trusts – from 2006 a new surcharge was applied to Victorian landholdings in trusts between \$20,000 and \$2.7 million. The surcharge is 0.375% for landholdings between \$20,000 and \$1.62 million.
- Land development levy – proposed to be levied on developers in the region of \$4-8,000 per lot to fund infrastructure development for new housing developments in Melbourne's new growth areas.
- Inbound international airline stamp duty extension – in 2007 extended the state stamp duty on insurance contracts to contracts signed by international inbound airlines in their home countries.
- Waste Landfill Levy – increased fee paid on all waste disposed to licensed landfills in Victoria.