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LAND TAX INCREASE FOR COMMERCIAL PROPERTY 1

Land tax increase for commercial property

Commercial property is to face a land tax increase, but only for a year.

David Burt, the Premier and Minister of Finance, said that tax rates on commercial businesses are to go up from 7 per cent to 12 per cent.

The increase will mean that owners will pay about 71 per cent more in land tax in 2018-19.

Mr Burt said there had been consultation on the change.

He added: "When I say it will move to 12 per cent for a one-year period, the Land Tax Bill which we introduce in Parliament will actually state that it is only for one year.

"The rates will automatically revert at the end of the year. It wasn't done in isolation, it was done in consultation with industry so that it is not a surprise."

The increase is expected to raise an additional \$15.14 million in revenue, with overall land tax revenue expected to increase 24 per cent year-on-year.