



LAND TAX
9 February 2005

Mrs PENFOLD (Flinders): Can the Treasurer advise the house why State Revenue is sending land tax bills to widows and widowers immediately after the death of a partner when they continue to live in the principal place of residence?

A constituent has informed me of instances where widows and widowers have been issued land tax bills after the title of their residential property was changed following their partner's death. The constituent is very concerned that elderly people are paying the tax unwittingly, not realising that their principal place of residence is exempt.

The Hon. K.O. FOLEY (Treasurer): The principal place of residence is exempt, so I am not sure, at the very end of that question, about someone paying a land tax bill—

An honourable member interjecting:

The Hon. K.O. FOLEY: Can I answer the question; or do you want to answer it for me? It is your call. I have better things to do with my time than try to answer a question you would rather answer for me.

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: I am happy to answer the question, unless you would rather answer it for me.

The SPEAKER: The Treasurer will ignore interjections.

The Hon. K.O. FOLEY: Thank you, sir. I am trying to answer the question, if the opposition will allow me. The last part of the question suggested that a widower may have paid a land tax bill on their principal place of residence by mistake. I will get that checked. Clearly, mistakes will happen on a database of some 120 000 or 130 000 people. I suspect, if we go back over decades with Revenue SA, from time to time errors have occurred.

Mrs Geraghty interjecting:

The SPEAKER: Order! The member for Torrens does not need to assist the Treasurer. **The Hon. K.O. FOLEY:** It would not have been done deliberately; it would not be done through a lack of sensitivity. If it has occurred, I apologise: it would have been an error. Particularly MPs with databases, I am sure there have been situations from time to time where MPs have written to people where a partner may have passed away. Errors happen—

Mrs Penfold interjecting:

The Hon. K.O. FOLEY: Well, the member for Flinders said that this is happening regularly. I would like her to provide me with those details. I will seek a response. *The Hon. W.A. Matthew interjecting:*

The Hon. K.O. FOLEY: In a perfect world errors would not happen, but I think it would be a fair judgment by me that similar errors occurred under the previous administration. I defend Revenue SA as a department under my control; its staff are very diligent, hardworking, well meaning, decent public servants.

Mrs Penfold interjecting:

The Hon. K.O. FOLEY: Of course I will do something about it—like I do each time the member for Flinders asks me a question.

Mrs PENFOLD (Flinders): My question is to the Treasurer. Can the Treasurer advise the house what action he will take to reimburse all those people who are being incorrectly charged land tax on their principal place of residence? The land tax assessment notice presents with the total amount due and due date on the front of the notice. In fine print on the reverse of the bill is advice that land tax is not payable on the principal place of residence. Calls to my office and to the Liberal Party land tax

hotline indicate that many South Australians, in particular pensioners, have been paying land tax. Well you may laugh. This is serious for them.

Members interjecting:

The SPEAKER: Order! The member for West Torrens, for the second time, and that means next time he's jumped.

Mrs PENFOLD: In particular, pensioners have been paying land tax on their principal place of residence.

Mr Venning interjecting:

The SPEAKER: Order, the member for Schubert!

Mrs PENFOLD: They were unaware that they were eligible for this exemption. When these same errors arose a year ago, the Treasurer gave his assurance that he would seek advice from Revenue SA. One year later, problems are still occurring and still causing considerable financial difficulties and anxiety.

The Hon. K.O. FOLEY (Treasurer): I will refer that matter immediately to the State Taxation Commissioner, who has authority and responsibility for administering state taxation law. Of course, let us recall that the land tax threshold, as I always like to remind people, was, from memory, some \$80 000 under Labor when we were last in office and was reduced by the Liberals to \$50 000, to pick up a whole new batch of land tax payers. Again, I highlight the hypocrisy of members opposite. I am effectively being blamed for their policy initiative.

The SPEAKER: Order! The honourable the Deputy Premier knows that quite explicitly the question was: 'Will the people who have been compelled to pay land tax on their principal place of residence get a refund?'

Ms Chapman interjecting:

The SPEAKER: Order, the member for Bragg!

The Hon. K.O. FOLEY: As I said, I will refer that to the Tax Commissioner. The principal place of residence is not liable for land tax. I would be happy for the member to provide me with the people involved so that we can have an immediate look at it and if it has been incorrectly charged that should be and will be corrected.