

Media Release



Victorian
Farmers
Federation

16 October 2023

Tax exemption for vacant farmhouses secured

The Victorian Farmers Federation (VFF) has welcomed clarification sought from the Victorian Government on the potential application of the Vacant Residential Land Tax to farm properties in regional Victoria.

Following Treasurer Tim Pallas' announcement that the government would extend the vacancy tax to regional areas, the VFF expressed serious concerns about the possible adverse effects for houses intended for farm workers.

VFF President Emma Germano said the Treasurer had responded to her letter that highlighted the VFF's concern and sought clarity on the government's position.

"I am pleased the Treasurer has responded directly to the VFF's advocacy by clarifying the extension of the vacant residential land tax will not apply to houses on primary production land."

"It is important the government understands that circumstances in regional areas are often far different to those in Melbourne."

"The application of this tax to vacant farmhouses would be completely unfair, given these houses are used for seasonal workers, or where a vacancy has been forced due to workforce shortages."

Ms Germano said that whilst the tax would not be applied to houses on primary production land, it could still apply to other properties used by farm businesses for worker accommodation.

"Whilst we appreciate the clarification, the VFF remains sceptical about the potential impact and execution of this policy."

"We remain concerned that there may be circumstances where houses used for farm workers are not located on farmland, and therefore may be subject to this new tax."

"It's important that we don't have policy on the run which unfairly treats farmers and leads to perverse outcomes."

"The VFF will closely monitor the implementation of the tax across regional communities."

"We hope for continued collaboration with the government to ensure a fair and reasonable approach that supports our vital agricultural sector while addressing broader housing and workforce issues," Ms Germano said.

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