

PRIMARY PRODUCERS — LAND TAX EXEMPTION

73. Mr F.A. ALBAN to the Minister for Finance:

Can the minister please update the house with details of the benefits that primary producers will receive from the recent amendments to the land tax primary production exemption?

Mr W.R. MARMION replied:

I thank the member for Swan Hills for the question. In fact, the amendments to the land tax primary production exemption will have a positive impact on some of the people in the member for Swan Hills' electorate, especially those who are carrying out primary production on non-rural land.

This is an example of the Liberal–National government delivering on reducing red tape, supporting small businesses and coming up with a fair and equitable land tax regime.

Several members interjected.

The SPEAKER: Member for West Swan, you are not answering this question. I call you to order for the first time.

Mr W.R. MARMION: As I was saying, this is another good example of the Liberal–National government reforming red tape and making it easier for small primary producers to conduct business in Western Australia. There are three primary reforms to land tax exemption. The first one is for those primary producers —

Several members interjected.

The SPEAKER: Member for Warnbro, I call you to order for the first time. I want to hear the answer.

Mr W.R. MARMION: We are getting on and doing stuff for small business, and this is a really good example. I hope to be able to get out my three reasons why this is a good example of what our government is doing.

Several members interjected.

The SPEAKER: Member for Mirrabooka!

Mr W.R. MARMION: I will make it easy for opposition members, because they are having trouble listening. To give the example of a wine producer, currently a wine producer who grows grapes and produces wine on a non-rural property gets no land tax exemption; they do in rural areas, but not in urban precincts. We are allowing those primary producers who are based on urban land to access the land tax exemption for that part of their land that is devoted to primary production. That is great news for primary producers.

Another problem for primary producers on non-rural land was that one-third of their income had to be from primary production. A primary producer may experience a bad year in which they will not produce any grapes, in which case they would not qualify for the exemption. We got rid of that constraint, so there is now a far better and less rigid test on the one-third income criterion.

Mr B.S. Wyatt interjected.

The SPEAKER: Member for Victoria Park!

Mr W.R. MARMION: The test is a simple test; it goes on ad infinitum, but if the property is a genuine business carrying out rural primary production, the primary producer will get the exemption.

The final important reform is that under the current rigid rules, landowners who have a trust fund or company, which is a modern practice these days, are not the owners for the purposes of the exemption. Now, however, if they are the landowner and the main beneficiary of the company, the land tax exemption will apply.

This is a great example of the Liberal–National government listening to our constituents. The member for Swan Hills has been doing that and passing on the concerns of his constituents to ministers, and ministers have changed the current red tape regulations to make a positive reform for taxpayers.