



Premier's latest tax ambush

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TAXPAYERS are about to take another hit in the hip pocket.

The cash-strapped Iemma Labor Government will rip an extra \$13 million a year out of NSW taxpayers through five new tax measures, the State Opposition said yesterday.

They include an extra \$6 million in mortgage duty, \$5 million in land tax extensions and up to \$2 million from payroll tax extensions.

Opposition assistant treasury spokeswoman Peta Seaton said the "tax-grab legislation" introduced into Parliament was Labor squeezing more money from families and businesses in an attempt to plug its worsening Budget crisis.

Ms Seaton said in one of the most blatant tax grabs, around 600 blocks of land in the outer Sydney area would become liable for land tax because they no longer met the tougher business definition of "primary production".

She said more Sydney farmers would fail the test and more people would be forced into the land tax net.

Finance Minister Michael Costa accused her of taking "a serious piece of legislation" and turning it "into a political football".

Labor is extending payroll tax to include long-service and redundancy payments, and to some payments for employees in building industry funds.

Ms Seaton accused the Government of dishonesty in its claims to be closing mortgage duty "loopholes". She said the tax should have been abolished as part of the GST agreements.

"Not only are they refusing to abolish the tax that Bob Carr signed up to get rid of, but they are set to increase the revenue they get from it," she said.

The additional tax measures include:

- **MORTGAGE** duty measures (an extra \$6 million);
- **LAND** tax extensions (\$5 million);
- **PAYROLL** tax extensions (\$1-2 million), and
- **INCREASING** the age of eligibility for the First Home Plus scheme to 18.

Mr Costa said the legislation was designed to close tax avoidance loopholes for individuals and corporations.

"It also proposes changes designed to limit the primary production land tax concession in urban areas to genuine primary producers," he said.

"These measures make sure everybody pays their fair share of tax."