

House of Representatives

Supplementary Order Paper

Tuesday, 10 November 2015

Taxation (Bright-line Test for Residential Land) Bill

Proposed amendments

Julie Anne Genter, in Committee, to move the following amendments:

Clause 4

In *clause 4*, new section *CB 6A* (page 3, line 4 to page 5, line 3), replace in each place it occurs “within 2 years” with “within 5 years”.

Clause 6

In *clause 6*, heading to new section *CB 16A* (page 5, line 25), replace “within 2 years” with “within 5 years”.

In *clause 6*, new section *CB 16A(2)(a)* (page 6, lines 4 and 5), replace “the 2 years” with “the 5 years”.

Clause 8

In *clause 8*, new sections *DB 18A* and *DB 18AB* (page 6, line 29 to page 8, line 4), replace in each place it occurs “within 2 years” with “within 5 years”.

Clause 10

In *clause 10*, new section *FB 3A(1)* (page 8, lines 18 to 19), replace in each place it occurs “within 2 years” with “within 5 years”.

Clause 11

In *clause 11*, new section *FC 9(2)* (page 9, line 26), replace “within 2 years” with “within 5 years”.

Clause 12

In *clause 12(1)* (page 10, line 7), replace “the 2-year” with “the 5-year”.

Clause 13

In *clause 13*, new section *FO 17(2) and (3)* (page 10, lines 14 to 35), replace in each place it occurs “the 2-year” with “the 5-year”.

Clause 14

In *clause 14*, new sections *GB 52 and GB 53* (page 11, line 1 to page 12, line 11), replace in each place it occurs “within 2 years” with “within 5 years”.

Clause 15

In *clause 15* (page 12, line 15 to page 14, line 30), replace in each place it occurs “within 2 years” with “within 5 years”.

Explanatory note

This Supplementary Order Paper extends the 2-year holding period to 5 years. A 2-year period is too short, and will still be relatively easy for speculators to avoid the rule by holding property just over 2 years. Most other OECD countries have a holding period of at least 5 years. Treasury also advised the Government that a bright-line test should be 5 years.