

## TREASURER

### Written Questions on Notice provided by Richard Riordan MP

#### BP5 PAGE 161

1. Concerning land tax collections in the financial year 2018/19:
  - a) How many Special Land Tax assessments were issued.
  - b) What is the total amount of Special Land Tax payable under Special Land Tax Assessment Notices.
  - c) How many taxpayers paid land tax.
  - d) How many taxpayers received assessments falling within each of the five land tax brackets of total taxable value of land holdings of:
    - i) \$250,000 to < \$600,000;
    - ii) \$600,000 to < \$1,000,000;
    - iii) \$1,000,000 to < \$1,800,000;
    - iv) \$1,800,000 to < \$3,000,000;
    - v) \$3,000,000 and over.
  - e) What was the total value of all assessments falling within each of the five land tax brackets listed in (1d).

- a) Due to privacy reasons, the SRO is not able to provide this data.
- b) As above - Due to privacy reasons, the SRO is not able to provide this data.
- c) Land tax is annual tax that applies based on a calendar year. For the completed 2018 land tax year, the number of taxpayers to receive a land tax assessment was 383,933.
- d) The SRO does not have this data available or does not have the breakdown as specified in the question.
- e) The SRO does not have this data available or does not have the breakdown as specified in the question.

2. Concerning special land tax collections in the financial year 2018/19, how many land tax assessments were issued in each of the following categories due to the land no longer meeting the eligibility for an exemption:
  - a) Sporting, recreational or cultural land.
  - b) Rooming houses.
  - c) Residential care facilities and supported residential services.
  - d) Residential services for people with disabilities.
  - e) Caravan parks.
  - f) Land owned by a public statutory authority.
  - g) Land used as a mine.

The SRO does not collect the data or does not have the breakdown as specified in the question.

3. Concerning land tax collections in the financial year 2018/19, how many properties were affected under the following land tax codes used on land tax assessments:
  - a) PC - Property is in a parcel and is not the lead property.
  - b) CP - Caravan park exemption.
  - c) CHR - Charitable exemption.
  - d) DPR - Dual principal place of residence exemption.
  - e) Ret - Retirement village.
  - f) SH - Single holding.
  - g) RS - Residential service exemption.
  - h) PPL - Primary production land exemption.
  - i) Mine - Mine exemption.

- j) RES - Residential care.
- k) SPO - Outdoor club exemption.
- l) PPR BEN - Principal place of residence with beneficial interest.
- m) DIV 4 - Divisional 4 exemption.
- n) STAT - Statutory authority exemption.
- o) Mun - Municipality exemption.
- p) ARM - Armed services personnel exemption.
- q) LCA - Low cost accommodation.
- r) PPR - Principal place of residence exemption.
- s) FRS - Friendly society exemption.
- t) P (placed in front of the unimproved value) - Pro rata site valuation.
- u) Sec 9 - Any other exemption.
- v) CON - Construction for exempt uses.
- w) CROWN - Crown land.
- x) TS - Trust surcharge.

The SRO does not collect the data or does not have the breakdown as specified in the question.

4. Concerning land tax collections on electricity transmission easements in the financial year 2018/19, how much land tax in total was paid?

Due to privacy reasons, the SRO is not able to provide this data.

5. How many forms of notification of land held on trust have been lodged with the State Revenue Office?

There are a number of methods in which the SRO can be notified of land held on trust. The data is not readily available to the SRO or is not easy to collate a total figure for 2018-19.

6. Concerning land tax assessments in the financial year 2018/19, how many objections to land tax assessment or reassessment were received due to objections to the land valuation and how many were due to other objections?

As at 30 June 2019, for the 2018-19 financial year the SRO created a total of 1,232 formal land tax objection files. These do not all relate to the assessments for the 2019 land tax year as some will be for assessments for prior years.

7. Concerning land tax with absentee owner surcharge collections in the financial year 2018/19:
- a) How many taxpayers paid land tax with absentee owner surcharge.
  - b) How many taxpayers received land tax with absentee owner surcharge assessments falling within each of the five land tax brackets of total taxable value of land holdings of:
    - i) \$250,000 to < \$600,000;
    - ii) \$600,000 to < \$1,000,000;
    - iii) \$1,000,000 to < \$1,800,000;
    - iv) \$1,800,000 to < \$3,000,000;
    - v) \$3,000,000 and over.
  - c) What was the total value of all assessments falling within each of the five land tax brackets listed in (b).

- a) The number of taxpayers to be assessed for the absentee owner surcharge in 2018-19 was 3,026.
- b) The SRO does not collect the data or does not have the breakdown as specified in the question.
- c) The SRO does not collect the data or does not have the breakdown as specified in the question.

8. Concerning land tax trust surcharge collections in the financial year 2018/19:
- a) How many taxpayers paid the land tax trust surcharge.
  - b) How many taxpayers received assessments falling within each of the land tax trust surcharge brackets of total taxable value of land holdings of:
    - i) \$25,000 to < \$250,000;
    - ii) \$250,000 to < \$600,000;
    - iii) \$600,000 to < \$1,000,000;
    - iv) \$1,000,000 to < \$1,800,000;
    - v) \$1,800,000 to < \$3,000,000.
  - c) What was the total value of all assessments falling within each of the five land tax trust surcharge brackets listed in (b).

- a) The number of taxpayers for the 2018-19 financial year who were assessed on trust surcharge rates was 52,858.
- b) The SRO does not collect the data or does not have the breakdown as specified in the question.
- c) The SRO does not collect the data or does not have the breakdown as specified in the question.

9. Concerning payroll tax collections in the financial year 2018/19:
- a) How many employers paid payroll tax at the 4.85% rate.
  - b) How many employers paid payroll tax at the 3.65% rate.
  - c) What was the total amount collected from employers paying at the 4.85% rate.
  - d) What was the total amount collected from employers paying at the 3.65% rate.

Final data for payroll tax revenue for 2018-19 is not currently available.

10. Concerning land transfer duty collections in the financial year 2018/19:
- a) How many property transfers had values for duty of:

**a)**

i)	Up to \$25,000	1,589
ii)	\$25,001 to \$130,000	6,963
iii)	\$130,001 to \$960,000	149,005
iv)	More than \$960,000	26,976

**b)**

i)	Up to \$25,000	\$203,747
ii)	\$25,001 to \$130,000	\$11,708,621
iii)	\$130,001 to \$960,000	\$2,440,947,146
iv)	More than \$960,000	\$3,274,134,453

- i) up to \$25,000;
- ii) \$25,001 to \$130,000;
- iii) \$130,001 to \$960,000;
- iv) more than \$960,000.

- b) What was the aggregate amount of duty paid in respect of transfers with property values of:
  - i) up to \$25,000;
  - ii) \$25,001 to \$130,000;
  - iii) \$130,001 to \$960,000;
  - iv) more than \$960,000.

## BP5, PAGE 23, NOTE (A).

11. Could you please identify for the Committee whether previously 'amounts equivalent to dividends' in the 17/18 and 18/19 Budgets have been obtained and, in those years whether any additional 'amounts equivalent to dividends' have been obtained?

Of the 'amounts equivalent to dividends' that were included in the 2017-18 Budget and 2018-19 Budget, \$109 million was paid in 2016-17 and \$255 million in 2018-19. These payments were in accordance with the most recent budget estimates. No additional 'amounts equivalent to dividends' were paid in either year.

12. Budget Paper 3, page 230 dealing with the Department's objective to develop a competitive business environment including providing support for small businesses and ask regarding the Government's announcement to establish a Business Growth Fund in conjunction with two superannuation funds on the 7th June 2019 which I understand is designed to support Small and Medium Enterprises. Could you please advise the Committee on:
- the Fund's eligibility criteria for investment with SMEs;
  - whether the terms will be at commercial rates, discounted rates or at a premium; and
  - who will be making the final decisions on allocations – Ministers or public servants or the super funds?

- The Victorian Government, First State Super and VicSuper are continuing to work together to finalise the design of the fund, which is subject to a formal agreement. The full criteria for investment will be announced when the Victorian Business Growth Fund (VBGF) is launched.
- The terms of the fund will be developed during the design-phase and will be announced when the VBGF is launched.
- Investment decisions will be made by a high-quality, independent fund manager that will be selected through a competitive process.

13. What if any process was undertaken to determine the two particular superannuation funds announced to be contributing to these funds? What is the expected financial contribution from each entity?

In August 2018, superannuation funds were invited to express interest in partnering with government to develop a business growth fund.

First State Super and VicSuper expressed an interest and signed a Memorandum of Understanding to work with the Victorian Government to develop the Victorian Business Growth Fund.

The Victorian Government will make a \$50 million contribution to the \$250 million fund.

14. When will the fund commence operation?

Further details on how businesses can apply will be provided once the VGBF is launched.

## Written Questions on Notice provided by Sam Hibbins MP

### REFERENCE:

**QUESTION 15:** Why is only \$103 Million over five years of the approximately half a billion dollars in the sustainability fund allocated given the current waste crisis.

The Government has invested more than \$700 million from the Sustainability Fund since the 2015-16 financial year, including \$66.1 million in the *2019-20 Budget* to manage waste and recycling. The Government recognises there is more work to be done in this area, and has asked the Essential Services Commission to investigate whether the waste sector should be treated as an essential service, as well as commissioning a review of the landfill levy.

### REFERENCE:

### QUESTION 16:

- What financial, regulatory or other commitments were made by the government to secure Uber Air
- Has the government secured any Labour rights commitments from Uber in relation to Uber Air.
- How many "Flying Taxis" will be in the air by 2023.

The Victorian Government played a strong facilitation role in securing the first international trial of Uber Air. No financial assistance was provided to the company.

It is the Government's expectation that all Victorian workers have safe and fair working conditions and that any issues are raised and addressed by the appropriate regulator.

Whilst the operating model for Uber Air has not been determined it is anticipated that Uber will work with separate companies that will provide flight services. The number of vehicles and trips will be informed by the trial.

**REFERENCE:** Budget Paper 5, page 168

### QUESTION 17:

- The City of Melbourne received \$7m in grants from the congestion levy why do other councils, Port Phillip and Yarra covered by area of the levy not receiving any grants from the levy?
- Provide details on how the remaining \$93m raised from the congestion levy is allocated?

The State of Victoria has a Memorandum of Understanding with the City of Melbourne to fund transport initiatives. It is important that State and Local Government budgetary processes remain distinct and independent, and there are no plans to extend these arrangements to other councils.

The revenue from the Congestion Levy is paid into the consolidated fund and is used to provide a range of Government programs including transport infrastructure that makes Victoria a more liveable State.

**REFERENCE:** Budget Paper 5, page 23

**QUESTION 18:**

- Will the government direct the Victorian Funds Management Corporation to divest/exclude fossil fuels sector from its investments?

Under the Victorian Funds Management Corporation's (VFMC's) enabling legislation, the government is prevented from directing VFMC's investment decisions. This includes directing VFMC to divest and/or exclude fossil fuels from its investments.

The government is not aware of any other government, State or Federal, in Australia having sought to direct its central investment agency to divest of, or exclude, fossil fuel investments.

During the debate of the VFMC Amendment Bill, which was passed in 2016, the Greens sought to introduce provisions which would require VFMC to divest of, or exclude, fossil fuels from its investments. The proposed amendments were rejected by Parliament.

The key reason for this was Government's inability to direct VFMC, as outlined above.