

CHAPTER 4

LAND TAX

WHAT IS INCLUDED IN THE CATEGORY?

- 1 Land tax is imposed by all States except the Northern Territory on the ownership of land used for income producing purposes. States generally exempt a person's principal place of residence and land used for primary production, general government and charitable purposes. Some States offer other exemptions, for example, Tasmania exempts land owned by pensioners.
- 2 A land holder is liable for land tax when their aggregate taxable land holding exceeds a general deduction threshold. The tax payable is calculated on the combined value of the taxable land above the threshold and is subject to the State's tax rates.
- 3 Table 4-1 shows revenue from land tax is a more important revenue source for New South Wales and South Australia than for other States. For Victoria and Western Australia these figures include their metropolitan improvement levies; for South Australia they include land tax on government entities.

Table 4-1 Land tax category revenues, 2008-09

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Category revenue (\$m)	2 252.3	1 344.6	837.6	644.2	509.8	80.0	86.4	0.0	5 754.9
Total (\$pc)	319.87	250.63	192.57	292.27	316.26	159.91	248.46	0.00	265.92
Proportion of State revenue (%)	9.1	6.6	4.2	5.9	8.0	4.8	4.4	0.0	6.6

Source: Commission calculation using State data.

- 4 Land tax is the second smallest State own-source revenue. It contributed 6.6 per cent of own-source revenue in 2008-09 (see Table 4-2). Land tax averaged 5.5 per cent of State own-source revenue over the four years 2005-06 to 2008-09.

Table 4-2 Land tax as a proportion of State own source revenue

	2005-06	2006-07	2007-08	2008-09
Total for category (\$m)	3 760.0	4 518.0	4 525.0	5 754.9
Total own source revenue (\$m)	78 043.0	86 408.3	87 598.6	87 173.8
Proportion of total own source revenue (%)	4.8	5.2	5.2	6.6

Source: Commission calculation using ABS GFS data and State data.

- 5 Land tax revenue has increased by 53 per cent between 2005-06 and 2008-09. Revenue growth was particularly strong in Queensland (107 per cent), Western Australia (76 per cent) and South Australia (75 per cent).

The average revenue raising policy

- 6 Most States levy land tax on taxable land holdings and have a general deduction threshold, meaning low valued holdings are not taxed. The ACT taxes land on an individual taxable property basis and has no deduction threshold. The Northern Territory does not levy land tax.
- 7 Land tax is levied with progressive rates of tax, as shown in Table 4-3. The table also shows the general deduction thresholds.

Table 4-3 Marginal rates of land tax, 2009

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT
General deduction threshold (\$000)	368	250	600	250	110	25	0	na
Marginal tax rate (%) at:								
\$0.2 m	0.00	0.00	0.00	0.00	0.30	0.55	1.15	na
\$0.6 m	1.60	0.50	0.70	0.15	1.65	2.00	1.40	na
\$2.25 m	1.60	1.30	1.68	1.30	3.70	2.50	1.40	na
Over \$3.0 m	2.00	2.25	1.25	1.30	3.70	2.50	1.40	na

Note: na means not applicable. The Northern Territory does not impose land tax.

Queensland applies a lower threshold of \$350 000 to land owned by companies, trustees and absentees.

Source: State taxation tables, Chapter 6 of Volume 3.

- 8 Most States value land for tax purposes on the basis of site values. Queensland values land on an unimproved value basis.
- 9 In all States, except the ACT, the liability for land tax is assessed using the aggregate value of land held by an owner or a group of owners, less the value of any exempt land such as a principal place of residence. However, they differ in their treatment of land held by two or more people.
- In New South Wales and Victoria jointly owned land is assessed and taxed as if it was owned by a single owner. The land value is then allocated between the joint owners according to their interest in the land. Each person's interest in the joint land is aggregated with their other land holdings and they are taxed on the basis of the total

value of all taxable land holdings. To avoid double taxation, individuals are able to claim any land tax paid on the joint land as a credit towards their individual assessment.

- In Queensland, the value of jointly owned land is allocated between each owner and aggregated with any other holdings. Each owner is taxed on the basis of their total value of taxable land.
- In Western Australia, South Australia and Tasmania jointly owned land is assessed and taxed as if it was owned by a single owner. The assessment is kept separate from any other land owned individually or jointly by the joint owners. These States only aggregate the value of property when it is held by the same owner(s).
- The ACT taxes land owned jointly as if it was owned by one person. The ACT does not have a land tax-free threshold and does not aggregate the value of land held by an owner — each property is taxed individually.

ASSESSMENT APPROACH

Overview

- 10 Consistent with the terms of reference, the Commission investigated whether a simpler method could be used for the Land tax assessment.
- 11 The assessment approach makes a distinction between two types of revenue:
 - those for which a differential assessment is not made:
 - revenue raised from the metropolitan improvement levies imposed in Victoria and Western Australia; and
 - revenue raised from the imposition of land tax on government entities in South Australia; and
 - those for which a differential assessment is made — all other land tax.
- 12 The first type of revenue is assessed on an equal per capita basis and does not affect the relative fiscal capacities of the States.
- 13 Assessments for the second type of revenue affect State GST requirements because there are differences between the States in their capacities to raise revenue from differences in the value of property.
- 14 The Commission initially considered three approaches to determine States' capacity to raise the second type of revenue:
 - an econometric approach. Under this approach residential land values would be estimated using population and commercial and industrial land values would be estimated using employment patterns;
 - land value data published in the ABS *National Accounts*; and
 - taxable land values from State Revenue Offices (SROs).

- 15 No State supported the econometric approach. The ACT said it did not reflect what States do. Only Western Australia supported investigating the National Accounts measure. We decided against these approaches because they were less transparent and less consistent with how States impose the tax than approaches based on data from SROs or State Valuers General (VG).
- 16 Most States said the Commission should continue to measure the revenue base using VG land value data and focus on improving the comparability of that data, possibly by engaging a consultant. New South Wales and Victoria supported using SRO data, but acknowledged the difficulties of obtaining nationally consistent data.
- 17 Neither the SRO data nor the VG data are perfect. There are advantages and disadvantages in using each data source:
- VG data are more comparable between the States, but less accurately reflect how States levy land tax. The VG data is on a property basis. Because they value each parcel of land, the VGs are not able to provide information on the aggregated land holdings of individual owners and they cannot separate taxable residential land from non-taxable residential land (such as principal places of residence); and
 - the SRO land holdings data more closely reflect how States levy land tax. They exclude non-taxable land and they are based on the aggregated land holdings of individual owners. However, each State's data reflects the way it levies land tax — its scope and exemptions, its treatment of jointly owned property and its valuation approach. Consequently, SRO data are affected by individual State policies and are less comparable across States.
- 18 We sought State views on which data source we should use for the Land tax assessment. Victoria, Queensland, South Australia, Tasmania and the Northern Territory said the SRO holdings data were conceptually the better measure. However, they expressed concerns about the potential influence of State land tax policies on holdings data. For this reason, Queensland preferred VG data. New South Wales and Western Australia supported neither data source. They had reliability concerns with both and said SRO data were affected by interstate differences in land tax policy. Western Australia noted the values implied by each data source were quite disparate for some States. New South Wales said if SRO holdings data were used, it should be discounted heavily.
- 19 We think the SRO holdings data are preferable on conceptual grounds. All States, except the ACT and the Northern Territory, levy land tax on the aggregated land holdings of individual owners. The SRO holdings data are on this basis, the VG data are not. We believe States can continue to improve the comparability of their SRO data. While we have some concerns about comparability, we have decided to source our land data from State Revenue Offices.

Tax base indicator for the differential component

- 20 The revenue base for this component is the value of taxable land in each State, which we have measured using SRO data on the aggregated value of land holdings by land owner(s).

- 21 However, differences between States in their tax policies affect the SRO holdings data and reduce their comparability. We engaged a consultant on State taxation to provide advice on the major differences between the States in their land tax provisions. This work confirmed the major differences materially affecting tax collections and the comparability of data prepared by the SROs were:
- the variation in the thresholds and tax rates;
 - aggregation of land held individually and as a joint owner in New South Wales and Victoria;
 - company grouping provisions in New South Wales, Victoria and Tasmania;
 - assessment of beneficiaries of certain trusts in New South Wales and Victoria;
 - assessment of lessees and other users of Crown land in New South Wales, Victoria and Western Australia;
 - no exemption of local governments in Tasmania;
 - special tax in Victoria; and
 - land tax on transmission of easements in Victoria.
- 22 We consulted with States about the differences in their approaches to imposing land tax and the implications for SRO holdings data. As a result of those consultations, New South Wales, Victoria and Queensland adjusted their SRO data to make them more consistent with the way Western Australia, South Australia and Tasmania impose land tax. The biggest change was to treat joint owners as individual land holders and not aggregate their interest in jointly owned land with their other land holdings.¹
- 23 The valuations supplied by New South Wales, Queensland and the ACT were for each year, rather than the three year average they use to levy their land tax.
- 24 Queensland adjusted its values by two per cent to move them from an unimproved valuation to a site valuation, making them comparable to the land values of the other States.²
- 25 We increased the ACT land value data by two per cent to account for its different approach to imposing land tax — on an individual property basis rather than the aggregated holdings of individual land owners.
- 26 States experienced difficulties adjusting their holdings data where the value of the holdings was less than their general deduction threshold. New South Wales and Queensland expressed concerns about data quality below their deduction thresholds, which was important because, as shown in Table 4-3, their exemption levels were noticeably higher than those in other States. They also found it difficult to identify and remove values relating to principal places of

¹ It was easier for States that aggregated joint land with individuals' other land holdings to reverse this treatment than it was for other States to aggregate joint land holdings with individuals' other land holdings.

² This adjustment was recommended by the Australian Valuer General in previous inquiries. It has been retained in this review.

residence. Because of these concerns, we have assessed the value of holdings below an average deduction threshold of \$0.3 million (the weighted average of States' thresholds) equal per capita so they do not affect the relative fiscal capacities of the States.

- 27 The Northern Territory does not levy land tax and is not able to provide SRO data. We have estimated its holdings data by setting them to 0.6 per cent of the sum of the land holdings data for other States in each value range.³

Scaling

- 28 State data on the value of holdings is derived from their State revenue offices. It is usually the case that the total tax revenue implied by the State revenue office data on land holdings is not equal to the actual revenue provided to the ABS by State Treasuries and which we use to derive the average revenue for this component. The discrepancies may arise for many reasons, such as assessments are revised or are omitted from the initial data collection. Therefore the State revenue office data are rescaled to align them with the GFS data.
- 29 A State's revenue office data on both the value of holdings and the revenue raised in each value range are rescaled by its scaling proportion⁴.

Progressive tax rates

- 30 The 2004 Review method for Land revenue recognised that the average policy of the States was to apply land tax using progressive tax rates by including an adjustment (called a value distribution adjustment) to the commercial and industrial land value, which captured the effects of interstate differences in the proportion of higher valued properties and their impact on revenue capacities. Most States said the Commission should continue to make this adjustment in this review because it recognised the differences in revenue capacity of States arising from their application of progressive rates of tax.
- 31 All States that impose land tax do so using a progressive tax scale. A progressive tax scale is part of the average policy. Moreover, the data on land values indicate there are substantial differences between the States in the value distribution of land and allowing for those differences has a material effect on assessed revenue raising capacities and, hence, the distribution of the GST. Consequently, there is a strong conceptual case for including an adjustment to reflect the impact of progressive tax rates in the assessment.
- 32 We had proposed to make an adjustment for progressive rates of tax by grouping State revenues and land holdings data into three ranges. States disagreed on how many value ranges the Commission should use and where each range should begin and end. Some noted the choice of value ranges could affect the outcome. To avoid any unintended effects of using a small number of aggregated value ranges, we asked States to provide land revenue and land

³ This was its share of the Valuers General data over the five years of the 2009 Update.

⁴ Each State's scaling proportion is calculated as total revenue from its State revenue office data divided by its adjusted GFS land revenue data.

holdings data in increments of \$0.1 million up to one million dollars, in increments of \$0.5 million up to \$3 million and the range \$3 million and over.

- 33 We have estimated the impact of progressive rates of tax by:
- calculating the average rate of tax for each value range above \$0.3 million;
 - applying the average rate of tax to each State's value of land holdings in that range; and
 - aggregating the resulting revenues across value ranges.

Discounting

34 We remain concerned about the comparability of SRO data. We have, therefore, decided to apply the medium discount (25 per cent) to the Land tax assessment.

- 35 We have chosen the 25 per cent discount because:
- SRO data are affected by State policies, including differences in tax rates and thresholds, land tax policies and methods of aggregation;
 - three States (New South Wales, Victoria and Queensland) were asked to adjust their holdings data and provide data on a basis consistent with the treatment of jointly owned land in Western Australia, South Australia and Tasmania; and
 - despite these efforts, the Commission and the States have concerns over the comparability of the SRO data supplied by States.

THE ASSESSMENT METHOD

Overview

- 36 The category comprises two components:
- an equal per capita component; and
 - an 'other land tax' component, where the revenue base is measured using the aggregated value of land holdings by land owner(s).
- 37 The Commission measures the value of aggregated land holdings using SRO holdings data. The Commission asked the States to supply their SRO data of land values on a common basis — consistent with the treatment of jointly owned land in Western Australia, South Australia and Tasmania. The data exclude non-taxable land.
- 38 The revenue base is total taxable land holdings. Adjustments were made to these data:
- as the Northern Territory does not levy land tax, its land holdings data were set equal to 0.6 per cent of the sum of the other States;
 - land holdings below the average deduction threshold of \$0.3 million were assessed equal per capita so as not to affect the fiscal capacities of States. We did this because of State concerns about their ability to remove non-taxable land below their general deduction thresholds;

- to allow for the effects of progressive rates of tax, the remaining land holdings data were dissected into 12 value ranges. An average rate of tax was calculated for each range and applied to each State's holdings in that range. A State's assessed revenue was derived by summing across value ranges; and
- a discount of 25 per cent was then applied.

39 Table 4-4 shows the average effective rate of tax and estimated revenue for each value range. It also shows each State's aggregate estimated revenue.

Table 4-4 Average rates of land tax and State assessed revenues by value range, 2008-09

Value range	Tax rate	NSW	Vic	Qld	WA	SA	Tas	ACT	NT
	%	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
\$0 to \$0.1m	0.04	4.7	3.6	2.9	1.5	1.1	0.3	0.2	0.1
\$0.1m plus to \$0.2m	0.03	11.3	8.6	7.0	3.5	2.6	0.8	0.6	0.4
\$0.2m plus to \$0.3m	0.05	16.7	12.7	10.3	5.2	3.8	1.2	0.8	0.5
\$0.3m to \$0.4m	0.10	24.9	16.1	8.4	9.2	4.8	0.8	1.0	0.4
\$0.4m to \$0.5m	0.23	36.4	31.2	14.6	20.0	7.4	1.1	1.3	0.6
\$0.5m to \$0.6m	0.33	41.7	36.9	16.2	23.6	7.9	1.0	1.4	0.7
\$0.6m to \$0.7m	0.38	38.1	34.8	24.5	24.2	6.9	0.9	1.1	0.7
\$0.7m to \$0.8m	0.46	36.8	37.1	19.9	23.4	6.6	0.8	1.1	0.7
\$0.8m to \$0.9m	0.52	35.0	35.7	17.9	22.1	5.5	0.7	0.8	0.7
\$0.9m to \$1.0m	0.55	30.0	33.9	16.6	21.4	5.1	0.6	0.8	0.6
\$1.0m plus to \$1.5m	0.67	121.8	138.2	67.6	90.7	18.1	2.4	3.2	2.5
\$1.5m to \$2.0m	0.83	90.0	100.5	50.2	66.5	11.8	1.6	2.7	1.8
\$2.0m plus to \$2.5m	0.95	70.7	75.1	41.9	48.0	8.4	1.6	2.7	1.4
\$2.5m to \$3.0m	1.07	61.6	59.7	33.8	40.7	6.1	1.4	1.9	1.2
\$3.0m plus	1.56	1048.8	746.2	795.8	556.5	67.6	12.2	23.5	18.5
Assessed revenue before discounting		1668.5	1370.1	1127.6	956.7	163.6	27.4	43.0	31.0

Note: For each value range, assessed revenue was derived by applying the average rate of tax to the value of holdings in each State. Revenue in the value ranges below \$0.3 million was assessed equal per capita.

Source: Commission calculation.

40 Table 4-5 shows how the 25 per cent discount is applied. A State's assessed revenue is derived by weighting its assessed revenue before discounting by 75 per cent and an equal per capita assessment by 25 per cent.

Table 4-5 Applying the discount, 2008-09

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Assessed revenue before discounting	1 668.5	1 370.1	1 127.6	956.7	163.6	27.4	43.0	31.0	5 388.0
Equal per capita revenue (a)	1753.1	1335.7	1082.9	548.7	401.3	124.6	86.6	55.2	5388.0
Assessed revenue	1 689.7	1 361.5	1 116.5	854.7	223.1	51.7	53.9	37.1	5 388.0

(a) This is each State's equal per capita share of assessed revenue before discounting.

Source: Commission calculation.

41 Table 4-6 calculates total assessed revenue for all land tax by combining the assessments for the two components.

Table 4-6 Calculation of assessed revenue, 2008-09

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Equal per capita component									
Actual revenue (\$m)	0.0	107.0	0.0	82.2	177.7	0.0	0.0	0.0	366.9
Revenue base (million)	7.0	5.4	4.3	2.2	1.6	0.5	0.3	0.2	21.6
Average tax rate (\$pc)									16.95
Assessed revenue (\$m)	119.4	91.0	73.7	37.4	27.3	8.5	5.9	3.8	366.9
Other Land tax component									
Actual revenue (\$m)	2 252.3	1 237.6	837.6	561.9	332.2	80.0	86.4	0.0	5 388.0
Assessed revenue (\$m)	1 689.7	1 361.5	1 116.5	854.7	223.1	51.7	53.9	37.1	5 388.0
Total assessed revenue (\$m)	1 809.0	1 452.4	1 190.2	892.1	250.4	60.2	59.8	40.8	5 754.9

Source: Commission calculation.

42 Table 4-7 shows each State's actual and assessed revenue and assessed category factor.

Table 4-7 Calculation of revenue raising capacity, 2008-09

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Actual revenue (\$m)	2 252.3	1 344.6	837.6	644.2	509.8	80.0	86.4	0.0	5 754.9
Assessed revenue (\$m)	1 809.0	1 452.4	1 190.2	892.1	250.4	60.2	59.8	40.8	5 754.9
Population (million)	7.0	5.4	4.3	2.2	1.6	0.5	0.3	0.2	21.6
Assessed revenue per capita (\$pc)	256.92	270.73	273.64	404.75	155.33	120.32	171.81	184.21	265.92
Category factor	0.96614	1.01809	1.02902	1.52209	0.58414	0.45246	0.64610	0.69272	1.00000

Source: Commission calculation.

WHAT IS THE IMPACT ON THE GST DISTRIBUTION?

43 Table 4-8 shows the financial impact of the Land tax assessment. On average over the three years 2006-07 to 2008-09, New South Wales, Queensland and Western Australia are assessed to have above average revenue capacity. The assessment redistributes GST revenue from them to the other States.

Table 4-8 Impact on the GST distribution of the Land tax assessment

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Redist
Dollars million	-74.2	8.2	-62.3	-141.4	165.0	61.9	26.8	16.0	277.9
Dollars per capita	-10.41	1.51	-13.98	-62.50	101.20	122.52	75.83	70.83	12.62

Note: This is the difference from an equal per capita assessment derived using the 2009-10 GST from the *Mid-Year Economic and Fiscal Outlook 2009-10*.

Source: Commission calculation.

44 Table 4-9 provides a summary of the main reasons for changes in our recommendations since the 2009 Update. The main sources of the change are:

- shortening the review period from five to three years; and
- changes in the assessment method and data used, the biggest of which are:
 - changing the source of land data from VG data to SRO holdings data;
 - applying a 25 per cent discount, which has reduced the impact of the assessment; and
- changes in State circumstances.

Table 4-9 Changes since the 2009 Update, Land tax

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Redist
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Shortening the review period	85.7	33.0	-55.8	-63.9	0.1	-0.5	-1.9	3.4	122.1
Method changes	181.2	-162.5	-32.8	61.1	-24.1	-27.6	15.2	-10.4	257.5
State circumstances (a)	153.0	-2.0	-71.0	-110.4	16.5	7.7	3.8	2.4	183.4
Total	419.9	-131.5	-159.7	-113.3	-7.6	-20.4	17.1	-4.6	437.0

(a) States provided SRO holdings data for three years (2006-07 to 2008-09). Thus, the State circumstances line comprises more than a change in assessment data. It also comprises the impact of moving from VG data (used for 2005-06) to SRO holdings data (used for 2008-09).

Source: Commission calculation.

45 States were able to provide comparable SRO holdings data for three years (2006-07 to 2008-09). The impact of shortening the review period from five to three years has been measured using VG data (the land value data used in the 2009 Update). Shortening the review period increased the assessed revenue capacity of States with faster growing VG data — Queensland and Western Australia and to a lesser extent, Tasmania and the ACT.

46 The impact of method changes was varied:

- replacing VG data with value of SRO holdings data increases the assessed revenue capacity of Victoria, Queensland, Tasmania and the Northern Territory, because their share of holdings data was higher than their share of VG data. Table 4-10 shows these shares for 2008-09. This change increased the assessed revenue raising capacity of Victoria and Queensland, reducing their share of GST revenue by \$160 million and \$30 million respectively. It reduced the assessed revenue capacity of New South Wales, Western Australia and South Australia, increasing their share of GST revenue by \$76 million, \$50 million and \$25 million respectively;
- in this review the adjustment for progressive rates of tax has changed. It applies to all taxable values (in the previous inquiry it applied only to commercial and industrial properties). It has been calculated using 15 value ranges (in the previous inquiry 8 value ranges were used). These changes have increased the assessed revenue capacity of States with a greater proportion of holdings in the high value ranges — New South Wales, Queensland and Western Australia; and
- discounting reduces the impact of the land tax assessment on the distribution of GST revenue for all States. The discount reduced the assessed revenue capacity of New South Wales and Western Australia, increasing their share of GST revenue by \$75 million and \$10 million respectively. It increased the assessed revenue capacity of South Australia and Tasmania, reducing their shares of GST revenue by \$50 million and \$18 million.

47 The effect of changing State circumstances increases the assessed revenue capacity of States with faster growing land values. Table 4-11 show Queensland, Western Australia and the Northern Territory experienced above average growth in land values.

Table 4-10 Land values from different sources, 2008-09

Share of	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
	%	%	%	%	%	%	%	%	%
Taxable land holdings data	30.20	26.20	18.10	18.90	4.50	0.60	0.90	0.60	100.00
Value of commercial and industrial land	32.10	27.70	17.20	15.10	4.90	0.80	1.30	0.90	100.00
Residential land	35.10	26.50	16.80	12.80	5.70	1.10	1.60	0.40	100.00

Source: State provided data and, National accounts data sourced from ABS, Australian System of National Accounts, 2009, Cat. No. 5204.0, Table 61.

Table 4-11 Changes in taxable land value, 2006-07 to 2008-09

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
2006-07 (\$b)	260.1	196.0	104.0	74.0	31.2	8.0	7.7	3.8	684.8
2008-09 (\$b)	272.9	238.5	132.2	142.1	42.9	9.2	9.3	4.8	852.0
Change (%)	4.89	21.70	27.17	92.05	37.41	14.47	20.60	27.80	24.40

Source: Commission calculation.

UPDATE PROCESS

- 48 We recommend that all data used in these assessments be updated when new data become available to ensure the relativities remain contemporary and consistent with the circumstances of the States. On this basis, we expect that all data used in the calculation of the revenue bases and assessed revenues would be updated annually.

SIMPLIFICATION

- 49 The 2010 Review assessment is similar in concept to that undertaken in the previous review, but has been simplified.
- 50 The 2009 Update assessment had separate assessments for non-principal residences and commercial and industrial properties. The weight of each assessment was fixed — 30 per cent for non-principal residences and 70 per cent for commercial and industrial properties. The land value for non-principal residences had to be estimated using total residential land value and private renters' proportion from the ABS.
- 51 In the 2010 Review, the adoption of land holdings data means there is one assessment and there is no need to estimate non-principal residential land values.

FURTHER INFORMATION

- 52 Background material in support of this assessment is published on the Commission's website. That material includes the following documents, released for comment in the development of this assessment, together with State submissions responding to those documents:
- Commission issues paper *2005/01 Materiality and Reliability*;
 - Staff discussion paper *2006/07 Disaggregating Revenue*;
 - Staff discussion paper *2007/03 Proposed methods for Revenue assessments*;
 - Commission position paper *2008/6 Land tax*; and
 - *2010 Review Draft Report*.