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BI-PARTISAN SUPPORT AND CLARITY FOR HOME OWNERS AND INVESTORS WELCOMED

Real Estate Institute of Australia (REIA) has welcomed the Leader of the Opposition's announcement that Labor will support the status quo for negative gearing and capital gains tax should they form government.

REIA President, Adrian Kelly said households and small businesses need certainty as 12 million Australians remain in lockdown.

"Many mum-and-dad investors have borne the brunt of the rental eviction moratoriums and stepped up to provide social and affordable housing through this period.

"The vast majority of property investors are everyday Australians looking to provide for their own retirements who are also instrumental in providing the rental accommodation that is needed by the 27 per cent of Australians who rent their home.

"ATO data shows that the majority – just over 70 per cent – of investors own just one investment property.

"Continuing to support successful tax settings that encourage investment and has assisted investors throughout the COVID-19 pandemic is most welcome in a time of great uncertainty.

"We also do not want CGT to become overly punitive and disincentivise and discourage households from rightsizing. This will particularly be the case as Australia's population ages.

"We thank the Opposition for taking on board the advice of the real estate industry as practitioners working at the coalface of property markets and welcome the commitment to keep negative gearing as it is; and not increase capital gains tax," he said.

In 2019 REIA ran a major myth busting campaign about negative gearing and CGT to investors and tenants that reached over 10 million property customers.

Mr Kelly said REIA was renewing their commitment to axe taxes that impact on housing affordability.

"It is time for State and Federal Governments to get rid of punitive stamp duty once and for all; and this will be our centrepiece to the Government's recently announced parliamentary inquiry into housing supply led by Jason Falinski MP."

Mr Kelly also welcomed the Oppositions commitment to provide bi-partisan support of legislated tax cuts which puts more money back into hip-pockets and the economy.

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