

STAMP DUTY

27 March 2007

The Hon. D.G.E. HOOD: I seek leave to make a brief explanation before asking the Minister for Police, representing the Treasurer, a question about stamp duty and its impact on South Australian families.

Leave granted.

The Hon. D.G.E. HOOD: Family First notes that first time home owners in South Australia are eligible for a full exemption from stamp duty, but only if the home that they buy costs less than \$80 000. In 1979, the then Tonkin government introduced a \$30 000 threshold before stamp duty applied for first home buyers. According to the second reading explanation, the measure was largely 'designed to assist those who are faced with the expense of acquiring and furnishing their first home'. Of course, in 1979, \$30 000 would buy a modest home.

In 1985, the then premier, John Bannon, increased the threshold to \$50 000 to ensure that (according to the second reading explanation) 'anyone who has never been the owner/occupier of a dwelling is eligible for the concession'. In 1989, the threshold was again increased to \$80 000, to take into account the ever increasing cost of a family home. For the past 18 years, that figure of \$80 000 has not changed at all. My questions are:

1. Can the Treasurer advise how many homes are currently available in South Australia for under \$80 000?
2. What are the Treasurer's estimates of the number of families currently in South Australia who want to buy a first home but cannot afford to do so due to the cost of stamp duty?

3. When will the Treasurer increase the stamp duty exemption threshold to reflect the current realistic cost of a modest family home in South Australia?

4. Will the Treasurer ensure that any increase includes CPI indexation, so that the new threshold keeps pace with the real value of South Australian family homes?