

The majority of taxpayers will experience only a modest increase in their land tax bills as a result of this change. For example, land tax payers with unimproved land valued up to \$1 million (around 80% of all land tax payers) will experience an increase of no more than \$70. Those with unimproved land valued up to \$500,000 (just under half of all land tax payers) will experience an increase of \$20 or less.

Table 7  
**LAND TAX INCREASE BY AMOUNT AND NUMBER OF TAXPAYERS<sup>(a)</sup>**

Threshold \$	Tax Payable		Tax Increase <sup>(b)</sup> \$	No of Taxpayers	Share of Taxpayers %
	Current \$	New \$			
300,000	0	0	0	0	0.0%
400,000	100	110	10	38,334	30.3%
500,000	200	220	20	21,676	17.1%
600,000	300	330	30	14,494	11.4%
700,000	400	440	40	10,184	8.0%
800,000	500	550	50	7,486	5.9%
900,000	600	660	60	5,543	4.4%
1,000,000	700	770	70	4,319	3.4%
2,000,000	6,000	6,570	570	16,293	12.9%
3,000,000	18,020	19,810	1,790	3,891	3.1%
4,000,000	31,720	34,910	3,190	1,528	1.2%
5,000,000	45,420	50,010	4,590	825	0.7%
10,000,000	126,070	138,560	12,490	1,324	1.0%
Over 10m				712	0.6%
				126,609	100.0%

(a) Based on data for the 2013-14 land tax assessment year.

(b) Due to the necessary rounding of land tax rates, the increase is not a uniform 10% across all thresholds.

## Motor Vehicle Taxes

### Motor Vehicle Registration Fees – Removal of Discount for Private Vehicles

From 1 July 2014, the licence fee discount for privately used motor vehicles will be abolished. The discount of \$36 is currently available to anyone who nominates that they drive their vehicle for non-business purposes, regardless of their income, the value of the vehicle, or how many kilometres the vehicle travels.

This measure is estimated to raise additional revenue of \$188.9 million over the next four years, including \$43.5 million in 2014-15.

Even after this measure, Western Australia will have the second lowest vehicle registration fees and compulsory third party premiums (combined) of any jurisdiction other than Tasmania.

### Vehicle Licence Duty – Motor Vehicle Dealers Trading Stock Exemption

A vehicle licence duty exemption is currently available for trading stock vehicles acquired by motor vehicle dealers. The exemption extends to trading stock vehicles that are used for minor incidental purposes.