



Dominic Perrottet
Treasurer
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MEDIA RELEASE

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STAMP DUTY REFORM FIRST IN A GENERATION

NSW will be the first state or territory in Australia to index Stamp Duty brackets to CPI guaranteeing everyone in the housing market a fairer deal on future property transactions.

NSW Treasurer Dominic Perrottet said the reform was the most significant in a generation with the current system having remained largely unchanged for over 30 years.

“We haven’t seen any significant action on Stamp Duty brackets since 1986 when the median house price in Sydney was \$100,000, now it has climbed to \$1 million,” Mr Perrottet said.

“Whether you are a first homebuyer, a downsizer or upgrading to the family home you will ultimately benefit as a result of this reform.”

“Pegging stamp duty to CPI will reduce the tax burden on homebuyers allowing them to put more money towards a deposit.”

Over the past 15 years (2002-2017), bracket creep has resulted in the average rate of Stamp Duty payable increasing from 3.37 per cent to 4.05 per cent as the median house price in Sydney rose from around \$400,000 to \$1 million.

If Stamp Duty brackets had been indexed to CPI 15 years ago the amount payable on a \$500,000 home would today be around \$2,000 lower (an 11.0 per cent tax cut), while the Stamp Duty payable on a \$1.5 million home would be around \$6,400 lower (a 9.4 per cent tax cut).

“Thanks to a strong NSW Budget we are delivering consistent and genuine reform after being left to pick up the pieces following years of disastrous economic management under Labor,” Mr Perrottet said.

“The Liberal & Nationals Government is committed to addressing housing affordability, cutting taxes and easing the cost of living pressures for the people of NSW.”

“This reform is just another example of us delivering on our promise and combined with the introduction of new first homebuyer concessions it is now becoming easier for people to realise the dream of owning a home.”

The Stamp Duty brackets reform will affect transactions made on or after 1 July 2019.

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