

Media Release



Victorian
Farmers
Federation

31 August 2023

New tax on farms not the way to go

The Victorian Farmers Federation (VFF) has expressed disappointment in the [Victorian Parliamentary inquiry into stamp duty](#), which recommended Victoria should introduce a new broad-based land tax.

VFF President Emma Germano said farmers want to see stamp duty reform, but do not support any new taxes on farmland.

“The VFF acknowledges the need for tax reform and has been a staunch advocate for the abolition of stamp duty. Removing this outdated tax is needed to support economic development and to especially help young farmers seeking to buy their first property.”

“The VFF has consistently said the replacement should not come in the form of a broad-based land tax that could apply to primary production land.”

“We know land taxes have a disproportionate impact on farm businesses. This point was backed up by the Victorian Treasury in its evidence to the inquiry.”

“I am pleased the VFF’s evidence about introducing a land tax on farmland is contained in the inquiry’s report. This is an important warning to government over the negative consequences that would come from a new tax on farms.”

Ms Germano said the VFF’s alternative plan that would see stamp duty replaced through changes to federal taxation received support from the inquiry.

“We are encouraged to see our proposal to replace stamp duty through an expansion of the GST received support from the Parliamentary Inquiry. This approach aligns with our vision of a fairer and more sustainable tax system that doesn’t jeopardise the future of Victorian agriculture.”

Ms Germano also said the VFF was disappointed the inquiry failed to engage with the impact of stamp duty on young farmers.

“We’re disappointed the inquiry ignored issues concerning young farmers and the need to increase young farmer stamp duty concessions. Instead, the report focusses on concessions for first home buyers and doesn’t look at the effects of stamp duty on the economy holistically.”

Ms Germano concluded saying decision makers must heed the VFF’s warnings in looking at stamp duty reform.

“We call on the Victorian Parliament to carefully consider the potential consequences of implementing a broad-based land tax on primary production land and to explore alternative avenues for stamp duty reform,” Ms Germano said.

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