



Government of **Western Australia**
Department of **Treasury**

Overview of State Taxes and Royalties

2023-24

November 2023



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Acknowledgement of Country

This report was prepared by the Department of Treasury (WA Treasury) on the traditional Country of the Wadjuk people of the Noongar Nation.

WA Treasury respectfully acknowledges the Traditional Custodians of Country throughout Western Australia and their continuing connection to Country, Culture and Community. We pay our respects to all members of Western Australia's Aboriginal communities and their cultures and to Elders past and present.

We acknowledge and pay tribute to the strength and stewardship of Aboriginal people in sustaining the world's oldest living culture and value the contribution Aboriginal people make to Western Australia's communities and economy.

We recognise our responsibility as an organisation to work with Aboriginal people, families, communities, and organisations to make a difference and to deliver improved economic, social and cultural outcomes for Aboriginal people.

Further information relating to this report may be obtained by emailing info@treasury.wa.gov.au

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Introduction

The *Overview of State Taxes and Royalties, Western Australia* is prepared annually and provides information on State taxes and mineral and petroleum royalties.

The main body of the document provides the following information on major taxation and royalty categories:

- current rates;
- key exemptions and concessions;
- interstate comparisons; and
- revenue collections.

The **Summary Tables** indicate the contribution of each tax to total tax revenue and each royalty to total royalty collections.

Appendix 1 provides a summary of changes announced by the States and Territories between 1 November 2022 and 31 October 2023, a period which included the 2023-24 Budgets of all States and Territories.

Appendix 2 provides a summary of State taxes abolished in Western Australia under the GST agreement with the Commonwealth Government.

Appendix 3 provides a summary of historical changes to tax and royalty rates and concessions and exemptions in Western Australia.

More detail for each State tax should be sourced from relevant Acts of Parliament or regulations, or by contacting the relevant State revenue office.

While all care has been exercised in the preparation of this document, the Department of Treasury cannot guarantee that it is free of errors.

This [publication](#) can be downloaded from the Treasury website.

Summary Tables

STATE TAXES IN WESTERN AUSTRALIA

	2021-22 Actuals \$ million	2022-23 Actuals ^(a) \$ million	2023-24 Estimates ^(b) \$ million	As a % of Total
Payroll Tax	4,415.1	5,017.0	4,980.8	41.8%
Transfer Duty	2,336.4	2,112.7	1,847.4	15.5%
Foreign Buyers Surcharge	21.7	29.4	23.1	0.2%
Landholder Duty	278.4	316.7	118.4	1.0%
Land Tax	756.4	784.2	842.0	7.1%
Metropolitan Region Improvement Tax	84.9	88.8	96.9	0.8%
Insurance Duty	822.9	945.4	994.3	8.3%
Vehicle Licence Duty	578.9	670.9	575.1	4.8%
Motor Vehicle Registrations	1,120.4	1,204.7	1,263.0	10.6%
Gambling Taxes				
Lotteries Commission	217.6	221.0	186.6	1.6%
Casino Tax	49.2	56.2	54.0	0.5%
Betting Tax	121.3	127.8	115.7	1.0%
Other Fees and Levies				
Perth Parking Levy	54.5	53.5	59.9	0.5%
Landfill Levy	85.7	90.7	77.6	0.7%
Emergency Services Levy	374.6	398.9	398.3	3.3%
Loan Guarantee Fees	131.1	128.0	135.6	1.1%
Building and Construction Training Fund Levy	38.9	70.1	50.3	0.4%
Other ^(c)	76.1	41.3	34.5	0.3%
Other Taxes	69.9	70.0	61.1	0.5%
TOTAL STATE TAXATION	11,633.9	12,427.1	11,914.5	100%

(a) Annual Report on State Finances 2022-23.

(b) Estimates as at the 2023-24 Budget.

(c) Includes the Mining Rehabilitation Levy and the On-demand Transport Levy.

Note: Columns may not add due to rounding.

The Australian Bureau of Statistics' definition of taxes has been used for the basis of classifying revenue lines as taxes.

ROYALTY COLLECTIONS IN WESTERN AUSTRALIA

	2021-22	2022-23	2023-24	
	Actuals	Actuals ^(a)	Estimates ^(b)	As a % of
	\$ million	\$ million	\$ million	Total
ROYALTIES^(c)				
Iron Ore	9,917.5	9,079.3	5,972.3	74.8%
Lithium	261.4	1,042.6	928.4	11.6%
Gold	425.9	457.4	544.4	6.8%
Nickel	118.9	137.5	173.8	2.2%
Alumina	110.5	110.3	114.8	1.4%
Copper	90.1	57.0	57.9	0.7%
Mineral Sands	48.5	48.6	49.5	0.6%
Petroleum – State component	10.0	16.0	9.8	0.1%
Other	107.8	96.4	131.0	1.6%
TOTAL ROYALTIES	11,090.8	11,045.1	7,982.0	100%

(a) *Annual Report on State Finances 2022-23.*

(b) Estimates as at the 2023-24 Budget.

(c) Excludes North West Shelf grants, which were \$920.8 million in 2022-23 (inclusive of the Commonwealth's crude oil compensation).

Note: Columns may not add due to rounding.

Payroll Tax

Payroll tax was originally introduced by the Commonwealth Government on 2 May 1941. In 1971, responsibility for this tax was passed to the States, at which time the Commonwealth payroll tax rate was 2.5% and the exemption threshold \$20,800.

An employer (or a group of employers) is currently liable for payroll tax on wages paid or payable in Western Australia when its total Australia-wide wages exceed \$1,000,000 per year (\$83,333 per month).

A diminishing exemption threshold applies for employers with taxable wages between \$1,000,000 and \$7,500,000. As taxable wages increase from \$1,000,000, the exemption threshold is reduced until there is no exemption threshold by \$7,500,000. Employers with annual Australia-wide taxable wages of \$7,500,000 or more are liable for payroll tax on their entire taxable wages.

Payroll tax is generally paid monthly¹ on the basis of total wages (including employer-funded superannuation benefits, fringe benefits, and eligible termination payments) paid to employees in the preceding month. It is collected under the *Pay-roll Tax Assessment Act 2002* and *Pay-roll Tax Act 2002*, which are administered by the Commissioner of State Revenue.

¹ Employers with an annual tax liability below \$20,000 can elect to pay their payroll tax on an annual basis. Additionally, employers with an annual tax liability between \$20,000 and \$150,000 can elect to pay their payroll tax on a quarterly basis. Eligible employers must make an application to the Commissioner of State Revenue to change the lodgement frequency for their returns from a monthly to an annual or quarterly basis.

Rate of Tax

Annual Payroll \$	Annual Tax Payable
0 – 1,000,000	Nil
1,000,001 – 7,499,999	5.5% x [WA Wages – Adjusted Threshold] ^(a)
7,500,000+	5.5% x WA Wages

a) In its simplest form (for a local, non-group employer), the Adjusted Threshold is calculated as: $1,000,000 - ((\text{WA Wages} - 1,000,000) \times 0.1538)$. The taper rate of 0.1538 is calculated as: $1,000,000 / (7,500,000 - 1,000,000)$.

Exemptions and Concessions

Payroll tax exemptions are available primarily to charitable institutions, religious institutions, government departments, certain public health service providers and schools below tertiary level.

The wages of all apprentices who are undertaking training under an approved training contract are exempt. The payroll tax exemption for new employee trainees earning up to \$100,000 per annum will continue to apply for the nominal duration of training contracts registered with the Department of Training and Workforce Development before 1 July 2019.

Wages paid to eligible new employees who are persons with disabilities or new Indigenous employees (for certain employers) are also exempt for the first two years of employment.

Parental leave, defence force leave, volunteer emergency services work, payments of workers' compensation and certain prescribed fringe benefits paid by employers to employees in remote areas are also exempt.

Interstate Comparison

PAYROLL TAX SCALES

	WA	NSW	VIC	QLD	SA	TAS	ACT	NT
Exemption Threshold (\$)	1,000,000	1,200,000	700,000	1,300,000	1,500,000 ^(a)	1,250,000	2,000,000	1,500,000
Max Rate (%)	5.50	5.45	6.85 ^(b)	5.70 ^{(c)(d)}	4.95	6.10	6.85	5.50
Tax Scale	Effective rate slides from 0% at \$1m to 5.5% at \$7.5m and above	Marginal rate of 5.45% of payroll in excess of \$1.2m	Marginal rate of 4.85% of payroll between \$700,000 and \$10m, 5.85% of payroll between \$10m and \$100m, and 6.85% of payroll in excess of \$100m	Effective rate slides from 0% at \$1.3m to 4.96% at \$10.4m. Marginal rate of 5.2% of payroll between \$10.4m and \$100m, and 5.7% of payroll in excess of \$100m	Marginal rate slides from 0% at \$1.5m to 4.95% at \$1.7m and above	Marginal rate of 4.0% of payroll between \$1.25m and \$2m, and 6.1% of payroll in excess of \$2m	Marginal rate of 6.85% of payroll in excess of \$2m	Effective rate slides from 0% at \$1.5m to 5.5% at \$7.5m and above

- (a) The \$1.5 million threshold determines whether a taxpayer has a payroll tax liability and the total taxable wages of a taxpayer determines its payroll tax rate. The payroll tax rate is then applied to total taxable wages less \$600,000.
- (b) A base rate of up to 4.85% (or 1.2125% for eligible regional employers), a mental health and wellbeing levy of up to 1.0%, and a temporary COVID-19 debt repayment surcharge of up to 1.0% (ceasing 1 July 2033) applies. Businesses pay a 0.5% levy and 0.5% surcharge on national wages exceeding \$10 million, and a further 0.5% levy and 0.5% surcharge on national wages exceeding \$100 million.
- (c) From 1 July 2019 to 30 June 2030, eligible regional employers in Queensland are entitled to a 1.0% payroll tax rate discount.
- (d) A base rate of up to 4.95% and a mental health levy of up to 0.75% applies. Businesses pay a 0.25% levy on national wages exceeding \$10 million, and a further 0.5% levy on national wages exceeding \$100 million.

TAX PAYABLE AT SELECTED PAYROLLS

Annual Payroll	WA	NSW	VIC^(a)	QLD^(a)	SA	TAS	ACT	NT
\$	\$	\$	\$	\$	\$	\$	\$	\$
1,000,000	—	—	14,550	—	—	—	—	—
2,000,000	63,462	43,600	63,050	38,000	69,300	30,000	—	34,375
5,000,000	253,846	207,100	208,550	200,857	217,800	213,000	205,500	240,625
10,000,000	550,000	479,600	451,050	492,171	465,300	518,000	548,000	550,000
50,000,000	2,750,000	2,659,600	2,791,050	2,575,000	2,445,300	2,958,000	3,288,000	2,750,000
100,000,000	5,500,000	5,384,600	5,716,050	5,175,000	4,920,300	6,008,000	6,713,000	5,500,000

(a) Excluding the concessional rate for regional employers.

AVERAGE TAX RATES

Annual Payroll	WA	NSW	VIC^(a)	QLD^(a)	SA	TAS	ACT	NT
\$	%	%	%	%	%	%	%	%
1,000,000	—	—	1.46	—	—	—	—	—
2,000,000	3.17	2.18	3.15	1.90	3.47	1.50	—	1.72
5,000,000	5.08	4.14	4.17	4.02	4.36	4.26	4.11	4.81
10,000,000	5.50	4.80	4.51	4.92	4.65	5.18	5.48	5.50
50,000,000	5.50	5.32	5.58	5.15	4.89	5.92	6.58	5.50
100,000,000	5.50	5.38	5.72	5.18	4.92	6.01	6.71	5.50

(a) Excluding the concessional rate for regional employers.

Changes to the Rate Scale

On 1 July 2023, the 6% and 6.5% rates applied to wages above \$100 million and \$1.5 billion respectively reverted to 5.5%.

Refer to Appendix 3 for historical changes to rates.

Changes to Exemptions and Concessions

No changes to exemptions or concessions apply in 2023-24.

Refer to Appendix 3 for historical changes to exemptions and concessions.

Payroll Tax Collections

WESTERN AUSTRALIA		
	Revenue Collections \$m	Change (Nominal) %
2014-15	3,602.4	1.0
2015-16	3,502.3	-2.8
2016-17	3,265.8	-6.8
2017-18	3,278.6	0.4
2018-19	3,565.3	8.7
2019-20	3,642.2	2.2
2020-21	3,748.2	2.9
2021-22	4,415.1	17.8
2022-23 ^(a)	5,017.0	13.6
2023-24 ^(b)	4,980.8	-0.7

(a) *Annual Report on State Finances 2022-23.*

(b) *2023-24 Budget estimate.*

Transfer Duty and Landholder Duty

Transfer Duty

Duty on the transfer of property was originally introduced on 1 October 1841 at a rate of one pound for every one hundred pounds.

Transfer duty (which replaced stamp duty on conveyances under the previous *Stamp Act 1921*) is paid by the purchaser of dutiable property on the dutiable value of the property transferred. Dutiable property includes land, rights, things fixed to land and certain fixed infrastructure rights, mining tenements, derivative mining rights and business assets. Duty is collected under the *Duties Act 2008*, which is administered by the Commissioner of State Revenue.

A foreign transfer duty surcharge of 7% applies in addition to transfer duty on the purchase of residential property by a foreign person.

Rate of Tax

Dutiable Value	Rate of Duty
\$0 to \$120,000	\$1.90 per \$100 or part thereof
\$120,001 to \$150,000	\$2,280 and \$2.85 per \$100 above \$120,000
\$150,001 to \$360,000	\$3,135 and \$3.80 per \$100 above \$150,000
\$360,001 to \$725,000	\$11,115 and \$4.75 per \$100 above \$360,000
Above \$725,000	\$28,453 and \$5.15 per \$100 above \$725,000

Exemptions and Concessions

Designated government authorities, charities, certain first home buyers and the transfer of a principal place of residence between spouses from single to joint ownership (including de-facto spouses) are exempt.

Exemptions are also available for the transfer of family farms from one family member to another as well as certain transactions involving tightly controlled corporate groups.

Concessions apply to the purchase of a small business or principal place of residence below \$200,000.

Further concessions for home buyers are detailed in the table that begins on page 14.

Interstate Comparison

The tables below provide interstate comparisons of transfer duty based on the general scales (i.e. not the scales applicable to principal places of residence). Transfer duty does not apply to non-real property transactions in New South Wales, Victoria, South Australia, Tasmania, the Australian Capital Territory and the Northern Territory.

TRANSFER DUTY SCALES

General

	WA	NSW	VIC	QLD	SA ^(a)	TAS	ACT ^(b)	NT
Min Threshold	–	–	–	\$5,000	–	–	–	–
Max Threshold	\$725,001	\$1,168,001 ^(c)	\$2,000,001	\$1,000,001	\$500,001	\$725,001	\$1,455,001	\$5,000 000
Min Rate	1.9% ^(d)	1.25%	1.4%	1.5%	1.0%	1.75%	1.20%	1.5% ^(e)
Max Rate	5.15%	5.5%	6.5% ^(f)	5.75%	5.5%	4.5%	4.54%	5.95%

(a) From 1 July 2018, South Australia abolished transfer duty on non-residential and non-primary production land.

(b) These rates apply to non-commercial property (excluding principal places of residence). A separate rate applies to transfers of commercial property – a flat rate of 5% on properties valued at more than \$1.8 million.

(c) Since 1 July 2019, transfer duty thresholds in NSW are indexed for inflation.

(d) A concessional rate applies to the purchase of a small business valued at less than \$200,000.

(e) For conveyances valued at \$525,000 or less, duty is derived by the formula $D = (0.06571441 \times V^2) + 15V$, where D = duty payable in \$ and V = value of property transferred divided by 1,000.

(f) Since 1 January 2021, a 50% duty reduction is applicable to commercial, industrial and extractive industry property purchases in regional Victoria.

TRANSFER DUTY PAYABLE ON SELECTED PROPERTY VALUES

General

Property Value	WA	NSW	VIC	QLD	SA	TAS	ACT	NT
\$	\$	\$	\$	\$	\$	\$	\$	\$
100,000	1,900	1,745	2,150	1,925	2,830	2,435	1,200	2,157
200,000	5,035	5,245	7,070	5,425	6,830	5,935	2,400	5,629
300,000	8,835	8,745	13,070	8,925	11,330	9,935	4,600	10,414
400,000	13,015	12,735	19,070	12,425	16,330	13,998	8,000	16,514
500,000	17,765	17,235	25,070	15,925	21,330	18,248	11,400	23,929
750,000	29,740	28,485	40,070	26,775	35,080	28,935	22,200	37,125
1,000,000	42,615	39,735	55,000	38,025	48,830	40,185	36,950	49,500
5,000,000	248,615	258,055	305,000	268,025	268,830	220,185	227,000	297,500
10,000,000	506,115	533,055	630,000	555,525	543,830	445,185	454,000	595,000

AVERAGE TAX RATES

General

Property Value	WA	NSW	VIC	QLD	SA	TAS	ACT	NT
\$	%	%	%	%	%	%	%	%
100,000	1.90	1.75	2.15	1.93	2.83	2.44	1.20	2.16
200,000	2.52	2.62	3.54	2.71	3.42	2.97	1.20	2.81
300,000	2.95	2.92	4.36	2.98	3.78	3.31	1.53	3.47
400,000	3.25	3.18	4.77	3.11	4.08	3.50	2.00	4.13
500,000	3.55	3.45	5.01	3.19	4.27	3.65	2.28	4.79
750,000	3.97	3.80	5.34	3.57	4.68	3.86	2.96	4.95
1,000,000	4.26	3.97	5.50	3.80	4.88	4.02	3.70	4.95
5,000,000	4.97	5.16	6.10	5.36	5.38	4.40	4.54	5.95
10,000,000	5.06	5.33	6.30	5.56	5.44	4.45	4.54	5.95

The tables below provide interstate comparisons of transfer duty based on the duty scales applicable to transfers of principal places of residence for Australian residents.

TRANSFER DUTY SCALES

Principal Place of Residence

	WA	NSW	VIC	QLD	SA	TAS	ACT	NT
Min Threshold	–	–	–	–	–	–	–	–
Max Threshold	\$725,001	\$3,505,001 ^(a)	\$2,000,001 ^(b)	\$1,000,001	\$500,001	\$725,001	\$1,455,001	\$5,000,000
Min Rate	1.5% ^(c)	1.25%	1.4%	1.0%	1.0%	1.75%	0.60% ^(d)	1.5% ^(e)
Max Rate	5.15%	7.0%	6.5%	5.75%	5.5%	4.5%	4.54%	5.95%

(a) Since 1 July 2019, transfer duty thresholds in NSW are indexed for inflation.

(b) Concessional rates apply to principal places of residence valued between \$130,000 and \$550,000.

(c) A concessional rate applies to principal places of residence valued at less than \$200,000.

(d) A concession on duty payable applies to principal places of residence valued up to \$1,455,000.

(e) For conveyances valued at \$525,000 or less, duty is derived by the formula $D = (0.06571441 \times V^2) + 15V$, where D = duty payable in \$ and V = value of property transferred divided by 1,000.

TRANSFER DUTY PAYABLE ON SELECTED PROPERTY VALUES

Principal Place of Residence

Property Value	WA	NSW	VIC	QLD	SA	TAS	ACT	NT
\$	\$	\$	\$	\$	\$	\$	\$	\$
100,000	1,500	1,745	2,150	1,000	2,830	2,435	490	2,157
200,000	5,032	5,245	6,370	2,000	6,830	5,935	980	5,629
300,000	8,835	8,745	11,370	3,000	11,330	9,935	2,154	10,414
400,000	13,015	12,735	16,370	5,250	16,330	13,998	5,554	16,514
500,000	17,765	17,235	21,970	8,750	21,330	18,248	8,954	23,929
750,000	29,740	28,485	40,070	19,600	35,080	28,935	19,754	37,125
1,000,000	42,615	39,735	55,000	30,850	48,830	40,185	34,504	49,500
5,000,000	248,615	280,480	305,000	260,850	268,830	220,185	227,000	297,500
10,000,000	506,115	630,480	630,000	548,350	543,830	445,185	454,000	595,000

AVERAGE TAX RATES

Principal Place of Residence

Property Value	WA	NSW	VIC	QLD	SA	TAS	ACT	NT
\$	%	%	%	%	%	%	%	%
100,000	1.50	1.75	2.15	1.00	2.83	2.44	0.49	2.16
200,000	2.52	2.62	3.19	1.00	3.42	2.97	0.49	2.81
300,000	2.95	2.92	3.79	1.00	3.78	3.31	0.72	3.47
400,000	3.25	3.18	4.09	1.31	4.08	3.50	1.39	4.13
500,000	3.55	3.45	4.39	1.75	4.27	3.65	1.79	4.79
750,000	3.97	3.80	5.34	2.61	4.68	3.86	2.63	4.95
1,000,000	4.26	3.97	5.50	3.09	4.88	4.02	3.45	4.95
5,000,000	4.97	5.61	6.10	5.22	5.38	4.40	4.54	5.95
10,000,000	5.06	6.30	6.30	5.48	5.44	4.45	4.54	5.95

Foreign Transfer Duty Surcharge

Since 1 January 2019, a 7% foreign transfer duty surcharge has applied to purchases of Western Australian residential property by foreigners, including individuals, corporations and trusts. The surcharge is in addition to transfer duty payable.

The surcharge is restricted to residential property but excludes commercial residential property such as hotels, student accommodation and retirement villages, and mixed use properties that are used primarily for commercial purposes. The foreign transfer duty surcharge paid on land acquired for residential developments of ten or more properties may subsequently be refunded.

The surcharge applies to the proportion of the dutiable value of the residential property transferred to foreign persons.

FOREIGN TRANSFER DUTY SURCHARGE								
	WA	NSW ^(a)	VIC	QLD	SA	TAS ^(b)	ACT	NT
Rate	7%	8%	8%	7%	7%	8%	–	–

(a) A foreign transfer duty surcharge exemption applies to citizens of Finland, Germany, India, Japan, New Zealand, Norway, South Africa and Switzerland.

(b) Tasmania has a Foreign Investor Duty Surcharge of 1.5% for primary production land.

Transfer Duty Concessions for Home Buyers

WA	<p>First home buyers are exempt from duty on new and established homes valued up to \$430,000 (phasing out at \$530,000) and vacant land valued up to \$300,000 (phasing out at \$400,000).</p> <p>A concessional rate applies to principal places of residence valued at less than \$200,000.</p> <p>A duty exemption applies to gifts of property (including homes) to a Special Disability Trust.</p> <p>An off-the-plan transfer duty concession capped at \$50,000 applies to eligible contracts entered into between 31 August 2023 and 30 June 2025. It applies to owner occupiers and investors who enter into a pre- or under construction contract to purchase a new residential unit or apartment in a multi-tiered strata scheme.</p> <p>For pre-construction contracts, the concession provides a full duty exemption for properties valued up to \$650,000, phasing to a 50% concession for properties valued at \$750,000 or more.</p> <p>For under construction contracts, a 75% duty concession applies to properties valued up to \$650,000, phasing to a 37.5% concession for properties valued at \$750,000 or more.</p>
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NSW	<p>First home buyers are exempt from duty on new and established homes valued up to \$800,000 (phasing out at \$1 million) and vacant land valued up to \$350,000 (phasing out at \$450,000).</p> <p>A duty exemption applies to gifts of property (including homes) to a Special Disability Trust.</p> <p>A transfer duty liability deferral of up to 12 months is available on off-the-plan purchases where the property is to be occupied as the purchaser's principal place of residence.</p> <p>An annual property tax applies to first home buyer property purchases opted into the First Home Buyer Choice scheme on or before 30 June 2023.</p> <p>A \$10,000 duty rebate applies to property purchased by teachers working in regional schools.</p>
VIC	<p>First home buyers, pensioners and holders of a Commonwealth seniors health card are exempt from duty on purchases of new and established homes valued up to \$600,000 (phasing out at \$750,000).</p> <p>A principal place of residence concession applies to new and established homes valued between \$130,000 and \$550,000.</p> <p>Farmers aged below 35 may be eligible for a duty exemption or concession on buying their first single parcel of farmland. A full duty exemption is available for farmland valued up to \$600,000 and a duty concession for farmland valued from \$600,001 to \$750,000.</p> <p>A duty exemption applies to gifts of property (including homes) up to \$1.5 million to a Special Disability Trust, where the gift is made by a family member of an eligible beneficiary of the trust.</p> <p>A duty concession applies to off-the-plan sales of principal places of residence. This concession operates by applying duty to the contract price after allowing a deduction for the cost of construction after the contract date.</p>
QLD	<p>First home buyers are exempt from duty on property values up to \$500,000 (phasing out at \$550,000) and vacant land valued up to \$250,000 (phasing out at \$400,000).</p> <p>A concessional rate scale applies to principal places of residence.</p> <p>A duty exemption applies to the transfer of property to the trustee of a Special Disability Trust where the property is the principal place of residence of the beneficiary of the trust.</p>
SA	<p>First home buyers are exempt from duty on new homes valued up to \$650,000 (phasing out at \$700,000) and vacant land valued up to \$400,000 (phasing out at \$450,000).</p> <p>For those whose homes were destroyed in a specified bushfire or flood area, stamp duty relief up to a maximum of \$48,830 is available for the purchase of a replacement home.</p> <p>Relief is also available on the purchase of vacant land if a replacement home will be built on it within three years.</p> <p>A duty exemption applies to gifts of property to a Special Disability Trust where the property is the principal place of residence for the beneficiary of the trust.</p>

TAS First home buyers receive a 50% transfer duty discount on the purchase of an established home valued up to \$600,000.

A 50% transfer duty discount is available to eligible pensioners who sell their former home and downsize to another existing home with a value less than their former home and also no more than \$600,000.

A duty exemption applies to the transfer of property to the trustee of a Special Disability Trust where the property is the principal place of residence of the beneficiary of the trust.

ACT No duty is payable on the purchase of any home or land if the home buyer's total gross income is no greater than \$170,000 (plus \$3,330 for each dependent child, to a maximum of \$186,650) and the home buyer has not owned any other property in the past two years. The concession applies to vacant residential land and new and established homes of any value.

Eligible owner-occupiers pay no duty on off-the-plan unit purchases valued at \$700,000 or less.

Eligible pensioners are exempt from duty on the purchase of new and established homes worth up to \$550,000 and vacant residential land worth up to \$373,000. A concessional rate applies to homes worth between \$550,001 and \$765,000 and vacant land worth between \$373,001 and \$450,000. The concession applies to transactions entered into after 1 July 2022. Eligible pensioners are also able to defer any duty that they may be required to pay.

Home buyers who would have been eligible for the previous First Home Owner Grant (e.g. new home valued at no more than \$1 million) may apply for a deferral of transfer duty of up to 10 years.

ACT residents who have a long-term and permanent disability and qualify for funding under the National Disability Insurance Scheme are exempt from transfer duty on the purchase of new and established homes valued up to \$1 million.

A duty exemption applies for transfers of residential leases to a Special Disability Trust where the property is used as the principal place of residence of the beneficiary of the trust.

A duty exemption applies for first transfers of unit-titled dwellings valued up to \$800,000 on dual occupancy residential blocks.

NT A duty exemption applies to gifts of property (including homes) to a Special Disability Trust.

Between 1 July 2022 and 1 July 2027, a duty exemption will apply to acquisitions of newly developed land on which there is, or will be, a home constructed.

Home Buyer Grants

WA A \$10,000 First Home Owner Grant is available to first home buyers who purchase or build a new home. The grant applies to homes up to the value of \$750,000 (or up to \$1 million if the home is located north of the 26th parallel).

The Home Buyers Assistance Account (funded from interest earnings on real estate agents' trust accounts) provides a grant of up to \$2,000 for the incidental expenses of first home buyers who purchase an established or partially built home valued up to \$400,000 through a licensed real estate agent.

NSW	A \$10,000 First Home Owner Grant is available for eligible first home buyers who purchase a new home up to the value of \$600,000 or build a new home up to \$750,000.
VIC	A \$10,000 First Home Owner Grant is available to eligible first home buyers who purchase or build a new home up to the value of \$750,000.
QLD	A \$15,000 First Home Owner Grant is available for eligible first home buyers who purchase or build a new home up to the value of \$750,000.
SA	A \$15,000 First Home Owner Grant is available for eligible first home buyers who purchase or build a new home up to the value of \$650,000.
TAS	A \$30,000 First Home Owner Grant is available for contracts signed between 1 April 2021 and 30 June 2024.
ACT	N/A.
NT	<p>A \$10,000 First Home Owner Grant is available for eligible first home buyers who buy or build a new home, with no value cap applying.</p> <p>A \$2,000 Household Goods Grant is available to first home buyers who qualify for the First Home Owner Grant. It is intended to help first home buyers purchase household goods for their home.</p>

Changes to the Rate Scale

No changes to rates apply in 2023-24.

Refer to Appendix 3 for historical changes to rates.

Changes to Exemptions and Concessions

From 11 May 2023, the existing off-the-plan transfer duty scheme for pre-construction contracts was extended from 24 October 2023 to 30 June 2025 and the exemption and concession thresholds increased from \$500,000 and \$600,000 to \$650,000 and \$750,000 respectively.

From 31 August 2023, off-the-plan transfer duty rebates were converted to transfer duty concessions.

From 31 August 2023, the off-the-plan transfer duty concession was extended to provide apartments under construction with a 75% concession of duty for properties valued up to \$650,000, phasing to a 37.5% concession for properties valued at \$750,000 or more.

From 1 January 2023, land is no longer required to be vacant or substantially vacant for foreign developers to be eligible for a foreign buyers duty exemption when constructing or refurbishing 10 dwellings or subdividing land for the purposes of developing 10 dwellings.

Refer to Appendix 3 for historical changes to exemptions and concessions.

Transfer Duty Collections

WESTERN AUSTRALIA		
	Revenue Collections ^(a) \$m	Change (Nominal) %
2014-15	1,598.4	-10.0
2015-16	1,337.7	-16.3
2016-17	1,357.1	1.5
2017-18	1,223.1	-9.9
2018-19	1,072.9	-12.3
2019-20	1,209.0	12.7
2020-21	1,877.0	55.3
2021-22	2,358.2	25.6
2022-23 ^(b)	2,142.2	-9.2
2023-24 ^(c)	1,870.4	-12.7

(a) From 2018-19, these figures include foreign transfer duty surcharge revenue.
 (b) *Annual Report on State Finances 2022-23*.
 (c) *2023-24 Budget* estimate.

Landholder Duty

Landholder duty was introduced on 1 July 2008, replacing 'land-rich' company and private unit trust duty provisions. It applies to certain acquisitions of land made through the purchase of interests in corporations and unit trust schemes.

Duty applies when a person acquires an interest of at least 50% in an unlisted corporation or unit trust scheme, or at least 90% in a listed corporation or unit trust scheme, and that corporation or unit trust scheme is entitled either directly, or indirectly through a linked entity, to Western Australian land assets valued at \$2 million or more (i.e. the corporation or unit trust scheme is a landholder).

Land assets include land, mining tenements, fixed infrastructure, certain fixed infrastructure rights and derivative mining rights.

Landholder duty is collected under the *Duties Act 2008*, which is administered by the Commissioner of State Revenue.

Since 1 January 2019, a foreign transfer duty surcharge of 7% applies to the value of the landholdings that comprise residential property and to the extent of the interest acquired by the foreign person. The surcharge is added to the landholder duty payable on the relevant acquisition.

Rate of Tax

Landholder duty is calculated at the general rate of transfer duty plus, if applicable, the 7% foreign transfer duty surcharge.

Duty is first determined based on the value of the interest of the acquirer in the landholder after the acquisition. It is calculated on the value of Western Australian land assets and chattels to which the landholder is directly or indirectly entitled. This amount is then reduced by the duty calculated on the value of any 'excluded interest' of the acquirer.

Excluded interests include an interest held immediately prior to 1 July 2008, any previous interest acquired for which duty was chargeable (in the case of a further interest being acquired), and any interest acquired prior to the corporation or unit trust scheme having an entitlement to land in Western Australia.

Exemptions and Concessions

An exemption applies for acquisitions that would be eligible for a transfer duty exemption or nominal transfer duty if the acquisition had instead been a direct transfer of land.

An acquisition as a result of a court-approved compromise or arrangement with creditors under the *Corporations Act 2001* (Cth) is exempt from duty.

Where a family member acquires an interest in a corporation or unit trust which uses land in the business of primary production, the acquisition is exempt from duty.

Overview of State Taxes and Royalties 2023-24

An exemption is also available for landholder acquisitions between tightly controlled corporate groups.

Interstate Comparison

LANDHOLDER DUTY ^(a)								
	WA	NSW	VIC	QLD	SA ^(b)	TAS	ACT	NT
Rate	Private:	Private:	Private:	Private:	Private:	Private:	Private:	Private:
	General scale	General scale	General scale	General scale	General scale	General scale	5%	General scale
	Public:	Public:	Public:	Public:	Public:	Public:	Public:	Public:
	General scale	General scale	10% of general rate	10% of general rate	10% of general rate	10% of general rate	N/A	General scale
Acquisition threshold	Private:	Private:	Private UTS ^(c) :	Private:	Private:	Private:	Private:	Private:
	>=50%	>=50%	>=20%	>=50%	>=50%	>=50%	>=50%	>=50%
			Private Company/ Wholesale UTS: >=50%					
	Public:	Public:	Public:	Public:	Public:	Public:	Public:	Public:
	>=90%	>=90%	>=90%	>=90%	>=90%	>=90%	N/A	>=90%
Land entitlement threshold	\$2 million	\$2 million	\$1 million	\$2 million	Nil	\$500,000	\$1.8 million	\$500,000

(a) Where applicable, foreign buyer surcharge rates apply in addition to the general transfer duty rates.

(b) The landholder provisions only apply to residential or primary production land holdings.

(c) Unit Trust Schemes.

Note: Private entities relate to unlisted corporations or unit trust schemes. Public entities relate to corporations and unit trust schemes which are on the official list of a prescribed financial market.

LANDHOLDER DUTY PAYABLE ON SELECTED VALUESPrivate Entities^(a)

Value of Acquisition^(b)	WA	NSW	VIC	QLD	SA^(c)	TAS	ACT	NT
\$	\$	\$	\$	\$	\$	\$	\$	\$
100,000	1,900	1,745	2,150	1,925	2,830	2,435	—	2,157
200,000	5,035	5,245	7,070	5,425	6,830	5,935	—	5,629
300,000	8,835	8,745	13,070	8,925	11,330	9,935	—	10,414
400,000	13,015	12,735	19,070	12,425	16,330	13,998	—	16,514
500,000	17,765	17,235	25,070	15,925	21,330	18,248	—	23,929
750,000	29,740	28,485	40,070	26,775	35,080	28,935	—	37,125
1,000,000	42,615	39,735	55,000	38,025	48,830	40,185	—	49,500
5,000,000	248,615	258,055	305,000	268,025	268,830	220,185	250,000	297,500
10,000,000	506,115	533,055	630,000	555,525	543,830	445,185	500,000	595,000

(a) Assumes no reduction in duty for previous interest held.

(b) Landholder duty payable at the lower values relate to acquiring a further interest where the relevant acquisition threshold has already been met.

AVERAGE TAX RATES

Private Entities

Value of Acquisition	WA	NSW	VIC	QLD	SA	TAS	ACT	NT
\$	%	%	%	%	%	%	%	%
100,000	1.90	1.75	2.15	1.93	2.83	2.44	-	2.16
200,000	2.52	2.62	3.54	2.71	3.42	2.97	-	2.81
300,000	2.95	2.92	4.36	2.98	3.78	3.31	-	3.47
400,000	3.25	3.18	4.77	3.11	4.08	3.50	-	4.13
500,000	3.55	3.45	5.01	3.19	4.27	3.65	-	4.79
750,000	3.97	3.80	5.34	3.57	4.68	3.86	-	4.95
1,000,000	4.26	3.97	5.50	3.80	4.88	4.02	-	4.95
5,000,000	4.97	5.16	6.10	5.36	5.38	4.40	5.00	5.95
10,000,000	5.06	5.33	6.30	5.56	5.44	4.45	5.00	5.95

LANDHOLDER DUTY PAYABLE ON SELECTED VALUES

Public Entities^(a)

Value of Acquisition ^(b)	WA	NSW	VIC	QLD	SA	TAS	ACT	NT
\$	\$	\$	\$	\$	\$	\$	\$	\$
100,000	1,900	1,745	215	193	283	244	N/A	2,157
200,000	5,035	5,245	707	543	683	594		5,629
300,000	8,835	8,745	1,307	893	1,133	994		10,414
400,000	13,015	12,735	1,907	1,243	1,633	1,400		16,514
500,000	17,765	17,235	2,507	1,593	2,133	1,825		23,929
750,000	29,740	28,485	4,007	2,678	3,508	2,894		37,125
1,000,000	42,615	39,735	5,500	3,803	4,883	4,019		49,500
5,000,000	248,615	258,055	30,500	26,803	26,883	22,019		297,500
10,000,000	506,115	533,055	63,000	55,553	54,383	44,519		595,000

(a) Assumes no reduction in duty for previous interest held.

(b) Landholder duty payable at the lower values relate to acquiring a further interest where the relevant acquisition threshold has already been met.

AVERAGE TAX RATES

Public Entities

Value of Acquisition	WA	NSW	VIC	QLD	SA	TAS	ACT	NT
\$	%	%	%	%	%	%	%	%
100,000	1.90	1.75	0.22	0.19	0.28	0.24	N/A	2.16
200,000	2.52	2.62	0.35	0.27	0.34	0.30		2.81
300,000	2.95	2.92	0.44	0.30	0.38	0.33		3.47
400,000	3.25	3.18	0.48	0.31	0.41	0.35		4.13
500,000	3.55	3.45	0.50	0.32	0.43	0.36		4.79
750,000	3.97	3.80	0.53	0.36	0.47	0.39		4.95
1,000,000	4.26	3.97	0.55	0.38	0.49	0.40		4.95
5,000,000	4.97	5.16	0.61	0.54	0.54	0.44		5.95
10,000,000	5.06	5.33	0.63	0.56	0.54	0.45		5.95

Further information on other jurisdictions' specific landholder duty exemptions and concessions is provided below.

NSW Exemptions apply in relation to deceased estates, marriage or domestic relationship breakdowns, bankruptcy and land used for primary production transferred between family members. An interest acquired by a receiver or trustee in bankruptcy or a liquidator is exempt from duty.

An interest acquired solely from a compromise or arrangement with creditors under the *Corporations Act 2001* (Cth) or a pro rata increase or decrease in the interests of all unit holders/shareholders is exempt from landholder duty. Acquisitions that would have been liable for nominal duty if they had been direct transfers of land are also exempt.

An exemption is also applied to 'top hatting' arrangements where an acquisition is made for the purpose of giving effect to a scheme that would qualify for capital gains tax roll over relief under the *Income Tax Assessment Act 1997* (Cth).

For primary producers, landholder duty only applies when a primary producer has landholdings in New South Wales with an unencumbered value of \$2 million or more and its land holdings (within or outside Australia) comprise 80% or more of the unencumbered value of all its property.

Concessions are available for acquisitions effected for the purpose of securing financial accommodation, redemption and re-issue arrangements and in connection with persons changing superannuation funds.

VIC An interest acquired solely from a compromise or arrangement with creditors under the *Corporations Act 2001* (Cth) or a pro rata increase or decrease in the interests of all unit holders/shareholders is exempt from landholder duty. Acquisitions that would have been liable for nominal duty if they had been direct transfers of land are also exempt.

An interest acquired by a receiver or trustee in bankruptcy, a liquidator or an executor or administrator of an estate of a deceased person is exempt.

Concessions are available for acquisitions effected for the purpose of securing financial accommodation as well as redemption arrangements.

QLD Exemptions apply in relation to particular share or unit issues, deceased estates, change of trustee, acquisitions by liquidators, certain transfers of marketable securities or a restructure of stapled entities.

An interest acquired solely from a compromise or arrangement with creditors under the *Corporations Act 2001* (Cth) is also exempt.

SA	<p>No liability to landholder duty arises in relation to a conveyance or transfer of an interest in qualifying land (i.e. land not used other than for residential purposes or for primary production).</p> <p>There is no landholder land value threshold test.</p> <p>An interest in a landholding entity is exempt if an interest in the underlying land assets would not attract ad valorem duty.</p> <p>Interest acquired solely from a compromise or arrangement with creditors under the <i>Corporations Act 2001</i> (Cth) is exempt.</p> <p>A concession is available for statutory funds of life insurance companies.</p>
TAS	<p>An interest acquired in a landholding entity is exempt from duty (or concessional duty applies) if an interest acquired in the underlying land assets would not attract ad valorem duty. This includes exemptions for the transfer of an interest in a landholder in relation to the breakdown of domestic relationships/marriages and the transfer of property to the trustee of a special disability trust.</p> <p>Property transferred between a member of a group of corporations to a member of the same group (corporate reconstruction or corporation consolidation) is exempt from duty.</p> <p>\$50 duty applies to certain transfers involving deceased estates.</p>
ACT	<p>Transfer duty does not apply to commercial property transactions of \$1.8 million or less. A flat rate of 5% applies to the total value of commercial property transactions greater than \$1.8 million. Landholder duty does not apply to interests acquired in public corporations.</p> <p>Charitable organisations, hospitals and schools are exempt from duty. The concessional rate also applies to deceased estates and acquisitions resulting from bankruptcy and the winding-up of a company.</p> <p>Duty of \$20 is payable if the land that is the subject of the interest concerned could have been acquired by an individual in a manner that results in a liability to pay \$20 duty under certain other provisions of the <i>Duties Act 1999</i> (ACT).</p> <p>Property transferred between a member of a group of corporations to a member of the same group is exempt from duty.</p> <p>An exemption is also applied to 'top hatting' arrangements where an acquisition is made for the purpose of giving effect to a scheme that would qualify for capital gains tax roll-over relief under the <i>Income Tax Assessment Act 1997</i> (Cth).</p>
NT	<p>An exemption applies in relation to deceased estates, special disability trusts and bankruptcy.</p> <p>An exemption is also applied to 'top hatting' arrangements where an acquisition is made for the purpose of giving effect to a scheme that would qualify for capital gains tax roll-over relief under the <i>Income Tax Assessment Act 1997</i> (Cth).</p>

Landholder Duty Collections

WESTERN AUSTRALIA		
	Revenue Collections \$m	Change (Nominal) %
2014-15	100.8	-47.7
2015-16	418.8	315.5
2016-17	151.0	-63.9
2017-18	233.9	54.9
2018-19	32.0	-86.3
2019-20	120.5	276.0
2020-21	222.5	84.7
2021-22	278.4	25.1
2022-23 ^(a)	316.7	13.8
2023-24 ^(b)	118.4	-62.6

(a) Annual Report on State Finances 2022-23.

(b) 2023-24 Budget estimate.

Land Tax and Metropolitan Region Improvement Tax

Land Tax

Land tax in Western Australia was originally introduced in 1907-08 and is levied upon the aggregated unimproved value of taxable land owned at midnight on the 30 June immediately preceding the (financial) year of assessment.

Land tax is payable annually by the land owner and is collected under the *Land Tax Assessment Act 2002* and *Land Tax Act 2002*, which are administered by the Commissioner of State Revenue. The unimproved value of land is updated annually by the Valuer-General.

Rate of Tax

LAND TAX SCALE	
Taxable Value of Land	Land Tax Payable
\$0 – \$300,000	Nil
\$300,001 – \$420,000	\$300
\$420,001 – \$1,000,000	\$300 and 0.25 cents per \$1 above \$420,000
\$1,000,001 – \$1,800,000	\$1,750 and 0.90 cents per \$1 above \$1,000,000
\$1,800,001 – \$5,000,000	\$8,950 and 1.80 cents per \$1 above \$1,800,000
\$5,000,001 – \$11,000,000	\$66,550 and 2.00 cents per \$1 above \$5,000,000
Over \$11,000,000	\$186,550 and 2.67 cents per \$1 above \$11,000,000

Exemptions and Concessions

The major general exemptions are for principal places of residence (including for two homes if owned in some transitional circumstances) and land used for mining and primary production.

Exemptions are also available for caravan parks and for land owned by religious bodies, charitable or not-for-profit organisations, retirement villages, public hospitals, universities and other educational institutions, provided that the land is used for their own purposes (as opposed to being leased out to business tenants).

Concessions are available for property developers who continue to hold the land in the first assessment year after subdivision.

A 50% cap on annual growth in land values applies for land tax purposes.

A 50% land tax exemption is available for eligible build-to-rent developments.

Exemptions are available to homeowners who move into full-time care and do not rent out their former residence.

Interstate Comparison

The rates in the tables below are from the general land tax scales which apply to properties in each jurisdiction.

LAND TAX SCALES								
General								
	WA	NSW ^{(a)(b)}	VIC ^{(a)(c)(d)}	QLD ^(e)	SA	TAS ^(f)	ACT ^(g)	NT ^(h)
Min Threshold	\$300,001	\$969,001 ⁽ⁱ⁾	\$300,000 ⁽ⁱ⁾	\$600,000	\$668,001 ^(k)	\$100,000	-	N/A
Max Threshold	\$11.0m	\$5.925m ⁽ⁱ⁾	\$3.0m	\$10.0m	\$2.5m ^(k)	\$0.5m	\$2.0m	
Min Rate	0.25%	1.6%	0.2% ^(l)	1.0%	0.5%	0.45%	0.54%	
Max Rate	2.67%	2.0%	2.55% ^(l)	2.25%	2.4%	1.5%	1.14%	

(a) Land tax in New South Wales and Victoria applies on a calendar year basis. Figures quoted are for the 2023 calendar year.

(b) New South Wales levies a 4% surcharge on foreign persons who own residential land.

(c) Victoria levies a 2% surcharge on absentee individuals who do not ordinarily reside in Australia and a vacant residential land tax of 1% (calculated on capital improved value) on homes in inner and middle Melbourne that are vacant for more than six months in the preceding calendar year. Effective from the 2024 land tax year, the absentee owner surcharge will rise to 4%.

(d) Victoria levies a windfall gains tax on certain land (capital improved) value uplifts due to rezoning. A 62.5% marginal rate applies to value uplifts between \$100,000 and \$500,000 with a flat 50% applying to the full value of uplifts above \$500,000.

(e) Queensland levies a 2% surcharge on land owned by absentee individuals who are not Australian citizens or permanent residents.

(f) Tasmania levies a 2% foreign investor land tax surcharge for residential land that is not used as a principal place of residence and is owned by a foreign person.

(g) The Australian Capital Territory levies a \$1,535 fixed fee on all land tax payers plus an additional 0.75% surcharge on residential land owned by foreign non-residents.

(h) The Northern Territory does not levy land tax.

(i) New South Wales determines land tax thresholds annually by using the past three-year average of 'indexed' land values.

(j) From 1 January 2024 to 30 June 2033, additional fixed charges of \$500 and \$975 will apply to landholdings between \$50,000 and \$100,000 and above \$100,000 respectively (i.e. the tax-free threshold will decrease to \$50,000).

(k) South Australia indexes most of its thresholds annually based on average changes in site values.

(l) From 1 January 2024 to 30 June 2033, rates will increase by 0.1% for landholdings above \$300,000.

LAND TAX PAYABLE

General

Land Value	WA	NSW	VIC	QLD	SA	TAS	ACT	NT
\$	\$	\$	\$	\$	\$	\$	\$	\$
100,000	–	–	–	–	–	50	540	N/A
200,000	–	–	–	–	–	500	1,130	
300,000	–	–	375	–	–	950	1,890	
400,000	300	–	575	–	–	1,400	3,010	
500,000	500	–	775	–	–	1,850	4,130	
1,000,000	1,750	596	2,975	4,500	1,660	9,350	9,730	
3,000,000	30,550	32,596	27,975	37,500	37,685	39,350	32,330	
5,000,000	66,550	64,596	78,975	62,500	85,685	69,350	55,130	
10,000,000	166,550	160,896	206,475	150,000	205,685	144,350	112,130	

AVERAGE TAX RATES

General

Land Value	WA	NSW	VIC	QLD	SA	TAS	ACT	NT
\$	%	%	%	%	%	%	%	%
100,000	–	–	–	–	–	0.05	0.54	N/A
200,000	–	–	–	–	–	0.25	0.57	
300,000	–	–	0.13	–	–	0.32	0.63	
400,000	0.08	–	0.14	–	–	0.35	0.75	
500,000	0.10	–	0.16	–	–	0.37	0.83	
1,000,000	0.18	0.06	0.30	0.45	0.17	0.94	0.97	
3,000,000	1.02	1.09	0.93	1.25	1.26	1.31	1.08	
5,000,000	1.33	1.29	1.58	1.25	1.71	1.39	1.10	
10,000,000	1.67	1.61	2.06	1.50	2.06	1.44	1.12	

New South Wales, Victoria, Queensland and South Australia all apply different tax scales to commercial properties or properties owned by non-concessional companies and special trusts. Western Australia and Tasmania apply the general scales to all types of property and ownership. The Australian Capital Territory does not apply land tax to commercial properties.

LAND TAX SCALES								
Commercial Properties or Properties Owned by Non-Concessional Companies and Special Trusts								
	WA	NSW^{(a)(b)}	VIC^{(a)(c)}	QLD^(d)	SA	TAS^(e)	ACT^(f)	NT^(g)
Min Threshold	\$300,001	–	\$25,000	\$350,000	\$25,001	\$100,000	N/A	N/A
Max Threshold	\$11.0m	\$5.925m ^(h)	\$3.0m	\$10.0m	\$2.5m ⁽ⁱ⁾	\$0.5m		
Min Rate	0.25%	1.6%	0.375% ^(j)	1.7%	0.5%	0.45%		
Max Rate	2.67%	2.0%	2.55% ^(j)	2.75%	2.4%	1.5%		

(a) Land tax in New South Wales and Victoria applies on a calendar year basis. Figures quoted are for the 2023 calendar year.

(b) New South Wales levies a 4% land tax surcharge for residential land on most foreign owned corporations and trust landholders.

(c) Victoria levies a 2% surcharge on absentee corporation and trust landowners who do not ordinarily reside in Australia and a vacant residential land tax of 1% (calculated on capital improved value) on homes in inner and middle Melbourne that were vacant for more than six months in the preceding calendar year. Effective from the 2024 land tax year, the absentee owner surcharge will rise to 4%.

(d) Queensland levies a 2% surcharge on land owned by an absentee, foreign owned corporations or trustee of a foreign trust.

(e) Tasmania levies a 2% foreign investor land tax surcharge for residential land that is not used as a principal place of residence and is acquired by a foreign corporation or trustee of a foreign trust.

(f) The Australian Capital Territory does not levy land tax on commercial properties.

(g) The Northern Territory does not levy land tax.

(h) New South Wales determines land tax thresholds annually by using the past three-year average of 'indexed' land values.

(i) South Australia indexes most of its thresholds annually based on average changes in site values.

(j) From 1 January 2024 to 30 June 2033, rates will increase by 0.1% for landholdings above \$250,000.

LAND TAX PAYABLE

Commercial Properties or Properties Owned by
Non-Concessional Companies and Special Trusts

Land Value	WA	NSW ^(a)	VIC ^(b)	QLD ^(c)	SA ^(b)	TAS	ACT	NT
\$	\$	\$	\$	\$	\$	\$	\$	\$
100,000	–	1,600	363	–	500	50	N/A	N/A
200,000	–	3,200	738	–	1,000	500		
300,000	–	4,800	1,214	–	1,500	950		
400,000	300	6,400	1,789	2,300	2,000	1,400		
500,000	500	8,000	2,364	4,000	2,500	1,850		
1,000,000	1,750	16,000	6,438	12,500	6,660	9,350		
3,000,000	30,550	48,000	27,975	45,000	49,246	39,350		
5,000,000	66,550	80,000	78,975	75,000	97,246	69,350		
10,000,000	166,550	176,300	206,475	187,500	217,246	144,350		

(a) For properties owned by special trusts. A different scale applies to non-concessional companies.

(b) For properties owned by special trusts.

(c) For properties owned by companies and trustees.

AVERAGE TAX RATES

Commercial Properties or Properties Owned by
Non-Concessional Companies and Special Trusts

Land Value	WA	NSW ^(a)	VIC ^(b)	QLD ^(c)	SA ^(b)	TAS	ACT	NT
\$	%	%	%	%	%	%	%	%
100,000	–	1.60	0.36	–	0.50	0.05	N/A	N/A
200,000	–	1.60	0.37	–	0.50	0.25		
300,000	–	1.60	0.40	–	0.50	0.32		
400,000	0.08	1.60	0.45	0.58	0.50	0.35		
500,000	0.10	1.60	0.47	0.80	0.50	0.37		
1,000,000	0.18	1.60	0.64	1.25	0.67	0.94		
3,000,000	1.02	1.60	0.93	1.50	1.64	1.31		
5,000,000	1.33	1.60	1.58	1.50	1.94	1.39		
10,000,000	1.67	1.76	2.06	1.88	2.17	1.44		

(a) For properties owned by special trusts. A different scale applies to non-concessional companies.

(b) For properties owned by special trusts.

(c) For properties owned by companies and trustees.

Changes to the Rate Scale

No changes to rates apply in 2023-24.

Refer to Appendix 3 for historical changes to rates.

Changes to Exemptions and Concessions

On 22 November 2022, homeowners who move into full-time care and do not rent out their former residence became eligible for a land tax exemption (applied retrospectively from 1 July 2020).

On 18 October 2023, a temporary extension to the two-year land tax exemptions provided to people constructing or refurbishing their future home was made available to homeowners who began construction between 1 July 2020 and 30 June 2023.

Refer to Appendix 3 for historical changes to exemptions and concessions.

Land Tax Collections

WESTERN AUSTRALIA		
	Revenue Collections \$m	Change (Nominal) %
2014-15	743.7	12.5
2015-16	947.5	27.4
2016-17	875.7	-7.6
2017-18	840.4	-4.0
2018-19	806.5	-4.0
2019-20	791.7	-1.8
2020-21	754.8	-4.7
2021-22	756.4	0.2
2022-23 ^(a)	784.2	3.7
2023-24 ^(b)	842.0	7.4

(a) Annual Report on State Finances 2022-23.

(b) 2023-24 Budget estimate.

Metropolitan Region Improvement Tax

The Metropolitan Region Improvement Tax (MRIT) was introduced in 1959-60 and is levied upon the aggregated unimproved value of all land which is both liable for land tax and located within the boundaries of the metropolitan region.

MRIT collections are hypothecated to a trust fund for expenditure by the Western Australian Planning Commission on road reserves, parks and recreation areas. MRIT is collected under the *Metropolitan Region Improvement Tax Act 1959*, which is administered by the Commissioner of State Revenue.

Rate of Tax

0.14% of the unimproved land value in excess of the \$300,000 exemption threshold.

Exemptions and Concessions

As for land tax.

Interstate Comparison

Victoria levies an annual Parks Charge on all metropolitan properties, but no other State or Territory levies a metropolitan improvement tax.

Victoria's Parks Charge collections are hypothecated to a trust fund for expenditure on parks, gardens, waterways and zoos.

For residential properties, the Victorian levy is based on the Net Annual Value which is currently legislated to be 5% of the full value (both house and land) of the property. For commercial properties, the Net Annual Value is 5% of the full value of the property or the council-determined equivalent rent, whichever is greater.

The rate of the Parks Charge is 0.497% of the Net Annual Value, with a minimum charge of \$84.86 for 2023-24. The charge generally increases periodically in accordance with the Consumer Price Index.

Changes to the Rate Scale

No changes to rates apply in 2023-24.

Refer to Appendix 3 for historical changes to rates.

Changes to Exemptions and Concessions

No changes to exemptions or concessions apply in 2023-24.

Refer to Appendix 3 for historical changes to exemptions and concessions.

MRIT Collections

WESTERN AUSTRALIA		
	Revenue Collections	Change (Nominal)
	\$m	%
2014-15	92.8	6.0
2015-16	97.9	5.5
2016-17	96.0	-2.0
2017-18	92.9	-3.1
2018-19	89.3	-3.9
2019-20	87.5	-2.1
2020-21	84.3	-3.7
2021-22	84.9	0.7
2022-23 ^(a)	88.8	4.6
2023-24 ^(b)	96.9	9.2

(a) Annual Report on State Finances 2022-23.

(b) 2023-24 Budget estimate.

Insurance Duty

Insurance duty was introduced on 1 October 1881 (originally only on insurance for marine vessels and for damage to property caused by fire).

Insurers are generally liable for the payment of insurance duty based on the insurance premium. It is collected under the *Duties Act 2008*, which is administered by the Commissioner of State Revenue.

Rate of Tax

Type of Insurance	Rate of Duty
General and Compulsory Third Party insurance	10% of premium

Exemptions and Concessions

Exemptions apply to health insurance, workers' compensation insurance, life insurance, re-insurance, offshore risk insurance, insurance of a prescribed class and insurance effected by an exempt body (under s92 of the *Duties Act 2008*).

Insurances on goods being transported and commercial marine hulls are also exempt from duty, as is insurance under the Defence Service Homes Insurance Scheme.

Interstate Comparison

INSURANCE DUTY (% OF PREMIUMS)								
	WA	NSW	VIC	QLD	SA	TAS	ACT	NT
General	10%	9% ^(a)	10%	9%	11%	10% ^(b)	Nil	10%
Compulsory Third Party Insurance	10%	Nil	10%	10c per policy	11%	Nil	Nil ^(c)	10%
Workers' Comp	Nil	Nil	Nil	5%	General rate ^(d)	Nil	Nil	Nil
Life Insurance	Nil	\$1.00 for first \$2,000 and 20c per \$200 over \$2,000	Nil	0.05% up to \$2,000 and 0.1% over \$2,000	1.5% of premium	10c per \$200 up to \$2,000 and 20c per \$200 over \$2,000	Nil	Nil
Term or temporary	Nil	5% of first year's premium	Nil	5% of first year's premium	1.5% of premium	5% of first year's premium	Nil	Nil
Riders^(e)	General rate	5% of first year's premium	General rate	General rate	General rate	General life insurance rate	Nil	General rate

(a) 5% for: aviation, motor vehicle, disability income, occupational indemnity and hospital not covered by an insurer under the *Private Health Insurance Act 2007* (Cth). A Health Insurance Levy is also paid monthly by organisations that provide health benefits to NSW contributors.

(b) 2% for mortgage insurance duty.

(c) However, a \$2.50 road safety contribution applies.

(d) Nil for workers under the age of 25.

(e) General insurance products attached to life insurance policies.

Changes to the Rate Scale

No rates changes apply in 2023-24.

Refer to Appendix 3 for historical changes to the rate scale.

Changes to Exemptions and Concessions

No changes to exemptions or concessions apply in 2023-24. Refer to Appendix 3 for historical changes to exemptions and concessions.

Insurance Duty Collections

WESTERN AUSTRALIA		
	Revenue Collections \$m	Change (Nominal) %
2014-15	603.8	4.1
2015-16	591.5	-2.0
2016-17	641.4	8.4
2017-18	625.4	-2.5
2018-19	644.6	3.1
2019-20	694.5	7.7
2020-21	727.2	4.7
2021-22	822.9	13.2
2022-23 ^(a)	945.4	14.9
2023-24 ^(b)	994.3	5.2

(a) *Annual Report on State Finances 2022-23.*
(b) *2023-24 Budget estimate.*

Vehicle Licence Duty

Vehicle licence duty (i.e. duty on the grant or transfer of a motor vehicle licence) is paid by the person acquiring the licence and is based on the market value of the motor vehicle (except for new light vehicles, where the manufacturer's 'list price' is used).

The duty was originally introduced on 1 January 1920 and is collected by the Department of Transport on behalf of RevenueWA (formerly known as the Office of State Revenue). It is currently collected under the *Duties Act 2008* and the *Road Traffic (Vehicles) Act 2012*, which are administered by the Commissioner of State Revenue and the Director General of the Department of Transport respectively.

Rate of Tax

New and Used Heavy Vehicles (over 4.5 tonnes)

3% of the value of vehicle. The maximum duty payable is \$12,000 per vehicle.

New and Used Light Vehicles

Value of Vehicle	Tax Rate
\$0 – \$25,000	2.75%
\$25,001 – \$50,000	2.75% – 6.5% ^(a)
Over \$50,000	6.5%

(a) The rate slides proportionately from 2.75% at \$25,000 to 6.5% at \$50,000 as follows:
Duty = $V \times [2.75\% + ((V - 25,000) / 25,000) \times (6.5\% - 2.75\%)]$ where V is the vehicle value.

Exemptions and Concessions

Transfers of vehicles to dealers solely for re-sale or demonstration are exempt from duty, as are purchases of all vehicles exempt from annual vehicle licence fees under the *Road Traffic (Vehicles) Act 2012*. The latter category includes certain off-road vehicles used in farming, government vehicles, vehicles purchased by certain charities, vehicles purchased by those receiving the maximum rate of Carer's Payment or Disability Support Pension, holders of a Totally and Permanently Incapacitated Card issued by the Commonwealth Department of Veterans' Affairs, or a Pension Card (Blind) issued by the Commonwealth.

Service demonstrator vehicles or vehicles that are returned to the seller as faulty are exempt.

Caravans and camper trailers are also exempt, as well as vehicles which (in certain circumstances) have been previously registered in the applicant's name in another jurisdiction, including certain other countries.

An exemption may also apply when specialised equipment (e.g. a cement agitator) is transferred from one vehicle to another. The exemption applies only once on the specialised equipment.

Transfers of vehicle licences between spouses, and de facto partners of at least two years, are also exempt.

Interstate Comparison

DUTY ON MOTOR VEHICLES (BASED ON MARKET VALUES)							
WA	NSW ^(a)	VIC	QLD ^(b)	SA ^(c)	TAS ^(d)	ACT ^(e)	NT ^(f)
Passenger Vehicles:	Passenger Vehicles:	Passenger Vehicles:	1-4 Cylinder Vehicles:	Non-commercial:	Passenger Vehicles:	Passenger Vehicles:	\$3 per \$100
\$0 – \$25,000: 2.75%	Under \$45,000: \$3 per \$100	\$0 – \$76,950: \$8.40 per \$200	\$3 per \$100	Min \$5 duty	\$600 or less: \$20	Green Vehicle Rating: ^(g)	
\$25,001 – \$50,000: 2.75% – 6.5%	\$45,000 or more: \$1,350 + \$5 per \$100 in excess of \$45,000	\$76,951 – \$100,000: \$10.40 per \$200 ^(h)	5-6 Cylinder Vehicles:	\$0 – \$1,000: \$1 per \$100	\$601 – \$35,000: \$3 per \$100	\$45,000 or less: A – Nil	
Over \$50,000: 6.5%	Other Vehicles:	\$100,001 – \$150,000: \$14 per \$200 ^(h)	7 or More Cylinder Vehicles:	\$1,001 – \$2,000: \$10 + \$2 per \$100 in excess of \$1,000	\$35,001 – \$40,000: \$1,050 + \$11 per \$100 in excess of \$35,000	B – \$1 per \$100	
Heavy Vehicles:	\$3 per \$100		Hybrid/Electric Vehicles:	\$2,001 – \$3,000: \$30 + \$3 per \$100 in excess of \$2,000	Over \$40,000: \$4 per \$100	Non-rated vehicles – \$3 per \$100	
3% (up to a maximum of \$12,000)		Over \$150,000: \$18 per \$200 ^(h)		Over \$3,000: \$60 + \$4 per \$100 in excess of \$3,000	Heavy Vehicles:	C – \$3.05 per \$100	
		New Non-Passenger:			Over \$2,000: \$1 per \$100	D – \$4.25 per \$100	
		\$5.40 per \$200		Commercial:	Manufacturers Fleet Discount:	More than \$45,000: A – Nil	
		Used Non-Passenger:		As above except vehicles over \$2,000: \$30 + \$3 per \$100 in excess of \$2,000	\$2,000 or less: \$20	B – \$450 + \$2 per \$100 above \$45,000	
		\$8.40 per \$200			Over \$2,000: \$1 per \$100	Non-rated vehicles – \$1,350 + \$5 per \$100 above \$45,000	
					Other Vehicles:⁽ⁱ⁾	C – \$1,370.50 + \$5.11 per \$100 above \$45,000	
						D – \$1,910.60 + \$6.82 per \$100 above \$45,000	
						Other Vehicles^(j)	
						\$3 per \$100	

(a) From 1 September 2021 to 1 January 2024 new and second-hand electric vehicles with a dutiable value no greater than \$78,000 are exempt from motor vehicle duty.

(b) An additional \$2 for each \$100 of dutiable value applies to applications to register or transfer passenger vehicles with a dutiable value of more than \$100,000.

(c) Vehicles purchased to replace damaged or lost vehicles in floods are eligible for vehicle license duty relief of up to \$2,816 and \$2,127 for commercial and non-commercial vehicles respectively.

(d) Until 31 December 2023, motor vehicle duty will be waived on the purchase of a new electric and hydrogen fuel-cell vehicle where the contract was entered into prior to 25 May 2023.

(e) On 1 July 2023, certain second-hand plug-in hybrid and hybrid-electric vehicles became exempt from motor vehicle duty.

(f) From 1 July 2022 to 30 June 2027, motor vehicle stamp duty will be reduced by \$1,500 for the first time registration of new and second-hand electric vehicles and plug-in hybrid electric vehicles (effectively removing stamp duty up to a purchase cost of \$50,000).

(g) Based on the vehicle emission ratings that are published in the Green Vehicle Guide (<http://www.greenvehicleguide.gov.au>).

(h) A concessional rate of \$8.40 per \$200 is available for low-emission and primary producer passenger vehicles priced above the luxury car tax threshold of \$76,950.

(i) Includes motorcycles, trailers and commercial vehicles (that are under 4.5 tonnes gross vehicle mass).

(j) Includes heavy vehicles, large buses, hearses and trailers.

VEHICLE LICENCE DUTY PAYABLE ON SELECTED VALUES

New Passenger Vehicles

Value	WA	NSW	VIC	QLD		SA ^(a)	TAS	ACT C Rating	NT
				4 cyl	6 cyl				
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
10,000	275	300	420	300	350	340	300	305	300
20,000	550	600	840	600	700	740	600	610	600
40,000	2,000	1,200	1,680	1,200	1,400	1,540	1,600	1,220	1,200
60,000	3,900	2,100	2,520	1,800	2,100	2,340	2,400	2,137	1,800
80,000	5,200	3,100	4,160	2,400	2,800	3,140	3,200	3,159	2,400
100,000	6,500	4,100	5,200	3,000	3,500	3,940	4,000	4,181	3,000
150,000	9,750	6,600	10,500	7,500	8,250	5,940	6,000	6,736	4,500
200,000	13,000	9,100	18,000	10,000	11,000	7,940	8,000	9,291	6,000

(a) Duty has been calculated using rates for non-commercial vehicles.

AVERAGE TAX RATES

New Passenger Vehicles

Value	WA	NSW	VIC	QLD		SA	TAS	ACT C Rating	NT
				4 cyl	6 cyl				
\$	%	%	%	%	%	%	%	%	%
10,000	2.75	3.00	4.20	3.00	3.50	3.40	3.00	3.05	3.00
20,000	2.75	3.00	4.20	3.00	3.50	3.70	3.00	3.05	3.00
40,000	5.00	3.00	4.20	3.00	3.50	3.85	4.00	3.05	3.00
60,000	6.50	3.50	4.20	3.00	3.50	3.90	4.00	3.56	3.00
80,000	6.50	3.88	5.20	3.00	3.50	3.93	4.00	3.95	3.00
100,000	6.50	4.10	5.20	3.00	3.50	3.94	4.00	4.18	3.00
150,000	6.50	4.40	7.00	5.00	5.50	3.96	4.00	4.49	3.00
200,000	6.50	4.55	9.00	5.00	5.50	3.97	4.00	4.65	3.00

Changes to the Rate Scale

No changes to rates apply in 2023-24.

Refer to Appendix 3 for historical changes to rates.

Changes to Exemptions and Concessions

No changes to exemptions or concessions apply in 2023-24.

Refer to Appendix 3 for historical changes to exemptions and concessions.

Vehicle Licence Duty Collections

WESTERN AUSTRALIA		
	Revenue Collections \$m	Change (Nominal) %
2014-15	363.0	-5.7
2015-16	345.7	-4.8
2016-17	344.1	-0.4
2017-18	354.5	3.0
2018-19	363.5	2.5
2019-20	375.1	3.2
2020-21	514.0	37.0
2021-22	578.9	12.6
2022-23 ^(a)	670.9	15.9
2023-24 ^(b)	575.1	-14.3

(a) *Annual Report on State Finances 2022-23.*
(b) *2023-24 Budget estimate.*

Motor Vehicle Registrations

Motor vehicle registrations are paid by motor vehicle owners (who use their vehicles on public roads) either every three, six or 12 months. Monthly direct debit payment options are also available for eligible light vehicle licence renewals.

The cost of licensing a motor vehicle consists of a registration fee, a compulsory third party insurance premium, a plate fee¹ and a recording fee. These fees are collected by the Department of Transport under the *Road Traffic (Vehicles) Act 2012*.

Current Registration Fees

For light vehicles (gross weight of 4.5 tonnes or less), the registration fee comprises a fixed fee component of \$13.20, reduced to \$6.60 for a licence granted or renewed for 12 months, plus a variable component, which is currently \$26.52 per 100 kg of tare (unladen) weight (or part thereof). The total fee is subject to a maximum charge of \$546.

In 2023-24, the registration fee payable on a 2023 4-cylinder Toyota Camry SL Auto 2487cc (on the basis of 1,580 kg tare weight) is \$430.92. A recording fee of \$10.30 is payable in addition to the registration fee.

For heavy vehicles (gross weight of more than 4.5 tonnes), Western Australia adopted the national uniform registration fee regime from 1 July 1996. The licence fee for these vehicles is determined by the number of axles, the gross weight of the vehicle and whether the vehicle will tow trailers.

Licences can be for three, six or 12 months. The registration fee is apportioned depending upon the period for which a licence is granted or renewed.

The revenue from motor vehicle registrations is hypothecated to the Main Roads Trust Fund, which is used for road expenditure purposes.

¹ Plate fees only apply to new registrations.

Exemptions and Concessions

An exemption applies to:

- emergency vehicles;
- vehicles used by certain government agencies;
- vehicles owned by the holder of a Veterans' Affairs Service Invalid Pension Card, Centrelink Pension Card (Blind) or Centrelink Disability Support Pension Card or Centrelink Disability Support Pension Card (Carer) and who receives the maximum pension;
- vehicles used by Ministers of religion;
- vehicle classes that require limited access to public roads (including bobcats, excavators, steel drum road rollers);
- vintage/veteran vehicles; and
- agricultural machines used exclusively to travel between farms or for fire control operations.

Charitable institutions receive either a 50% concession or 100% exemption depending on the use of the vehicle. Interchangeable semi-trailers have a 75% concession. Vehicles used by primary producers², beekeepers, kangaroo shooters, stock transporters, sandalwood pullers and prospectors receive a 50% concession. Driving instructors (heavy vehicles only), trailers used outside the South West Land Division and motor homes and classic vehicles also receive a 50% concession.

Holders of a Commonwealth Pensioner Concession Card, Veterans' Affairs Pensioner Concession Card, and seniors who hold **both** a State Seniors Card and Commonwealth Seniors Health Card receive a 50% concession.

² Only applies to seed vehicles, trailers, semi-trailers, and other vehicles used for hauling purposes.

Interstate Comparison

In New South Wales, Victoria, Western Australia and the Australian Capital Territory, registration fees are based on the weight of the vehicle. In Queensland, South Australia, Tasmania and the Northern Territory, registration fees are based mainly on the number of cylinders and engine capacity.

All jurisdictions require licensed vehicles to be issued with compulsory third party (CTP) insurance against claims resulting from personal damages. The premium payable for these insurance schemes varies widely as a result of the differences between 'at-fault' and 'no-fault' coverage, the different insurance market structures (with State CTP insurers within some jurisdictions and competitive CTP markets in others) and insurance duty regimes (see the *Insurance Duty* chapter).

Using the same example of a 2023 4-cylinder Toyota Camry SL Auto 2487cc (on the basis of 1,580 kg tare weight), interstate comparisons of the various components of motor vehicle registration fees are as follows.

MOTOR VEHICLE REGISTRATIONS – 2023 TOYOTA CAMRY SL AUTO^(a) (\$)								
	WA	NSW	VIC	QLD	SA	TAS	ACT	NT
<i>Private Registration</i>								
Licence Fee	430.92	580.00	324.70	360.60	148.00	240.88	622.70 ^(b)	210.00
CTP Insurance ^(c)	479.40 ^(d)	440.00	552.20 ^(e)	369.60 ^(f)	478.82 ^(g)	302.00	417.90	607.25
Admin and Recording Fees	10.30	Nil	Nil	Nil	31.00	Nil	Nil	14.00
Other Fees and Levies	Nil	Nil	Nil	62.90	32.00	49.71	137.00 ^(h)	Nil
Total	920.62	1,020.00	876.90	793.10	689.82	592.59	1,177.60	831.25
<i>Business Registration</i>								
Licence Fee	430.92	831.00	324.70	391.35	148.00	240.88	964.60 ^(b)	210.00
CTP Insurance ^(c)	479.40 ^(d)	453.28	552.20 ^(e)	369.60 ^(f)	478.82 ^(g)	302.00	417.90	607.25
Admin and Recording Fees	10.30	Nil	Nil	Nil	31.00	Nil	Nil	14.00
Other Fees and Levies	Nil	Nil	Nil	68.30	32.00	49.71	137.00 ^(h)	Nil
Total	920.62	1,284.28	876.90	829.25	689.82	592.59	1,519.50	831.25
<p>(a) Excludes standard plate fees and fees associated with registration of a new vehicle.</p> <p>(b) This amount incorporates a 2% discount which is provided on registrations for 12 months.</p> <p>(c) Includes CTP levies, and any applicable insurance duty.</p> <p>(d) Includes Catastrophic Injuries Support Scheme.</p> <p>(e) Referred to as the Transport Accident Charge. The cost shown reflects the amount paid by an owner in the inner metro area.</p> <p>(f) This includes a National Injury Insurance Scheme levy of \$119.00.</p> <p>(g) Includes Lifetime Support Levy of \$137.09.</p> <p>(h) Includes Lifetime Care and Support Levy of \$90.40.</p>								

Changes to Motor Vehicle Registrations

For light vehicles, the variable component of registration fees increased by 3.9% (from \$25.62 to \$26.62 per 100 kg) and the maximum registration fee payable increased by 2.4% (from \$533 to \$546) in 2023-24.

Refer to Appendix 3 for historical changes to motor vehicle registrations.

Changes to Exemptions and Concessions

No changes to exemptions or concessions apply in 2023-24.

Refer to Appendix 3 for historical changes to exemptions and concessions.

Motor Vehicle Registration Collections

WESTERN AUSTRALIA		
	Revenue Collections \$m	Change (Nominal) %
2014-15	848.4	16.5
2015-16	874.0	3.0
2016-17	884.9	1.2
2017-18	937.2	5.9
2018-19	995.5	6.2
2019-20	997.2	0.2
2020-21	1,048.0	5.1
2021-22	1,120.4	6.9
2022-23 ^(a)	1,204.7	7.5
2023-24 ^(b)	1,263.0	4.8

(a) Annual Report on State Finances 2022-23.

(b) 2023-24 Budget estimate.

Gambling Taxes

Lotteries Commission

The Lotteries Commission of Western Australia was established in 1932 to offer State authorised lottery products which would raise money for hospitals and charitable organisations. The first lottery draw was held on 21 March 1933.

Now trading as Lotterywest, the Lotteries Commission raises money through sales of Lotto, Cash 3, Set for Life and instant lotteries for distribution to the State Pool Account (established under the *National Health Funding Pool Act 2012*), the Arts Lotteries Account, the Sports Lotteries Account, cultural activities such as the Festival of Perth and the commercial film industry in Western Australia. The Lotteries Commission also funds a significant direct grants program for community and not-for-profit organisations and events.

The Lotteries Commission operates under the *Lotteries Commission Act 1990*.

Interstate Comparison

An interstate comparison of taxation and hypothecation of Lotteries Commission revenue is as follows.

WA	12.5% of net subscriptions (sales net of any add-on commission less prize liability) plus any surplus funds is paid to such eligible organisations as the Commission thinks fit and the Minister approves; 40% of net subscriptions is paid to the State Pool Account; 5% of net subscriptions is paid into the Sports Lotteries Account; 5% of net subscriptions is paid into the Arts Lotteries Account; and up to 5% of net subscriptions is used to support the Festival of Perth and the WA film industry.
NSW	76.918% of player loss (player subscriptions net of prize liability, not including commissions) less GST payable on subscriptions and sales commission is paid to consolidated revenue.
VIC	79.4% (where GST is payable) or 90% (where GST is not payable) of player loss is paid into the Consolidated Fund (CF). Revenue is then transferred by standing appropriation from the CF to the Hospitals and Charities Fund and Mental Health Fund.

QLD	73.48% of gross revenue (i.e. player loss) for lotteries and 55% for instant scratch-its. GST credit is provided.
SA	Sports and special lotteries: 48.9% of net gambling revenue is paid to Recreation and Sport Fund. Keno: 61.1% of net gambling revenue is paid to the Hospitals Funds. All other lotteries excluding sports, special lotteries and keno: 48.9% of net gambling revenue (i.e. player loss) is paid to the Hospitals Fund.
TAS	Tasmania does not host any State Lotteries. However, Tasmania receives 100% of the tax collected by the Victorian and Queensland Governments for all tickets sold in Tasmania.
ACT	Lotteries in the ACT are provided in cooperation with NSW. For all games in the ACT, NSW pays the ACT 76.918% of the proportion of player loss less GST.
NT	Fees, taxes and levies are set by way of agreement under the <i>Gaming Control Act 1993</i> between a lottery licence holder and the Northern Territory. Agreements are commercial-in-confidence. All funds received are paid into the Central Holding Authority.

Changes in Lotteries Commission's Products

A State Lotto was introduced in February 1979.

The Commission became a member of the Australian Lotto Bloc in 1981 and has marketed Weekend Saturday Lotto since then. Instant lotteries were introduced in 1982. Midweek Lotto was introduced in 1983 and Super 66 in 1986. Soccer Pools were taken over by the Lotteries Commission in October 1989.

Oz Lotto was introduced in 1994, and Powerball was launched in 1996 to replace Midweek Lotto. Cash 3 was launched in 1998 as the first on-line game unique to Western Australia. Two more lotto games (Monday and Wednesday Lotto) were added in 2006 when Western Australia (along with South Australia) was invited to join the then New South Wales games. The Set for Life product was introduced in August 2015, with draws every night of the week.

Soccer pools ceased being offered in Australia from 23 June 2018.

Lotteries Surpluses

WESTERN AUSTRALIA		
	Revenue Collections \$m	Change (Nominal) %
2014-15	151.9	3.4
2015-16	162.6	7.0
2016-17	151.2	-7.0
2017-18	155.8	3.1
2018-19	179.6	15.3
2019-20	174.1	-3.1
2020-21	191.2	9.8
2021-22	217.6	13.8
2022-23 ^(a)	221.0	1.6
2023-24 ^(b)	186.6	-15.5

(a) *Annual Report on State Finances 2022-23.*
(b) *2023-24 Budget estimate.*

GST Reimbursements

As part of the intergovernmental agreement on the GST, the States agreed to adjust their gambling tax arrangements from 1 July 2000 to 'make room' for the GST. The mechanisms for achieving this vary across jurisdictions, but generally involve:

- reducing State gambling tax rates;
- allowing a credit against State gambling taxes payable; or
- providing a rebate/reimbursement to gambling operators of their GST liability.

The GST reimbursement to the Lotteries Commission was about \$49.2 million in 2022-23.

Casino Tax

Casino tax is paid monthly by the casino licence holder based on its gross gaming revenue (total bets placed less winnings paid out) in the preceding month.

Casino tax was introduced in Western Australia on 30 December 1985 at a rate of 15% of casino gross revenue, upon the opening of Burswood Casino. It is collected by the Department of Local Government, Sport and Cultural Industries pursuant to the provisions set out in the *Casino (Burswood Island) Agreement Act 1985* and the *Casino Control Act 1984*.

Rate of Tax

Category	Rate of Duty
Fully automated table games	12.92%
Electronic gaming machines	12.42%
Table games (including keno)	9.37%
International commission business	1.75%

An additional levy (of 1% on all table games and international commission business and 2% on electronic gaming machine revenue) is paid to the Burswood Park Board for upkeep of the Park and Swan and Canning Rivers.

An annual licence fee (provisionally \$3.316 million for 2023) is also payable in advance in four quarterly instalments to the Gaming and Wagering Commission of Western Australia to defray its running costs. The annual licence fee is adjusted for inflation each year on 24 December.

Exemptions and Concessions

Nil.

Interstate Comparison

CASINO TAX RATES

WA 12.42% of electronic gaming machine gross revenue, 9.37% of table game (including keno) gross revenue, 12.92% of fully automated table game gross revenue and 1.75% of international commission business gross revenue.

A levy of 2% applies on electronic gaming machine revenue, and a 1% levy applies on all table games and international commission business for spending on the conservation of the Burswood Park and the Swan and Canning Rivers.

NSW The Star casino: rebate gaming revenue is the gaming revenue received from non-NSW resident 'VIPs' or 'high rollers'. The rebate gaming revenue tax rate is 12.5%. Non-rebate gaming revenue includes poker machine revenue and other revenues received from non-rebate players. Non-rebate gaming revenue from table games is taxed at 20.25% and poker machine revenue at 20.91%.

From 1 July 2023 to 30 June 2030, annual gaming revenue above \$1.125 billion is subject to an additional 35% levy. A Responsible Gambling Levy (RGL) at the rate of 2% also applies to the sum of non-rebate gaming revenue and poker machine revenue. RGL does not apply to the additional levy.

Crown Sydney casino: the revenue bases of the duties for rebate and non-rebate play, and the RGL, are the same as for The Star casino, except that poker machines are not permitted within Crown Sydney.

VIC For gross gaming revenue at or below an indexed base amount^(a), the table games portion of that revenue is taxed at 21.25%. The gaming machine portion of that revenue is taxed at tiered rates based on the average monthly net revenue per gaming machine, with the highest tier having a marginal rate of 60.67% (on revenues exceeding \$12,500). For gross gaming revenue in excess of the indexed base amount, an additional tiered 'super tax' also applies, with the highest tier having a marginal rate of 20% (on revenues that are over the base amount by more than \$380 million).

9% of gross revenue applies to high roller tables and commission-based gaming machine revenue. Additional tax is payable if the casino operator's total commission-based gaming revenue is less than \$100 million in a financial year^(b).

1% community benefit levy applies to total gaming revenue.

(a) Base amount is determined as per section 22.3 of the *Casino (Management Agreement) Act 1993*. In 2023-24, this amount is \$1.2 billion.

(b) The amount of additional tax payable is \$10 million minus the casino operator's total commission based gaming revenue in the financial year divided by 10.

QLD For non-premium players: 20% of gross revenue on table games and keno for Brisbane and Gold Coast casinos; 10% of gross revenue on table games and keno for Townsville and Cairns casinos; 30% of gross revenue on gaming machines for Brisbane and Gold Coast casinos and 20% of gross revenue on gaming machines for Townsville and Cairns casinos.

For premium players: 10% of gross gaming revenue for all Queensland casinos.

SA	A table gaming tax rate of 3.41%, and a gaming machine rate of 41% applies. In addition, a tax of 10.91% applies to premium machine revenue and a rate of 0.91% applies to premium table games revenue. Automated table games are taxed at 10.91% of net gaming revenue.
TAS	0.91% of gross profit on keno and table gaming, 5.91% of gross profit on fully automated table games and 10.91% of gross profit plus an additional 3% community support levy on electronic gaming machines.
ACT	10.9% of gross revenue for general gaming, 0.9% of gross revenue on commission-based gambling.
NT	<p>Mindil Beach Casino (formerly Skycity Darwin Casino): GST rate^(a) on table games and commission-based games; 15% of gross profit on gaming machines; 10% community benefit levy; and 10% of gross profit on keno.</p> <p>Alice Springs Casino (formerly Lasseters Casino): GST rate^(a) on table games; 15% of gross profit on gaming machines (increasing to 20% in 2032, or in 2037 where the operator meets certain capital investment milestones); and 10% community benefit levy.</p> <p>(a) 'GST rate' is the tax rate that is equivalent to the global GST amount as defined in the <i>A New Tax System (Goods and Services Tax) Act 1999 (Cth)</i>.</p>

CASINO LICENCE FEES

WA	A one-off payment of \$20.6 million in 1985 for the security of the licence, plus an indexed, annual licence fee (it was \$3.091 million in 2022). A one-off payment of \$20 million was also paid in 2010 to allow for an increase in the number of electronic gaming machines and gaming tables.
NSW	<p>Star Casino: a one-off non-refundable payment of \$256 million was paid in 1995 for a 99-year licence and exclusivity and related rights. The exclusivity period ended in 2007 and was extended for a 12-year period of continuation from November 2007 to November 2019 for a fee of \$100 million. In 2020, electronic gaming machine exclusivity was extended to 30 June 2041.</p> <p>Crown Sydney: a \$100 million licence fee was paid in 2014 for a 99-year Restricted Gaming Licence effective from 8 July 2014.</p>
VIC	<p>A \$200 million up-front licence fee was paid in 1993, plus additional casino tax of \$2.4 million per month (\$57.6 million) was paid from July 1994 to June 1996. Additionally, \$2.8 million per month (\$100.8 million) was paid from January 1996 to December 1998 for an extra 150 tables and a lower tax on high rollers.</p> <p>Amendments in 2014 increased the allowable amount of gaming tables, automated table game terminals and poker machines in exchange for an immediate \$250 million payment and an additional \$250 million in 2033.</p>

Overview of State Taxes and Royalties 2023-24

QLD	A quarterly licence fee of \$285,500 in 2023-24, indexed annually.
SA	A one-off payment of \$20 million was paid in 2012 for a 23-year exclusivity right, expiring in 2035.
TAS	A monthly licence fee of \$86,800 in 2023-24, indexed annually.
ACT	An indexed, annual licence fee is payable for each 12-month period to 31 December. In 2022 it was \$1,014,866.
NT	Nil.

Changes to the Rate Scale

No changes to rates apply in 2023-24.

Refer to Appendix 3 for historical changes to rates.

Casino Tax Collections

WESTERN AUSTRALIA

	Revenue Collections \$m	Change (Nominal) %
2014-15 ^(a)	110.3	-13.5
2015-16	64.9	-41.2
2016-17	61.9	-4.6
2017-18	61.0	-1.5
2018-19	59.4	-2.6
2019-20	39.7	-33.1
2020-21	54.7	37.6
2021-22	49.2	-10.0
2022-23 ^(b)	56.2	14.2
2023-24 ^(c)	54.0	-3.9

(a) From 24 December 2014, casino tax rates were reduced in return for the cessation of GST reimbursements to Crown Casino.

(b) *Annual Report on State Finances 2022-23*.

(c) *2023-24 Budget* estimate.

GST Reimbursements

As part of the intergovernmental agreement on the GST, the States agreed to adjust their gambling tax arrangements from 1 July 2000 to 'make room' for the GST (see also the section on the Lotteries Commission).

From 24 December 2014, the GST reimbursement was replaced by a reduction in casino tax rates.

Betting Taxes

Since 1 January 2019, betting taxes comprise the Betting Tax and the Racing Bets Levy.

The Betting Tax is levied on all bets placed in Western Australia, irrespective of where the betting operator is licensed in Australia. Bets are considered to be placed in Western Australia if made by a person located there, or by a body corporate whose principal place of business is there, at the time the bet was made. It is collected by the Commissioner of State Revenue under the *Betting Tax Act 2018* and the *Betting Tax Assessment Act 2018*.

The Racing Bets Levy is collected by the Gaming and Wagering Commission, on behalf of the Western Australian racing industry, under the *Racing Bets Levy Act 2009*. The levy applies to all wagering operators (including interstate operators) who use or publish Western Australian race fields.

Rate of Tax

Betting Tax

The Betting Tax rate is 15% of a betting operator's taxable betting revenue above a tax-free threshold of \$150,000.

Racing Bets Levy

A 1% Racing Bets Levy applies to a betting operator's annual turnover relating to Western Australian race fields, up to and including \$3 million. The threshold is applied on a racing calendar year basis. Once the \$3 million threshold is reached, the following differential levy rates apply:

- pari-mutuel bets placed on standard race meetings levied at 2% of turnover;
- pari-mutuel bets placed on premium race meetings levied at 2.5% of turnover;
- betting exchange bets placed on standard or premium race meetings levied at 31.8% of gross revenue;
- non-exchange fixed odds bets placed on standard race meetings is the greater of 13.6% of the betting operator's gross revenue or 2% of the betting operator's turnover, calculated for each race meeting; and
- non-exchange fixed odds bets placed on premium race meetings is the greater of 22.7% of the betting operator's gross revenue or 2.5% of the betting operator's turnover, calculated for each race meeting.

Exemptions and Concessions

Since 1 April 2013, a Racing Bets Levy exemption has applied where a betting operator's turnover does not reach \$1,000 in any month.

Interstate Comparison

BETTING TAX							
WA	NSW ^(a)	VIC	QLD	SA	TAS	ACT	NT
15% of Net State Wagering revenue with a \$150,000 tax-free threshold	15% of Net State Wagering revenue with a \$1,000,000 tax-free threshold	10% of Net State Wagering revenue with a \$1,000,000 tax-free threshold	20% ^(b) of Net State Wagering revenue with a \$300,000 tax-free threshold	15% of Net State Wagering revenue with a \$150,000 tax-free threshold	15% of Net State Wagering revenue with a \$150,000 tax-free threshold ^(c)	25% of Net State Wagering revenue with a \$150,000 tax-free threshold ^(d)	N/A ^(e)
<p>(a) The NSW totalisator licensee, Tabcorp, is entitled to offset its existing betting tax requirements against its point of consumption (POC) tax liability to avoid double taxation. As a result, in some periods Tabcorp may not pay POC tax and instead will pay the betting tax under the <i>Betting Tax Act 2001</i> as the POC tax liability may be lower than the combination of betting tax and tax reduction payments. To ensure competitive neutrality between Tabcorp and other corporate bookmakers, Tabcorp pays a headline tax rate of 15% on its fixed odds bets to match the POC tax rate.</p> <p>(b) Comprises a 15% betting tax rate and a 5% racing levy.</p> <p>(c) Since 1 January 2020, a fixed annual Totalisator Wagering Levy, paid by the licence holder, has been replaced by a lower Annual Wagering Levy. The levy is 925,000 fee units and is indexed annually.</p> <p>(d) A fixed annual totalisator licence fee (which is subject to annual indexation) is payable by Tabcorp. The forecast for 2023-24 is \$1.262 million.</p> <p>(e) A point of consumption based betting tax does not apply in the Northern Territory. However, other forms of taxes apply as follows: wagering tax rates are 40% of the licensee's commission on thoroughbred, harness and greyhound races; 10% of the licensee's commission on international races, events, sports and other activities; and 20% for other such events held in Australia. Bookmakers and betting exchanges are taxed at 5% of gross betting profits with an indexed annual cap of 1,000,000 revenue units (\$1.35 million in 2023-24).</p>							

RACING BETS LEVY

The Racing Bets Levy in Western Australia is equivalent to product information fees or race field fees in other States. It is a fee for publication and use of race fields paid by betting operators to a controlling body, which is collected for the racing industry.

WA	A legislated Racing Bets Levy applies to licensed betting operators that use or publish Western Australian race fields. Various rates apply based on the type of bets placed and the turnover the operator receives from the race event.
NSW	<p>Race field fees are set in commercial arrangements between betting operators and the racing industry, with legislated caps based on the type of bets placed^(a). This rate applies to the turnover the operator receives from a race event.</p> <p>(a) Race field fees are capped at 4% of wagering turnover from wagers at totalisator derived odds. A rate cap of 3% applies to turnover from wagers laid at odds that are not totalisator derived odds, at race meetings where the total prizes for at least one race is \$1 million or more; otherwise, fees are capped at 2.5% of wagering turnover for any other race.</p>
SA	Race field fees are set in commercial arrangements between betting operators and the racing industry, with a legislated rate payable where no commercial arrangement is in force. This rate applies to the gross proceeds the operator receives from a race event.
Others	Race field fees in Victoria, Queensland, Tasmania, the Australian Capital Territory and Northern Territory are set in commercial arrangements between the betting operator and the racing industry. None of these jurisdictions provide a legislated rate.

Changes to the Rate Scale

No changes to rates apply in 2023-24.

Refer to Appendix 3 for historical changes to rates.

Changes to Exemptions and Concessions

No changes to exemptions or concessions apply in 2023-24.

Refer to Appendix 3 for historical changes to exemptions and concessions.

Betting Tax Collections

WESTERN AUSTRALIA		
	Revenue Collections \$m	Change (Nominal) %
2014-15	42.3	-0.9
2015-16	42.2	-0.4
2016-17	40.2	-4.6
2017-18	41.4	3.1
2018-19 ^(a)	54.8	32.2
2019-20	76.9	40.3
2020-21	113.6	47.8
2021-22	121.3	6.8
2022-23 ^(b)	127.8	5.3
2023-24 ^(c)	115.7	-9.5

(a) Prior to 1 January 2019: comprised of Wagering Tax and Bookmakers' Betting Levy. From 1 January 2019: the (point of consumption) Betting Tax.

(b) *Annual Report on State Finances 2022-23.*

(c) *2023-24 Budget* estimate.

GST Reimbursements

As part of the intergovernmental agreement on the GST, the States agreed to adjust their gambling tax arrangements from 1 July 2000 to 'make room' for the GST (see also the section on the Lotteries Commission). GST paid by Racing and Wagering Western Australia was separately reimbursed by the State up to 2006-07.

No GST reimbursement has been required since the introduction of the new Betting Tax on 1 January 2019, as the 15% rate is net of the GST that is paid by betting operators.

Other Fees and Levies

Perth Parking Levy

The Perth Parking Levy (PPL) was introduced in July 1999 and is paid by all owners of non-residential parking bays within the Perth Parking Management Area (constituting the Perth CBD and sections of West Perth, East Perth and Northbridge). The PPL is administered by the Department of Transport under the *Perth Parking Management Act 1999* and Perth Parking Management Regulations 1999.

Revenue collected from the PPL is credited into the Perth Parking Licensing Account. These funds are utilised for a range of transport initiatives, including the free Central Area Transport (CAT) bus system, cycle paths and for funding a proportion of the Perth Busport and contributions to other significant non-transport infrastructure and initiatives as part of the Perth City Deal.

Rate of Levy

PERTH PARKING LEVY	
Type of Parking Bay	Annual Licence Fee \$
Long stay public bays	1,187.50
Short stay public bays ^(a)	1,091.80
On-street parking bays	1,091.80
All other parking bays ^(b)	1,240.90

(a) Only applies for public bays in which 50% of the vehicles stay for less than four hours and 90% less than six hours.
(b) Includes tenant parking and other non-public bays.

Exemptions and Concessions

Exemptions are prescribed under the Perth Parking Management Regulations 1999. These exemptions include all motorcycle bays, disability bays, loading bays, emergency vehicle bays, bays at public parks and religious institutions and bays utilised by passenger buses.

Also exempt are bays used solely for residential parking, as well as parking facilities with five or fewer leviable bays.

Interstate Comparison

Queensland, South Australia, Tasmania, the Northern Territory and the Australian Capital Territory do not charge levies on CBD parking bays.

NON-RESIDENTIAL PARKING LEVIES (\$)

	WA		NSW		VIC ^(a)	
	Perth CBD ^(b)	Other regions	Sydney CBD	Other regions ^(c)	Melbourne CBD	Other regions ^(d)
Short stay bays	1,091.80	N/A	2,800	1,000	1,590	1,130
Long stay bays	1,187.50	N/A	2,800	1,000	1,590	1,130

(a) Applies to 2023 calendar year.

(b) All other non-exempt bays are levied at \$1,240.90.

(c) Includes leviable bays within Bondi Junction, Chatswood, Parramatta and St Leonards.

(d) Suburbs surrounding the Melbourne CBD extending out to St Kilda and to Port Melbourne and Brunswick East.

WA The PPL is an annual licence fee for all owners of non-residential parking bays within a specified area of Perth. The Levy is \$1,091.80 for on-street and short stay public parking, \$1,187.50 for long stay public parking bays and \$1,240.90 for all other bays, including tenant parking.

NSW A Parking Space Levy applies to any non-residential off-street motor vehicle bays in a leviable district. Bays within the City of Sydney and the North Sydney and Milsons Point business districts are levied an annual fee of \$2,800, and bays within Bondi Junction, Chatswood, Parramatta and St Leonards are levied an annual fee of \$1,000.

The Parking Space Levy is indexed to the Consumer Price Index.

VIC An annual Congestion Levy of \$1,590 per parking space applies to all off-street parking spaces in both private and public car parks within a specified area of the Melbourne CBD. A concessional rate of \$1,130 applies to off-street parking spaces in a number of suburbs surrounding the Melbourne CBD.

The Congestion Levy is indexed to the Consumer Price Index.

Changes to the Rate Scale

Refer to Appendix 3 for historical rates.

Perth Parking Levy Collections

WESTERN AUSTRALIA		
	Revenue Collections \$m	Change (Nominal) %
2014-15	48.3	22.2
2015-16	56.6	17.2
2016-17	56.3	-0.4
2017-18	57.9	2.8
2018-19	58.7	1.4
2019-20	55.7	-5.1
2020-21	52.9	-5.0
2021-22	54.5	3.1
2022-23 ^(a)	53.5	-2.0
2023-24 ^(b)	59.9	12.1

(a) *Annual Report on State Finances 2022-23.*
(b) *2023-24 Budget estimate.*

Landfill Levy

The landfill levy is collected by the Department of Water and Environmental Regulation and is imposed on waste that originates from or is disposed of in the Perth Metropolitan area.

The landfill levy was introduced in July 1998 under the *Environmental Protection Act 1986*. This legislation was repealed and replaced by the *Waste Avoidance and Resource Recovery Levy Act 2007*.

Under the *Waste Avoidance and Resource Recovery Act 2007*, each year not less than 25% of funds raised by the landfill levy are to be paid into the Waste Avoidance and Resource Recovery Account. These funds are applied to programs related to the management, reduction, reuse, recycling, monitoring or measurement of waste.

Rate of Levy

Putrescible Waste \$ per tonne ^(a)	Inert Waste \$ per cubic metre ^(b)
70	105

(a) Putrescible waste includes household food waste, green waste and certain commercial and industrial wastes that easily decompose.

(b) Inert waste is waste, such as sand and concrete, which is neither chemically nor biologically reactive and will not decompose.

Exemptions and Concessions

Exemptions from the landfill levy include:

- waste that is collected and stored at a licensed landfill for the purposes of recycling;
- hazardous waste reasonably removed by a public authority;
- waste resulting from a natural disaster that cannot reasonably be reused; and
- in certain circumstances, waste which contains asbestos as part of its original design.

Interstate Comparison

The following States place a levy on waste disposed of in landfill.

WA	The landfill levy is imposed on waste disposed to landfill in the Perth metropolitan area, or on waste from the metropolitan area disposed to landfill anywhere in Western Australia. In 2023-24 the rate of levy is \$70/tonne of putrescible waste and \$105/cubic metre of inert waste.
NSW	The waste levy is imposed on the occupiers of licensed waste facilities anywhere in NSW which receive waste generated from a specified regulated area, and the occupiers of scheduled waste facilities within a specified area which receive waste from anywhere in NSW. The 2023-24 rate of levy is \$163.20/tonne within the specified extended metropolitan area and \$94/tonne within the specified regional area. Concessional levy rates apply in some cases, including for virgin excavated natural material in metropolitan and regional areas. Trackable liquid waste is separately levied at \$87.40/tonne, and coal washery reject is levied at \$16.90/tonne.
VIC	The waste levy is payable by all landfill owners in Victoria (except for eligible Victorian charities). In 2023-24 metropolitan landfills are levied at \$129.27/tonne of municipal and industrial waste, while rural landfills are levied at \$64.55/tonne of municipal waste, and \$113.69/tonne of industrial waste. Asbestos is levied separately at \$32.75/tonne, and contaminated waste is levied at either \$129.27/tonne or \$272.69/tonne (depending on the degree of contamination).
QLD	The waste levy applies to general waste streams (municipal solid waste, commercial and industrial waste, and construction and demolition waste) and to regulated or hazardous waste. In metropolitan areas and regional areas, the 2023-24 general levy rates are \$105/tonne and \$91/tonne respectively; and the hazardous waste levy rates are \$185/tonne and \$179/tonne respectively for category 1 waste (highest risk), and \$135/tonne and \$124/tonne respectively for category 2 waste (moderate risk). In certain circumstances, asbestos waste is exempt.
SA	A waste levy is payable by the licence holder of a waste depot only for all waste disposed of at that site. In 2023-24 solid waste is levied at \$156/tonne in metropolitan regions and \$78/tonne in non-metropolitan regions. Liquid waste is levied at \$42.50/kilolitre. No levy applies to packaged asbestos waste.
TAS	A landfill levy is payable on all waste disposed to landfill across Tasmania. In 2023-24 the rate of levy is \$21.36/tonne.
ACT	For 2023-24, landfill fees are payable for commercial and industrial waste at \$189.20/tonne (\$48 per load for loads less than 0.25 tonne). Landfill fees for special waste including the disposal of asbestos or products containing asbestos apply at \$221.40/tonne (\$53.45 per load for loads less than 0.25 tonne). Contaminated soils incur a charge of \$189.20/tonne.

Changes to the Rate Scale

Refer to Appendix 3 for historical rates.

Landfill Levy Collections

WESTERN AUSTRALIA		
	Revenue Collections \$m	Change (Nominal) %
2014-15	59.4	27.3
2015-16	69.0	16.1
2016-17	69.4	0.7
2017-18	74.6	7.5
2018-19	79.0	5.9
2019-20	79.6	0.8
2020-21	78.8	-1.1
2021-22	85.7	8.8
2022-23 ^(a)	90.7	5.8
2023-24 ^(b)	77.6	-14.4

(a) *Annual Report on State Finances 2022-23.*
 (b) *2023-24 Budget estimate.*

Emergency Services Levy

The Emergency Services Levy (ESL) was introduced on 1 July 2003 to fund the State's fire and emergency services. The ESL replaced the previous arrangements under which the cost of permanent fire services was funded by a fire brigade levy paid by insurance companies (75%), local government (12.5%) and the State (12.5%).

Local government authorities collect the levy from property owners on behalf of the Department of Fire and Emergency Services (DFES). The revenue is dedicated to fund a range of services, including Career Fire and Rescue Service, Volunteer Fire and Rescue Service, Local Government Bush Fire Brigades, Volunteer State Emergency Service Units, and Multi-service DFES Units.

Rate of Levy

The ESL rate is determined by the type and level of fire and emergency services available to a property, with (as examples) ESL category 1 applying to the Perth metropolitan area and ESL category 5 applying to pastoral/rural areas. The maximum ESL payable is lower for residential properties than commercial properties.

	ESL CATEGORY				
	1	2	3	4	5
Rate of Levy (per \$ of Gross Rental Value)	\$0.013953	\$0.010465	\$0.006976	\$0.004883	N/A
Minimum Charge	\$98	\$98	\$98	\$98	\$98
Residential Maximum Charge (includes Hobby Farms)	\$491	\$368	\$246	\$172	\$98
Commercial Maximum Charge	\$280,000	\$210,000	\$140,000	\$98,000	\$98

Exemptions and Concessions

Pensioners and seniors who receive a rebate on their council rates will receive an equivalent level of rebate on their ESL charge.

Mining tenements pay a maximum ESL charge of \$98. The ESL does not apply to mining exploration and prospecting licences.

Interstate Comparison

For comparison purposes, the examples below only apply to residential property in metropolitan regions. New South Wales and the Northern Territory currently do not apply a property-based levy to fund fire and emergency services.

EMERGENCY SERVICES LEVY METROPOLITAN RESIDENTIAL PROPERTY

WA The Emergency Services Levy is levied upon property owners at a rate determined by the level of fire and emergency services cover available in their region. Residential property owners in the Perth metropolitan region pay 1.3953% of the Gross Rental Value (GRV)^(a) of the property. The minimum fee payable is \$98 and the maximum is \$491.

(a) The GRV of a property is determined by the Valuer General. It is the gross annual rental income that a property might reasonably be expected to realise if it were let on a tenancy basis from year to year.

VIC The Fire Services Property Levy (FSPL) contains both a fixed charge and variable charge component. Residential metropolitan property owners pay a fixed charge of \$125 in addition to a variable charge of 0.0046% of the Capital Improved Value^(a) of the property. From 1 July 2020 the FSPL has been reformed so property owners will no longer pay different contributions depending on the location of the property.

(a) The Capital Improved Value is determined through the general valuation process, and is the value of land inclusive of its buildings and other capital improvements.

QLD The Emergency Management, Fire and Rescue Levy is levied upon all property owners at a rate determined by the location and category of the property. A single unit residence located in a metropolitan region is levied a flat rate of \$243.40.

SA The Emergency Services Levy contains both a fixed charge and a variable charge. Residential metropolitan property owners are levied a fixed charge of \$50 and a variable charge of 0.040%^(a) of the Capital Value^(b) of the property.

(a) The effective rate of the variable charge component is less than this prescribed amount, as the variable component is reduced (via a general remission) for all levy payers.

(b) The Capital Value is determined through the general valuation process, and is the value of land inclusive of its buildings and other capital improvements.

TAS A Fire Service Contribution is levied by local councils on behalf of the Tasmanian Government at a rate which varies across regions. Hobart City Council charges a levy of 0.94% of the Assessed Annual Value (AAV)^(a) of a property, with a minimum charge of \$48.

(a) The AAV of a property is broadly equivalent to GRV in Western Australia.

ACT The Fire and Emergency Services Levy is charged on all rateable properties. Residential properties are levied a flat fee of \$375.

Emergency Services Levy Collections

WESTERN AUSTRALIA		
	Revenue Collections \$m	Change (Nominal) %
2014-15	274.0	6.3
2015-16	307.3	12.1
2016-17	324.9	5.7
2017-18	338.5	4.2
2018-19	374.4	10.6
2019-20	387.0	3.3
2020-21	354.5	-8.4
2021-22	374.6	5.7
2022-23 ^(a)	398.9	6.5
2023-24 ^(b)	398.3	-0.1

(a) *Annual Report on State Finances 2022-23.*
(b) *2023-24 Budget estimate.*

Loan Guarantee Fees

The Treasurer charges loan guarantee fees to State Government agencies and local government borrowers. This is in exchange for providing an explicit government guarantee on liabilities incurred by the Western Australian Treasury Corporation (WATC) in raising loan funds on behalf of those State agencies and local government borrowers.

In almost all cases, the WATC collects those loan guarantee fees on behalf of the Treasurer. The exception is for Keystart, where the Housing Authority collects those fees on behalf of the Treasurer.

The current scale of loan guarantee fees is as follows:

- 0.7% per annum for local government authorities, public universities, government trading enterprises (such as the Water Corporation, Synergy, Horizon Power, Western Power and LandCorp) and other government statutory authorities (such as the Public Transport Authority, the Metropolitan Redevelopment Authority, the Housing Authority and Port Authorities); and
- 0.2% per annum for general government agencies that generally borrow through special powers afforded to their relevant minister. In some cases special exemptions or, conversely, a higher rate may apply for these types of agencies.

Loan Guarantee Fee Collections

WESTERN AUSTRALIA		
	Revenue Collections \$m	Change (Nominal) %
2014-15	119.0	-0.1
2015-16	133.9	12.5
2016-17	139.8	4.4
2017-18	143.3	2.5
2018-19	152.2	6.2
2019-20	157.5	3.4
2020-21	141.4	-10.2
2021-22	131.1	-7.3
2022-23 ^(a)	128.0	-2.4
2023-24 ^(b)	135.6	6.0

(a) *Annual Report on State Finances 2022-23.*
 (b) *2023-24 Budget estimate.*

Building and Construction Industry Training Fund Levy

The Construction Training Fund collects the Building and Construction Industry Training Fund (BCITF) Levy, which applies to a wide range of residential, commercial, civil engineering and resource construction projects.

The BCITF Levy is collected under the *Building and Construction Industry Training Levy Act 1990* and the *Building and Construction Industry Training Fund and Levy Collection Act 1990*. All revenue collected from the BCITF Levy is paid into a fund that is used to support training for people working in the building and construction industry in Western Australia.

Rate of Levy

The BCITF Levy is 0.2% of the total value of construction of all works with an estimated value of more than \$20,000.

Exemptions and Concessions

Agricultural work, work on foreign missions and consulates and certain operational work in the resources industry are exempt from having to pay the BCITF Levy.

Building and Construction Industry Training Fund Levy Collections

WESTERN AUSTRALIA		
	Revenue Collections \$m	Change (Nominal) %
2014-15	33.9	0.1
2015-16	28.3	-16.4
2016-17	31.4	10.8
2017-18	25.2	-19.7
2018-19	27.2	7.9
2019-20	38.8	42.7
2020-21	45.9	18.3
2021-22	38.9	-15.1
2022-23 ^(a)	70.1	80.0
2023-24 ^(b)	50.3	-28.2

(a) *Annual Report on State Finances 2022-23.*
(b) *2023-24 Budget estimate.*

Mining Rehabilitation Levy

Mining tenement holders (as defined under the *Mining Act 1978*) with rehabilitation liabilities in excess of \$50,000 are required to contribute to the rehabilitation of abandoned mine sites via a Mining Rehabilitation Levy. This levy is collected by the Department of Mines, Industry Regulation and Safety under the *Mining Rehabilitation Fund Act 2012*.

Revenue collected from the Mining Rehabilitation Levy is paid into the Mining Rehabilitation Fund, with the funds used for rehabilitation works on mine sites where the mining tenement holder has failed to meet rehabilitation obligations. The interest earned on the Fund balance is used to undertake rehabilitation works on legacy abandoned mine sites throughout Western Australia.

Rate of Levy

The rate of the Mining Rehabilitation Levy is 1% of the rehabilitation liability estimate of each leviable mining tenement.

Mining Rehabilitation Levy Collections

WESTERN AUSTRALIA		
	Revenue Collections \$m	Change (Nominal) %
2015-16	27.8	3.2
2016-17	27.6	-1.0
2017-18	29.0	5.4
2018-19	30.6	5.4
2019-20	33.4	9.0
2020-21	35.1	5.2
2021-22	38.2	8.9
2022-23 ^(a)	40.9	7.0
2023-24 ^(b)	34.5	-15.7

(a) Annual Report on State Finances 2022-23.

(b) 2023-24 Budget estimate.

Mineral Royalties

Mineral royalties are collected under either the *Mining Act 1978 (WA)* or various State Agreement Acts which have been negotiated for major resource projects. They are the price paid by a mining company for a mineral resource, ownership of which is vested in the State Government on behalf of the community.

Under the Mining Act, royalties are payable on all minerals. However, the definition of 'mineral' excludes the following where they occur on private land:

- limestone, rock or gravel shale, other than oil shale;
- sand, other than mineral sands, silica sand or garnet sand; and
- clay, other than kaolin, bentonite, attapulgite, or montmorillonite.

State Agreement Acts

State Agreements are essentially contracts between the Western Australian Government and proponents of major resource projects, and are ratified by an Act of State Parliament. They specify the rights, obligations, terms and conditions for the development of a project, and establish a framework for ongoing relations and cooperation between the State and the project proponent.

In some cases, the State Agreement Act contains specific royalty clauses, while in other cases it simply refers to the Mining Act royalty sections. Where a State Agreement is silent on the matter of royalties, regulations made under the Mining Act may apply.

A full list of State Agreement Acts, which have been used in Western Australia since 1952, is available at <https://www.wa.gov.au/government/publications/list-of-state-agreements-western-australia>.

Royalty Systems

Two systems of mineral royalty collection are used in Western Australia:

- specific rate – calculated as a flat rate per tonne produced (applied only to bulk materials and coal that is not exported); and
- ad valorem – calculated as a proportion of the ‘royalty value’ of the mineral or at a percentage of the contained metal or mineral value for some commodities such as nickel and rare earths.
 - The royalty value is broadly calculated as the quantity of the mineral in the form in which it is first sold, multiplied by the price in that form, less any allowable deductions.
 - The nickel and rare earths royalties are calculated based on the value of the mineral contained in the product sold.

In Western Australia, mineral royalty revenue is primarily comprised of ad valorem royalties from iron ore, lithium, gold, nickel and alumina.

Following a review of royalties, in 1981 a general three-tiered royalty rate structure was put in place, comprising:

- a 7.5% rate for minerals subject only to limited processing prior to sale;
- a 5% rate for minerals processed to and sold as concentrates; and
- a 2.5% rate for minerals processed to and sold as a metal.

Iron Ore

Iron ore royalties are administered under the *Mining Act 1978*, or State Agreement Acts, based on the free on board value (or royalty value) of the iron ore mined.

Royalty Rate

The royalty rate payable under the Mining Act depends on the degree of processing of the product sold.

IRON ORE	
Type of Iron Ore	Royalty Rate (%)
Beneficiated (e.g. magnetite concentrate)	5.0
Direct shipping (i.e. crushed or screened)	7.5

Additional iron ore lease rentals may also be payable by mining lease holders producing iron ore. Those mining lease holders are generally required to commence paying additional lease rentals 15 years after iron ore was first obtained from those leases. The lease rentals are calculated at the rate of 25 cents per tonne on all forms of iron ore obtained from the leases, and are collected under the Mining Regulations 1981 or State Agreement Acts.

Interstate Comparison

IRON ORE ROYALTY RATES								
Royalty Rate	WA	NSW	VIC	QLD	SA	TAS	ACT	NT
	Beneficiated: 5.0%	4.0% of the ex-mine value (value less allowable deductions)	2.75% of net market value	\$1.25 per tonne plus 2.5% of value above \$100 per tonne ^(a)	5.0% of net market value	1.9% on net sales plus profit royalty up to maximum of 5.35% of net sales ^(b)	N/A	Greater of 20.0% of net value (less \$10,000) or 1% to 2.5% of gross revenue ^(c)
	Direct shipping: 7.5%							
Royalty System	Ad valorem	Ad valorem	Ad valorem	Hybrid	Ad valorem	Hybrid		Hybrid
<p>(a) A discount of 20% is available if the mineral is processed in Queensland and the metal produced is at least 95% iron ore.</p> <p>(b) A 20% rebate is available for the production of a metal in Tasmania.</p> <p>(c) Royalty will only apply when a miner's annual gross production revenue exceeds \$500,000. The rate applying to gross production revenue is 1% per annum in a mine's first royalty year, 2% in a mine's second royalty year, and 2.5% in subsequent years.</p>								

Changes to Royalty Rates and Concessions

No changes to rates or concessions apply in 2023-24.

Refer to Appendix 3 for historical changes to rates and concessions.

Iron Ore Royalty Collections

WESTERN AUSTRALIA		
	Revenue Collections \$m	Change (Nominal) %
2014-15	4,022.9	-26.2
2015-16	3,600.3	-10.5
2016-17	4,708.5	30.8
2017-18	4,503.9	-4.3
2018-19	5,945.6	32.0
2019-20	7,632.4	28.4
2020-21	11,354.8	48.8
2021-22	9,917.5	-12.7
2022-23 ^(a)	9,079.3	-8.5
2023-24 ^(b)	5,972.3	-34.2
<p>(a) Annual Report on State Finances 2022-23.</p> <p>(b) 2023-24 Budget estimate.</p>		

Lithium

Royalties for lithium are administered under the *Mining Act 1978*.

Royalty Rate

A 5% feedstock royalty rate for lithium hydroxide and lithium carbonate has applied since 28 March 2020, where those are the first products sold and the feedstock is lithium concentrate (e.g. spodumene).

The royalty rates for lithium concentrates and direct shipped ores are 5% and 7.5%, respectively.

Interstate Comparison

LITHIUM ROYALTY RATES								
	WA	NSW	VIC	QLD	SA	TAS	ACT	NT
Royalty Rate	5.0% feedstock royalty; 7.5% direct shipping	4.0% of the ex-mine value (value less allowable deductions)	2.75% of net market value	2.5%	3.5% of net market value if in a metal form, concentrates at 5.0%	1.9% on net sales plus profit royalty up to maximum of 5.35% of net sales ^(a)	N/A	Greater of 20.0% of net value (less \$10,000) or 1% to 2.5% of gross revenue ^(b)
Royalty System	Ad valorem	Ad valorem	Ad valorem	Ad valorem	Ad valorem	Hybrid		Hybrid

(a) A 20% rebate is available for the production of a metal in Tasmania.

(b) Royalty will only apply when a miner's annual gross production revenue exceeds \$500,000. The rate applying to gross production revenue is 1% per annum in a mine's first royalty year, 2% in a mine's second royalty year, and 2.5% in subsequent years.

Changes to Royalty Rates and Concessions

No changes to rates or concessions apply in 2023-24.

Refer to Appendix 3 for historical changes to rates and concessions.

Lithium Royalty Collections

WESTERN AUSTRALIA		
	Revenue Collections \$m	Change (Nominal) %
2014-15	11.9	73.0
2015-16	13.0	8.8
2016-17	24.2	86.6
2017-18	93.9	288.1
2018-19	86.3	-8.1
2019-20	58.9	-31.7
2020-21	49.7	-15.6
2021-22	261.4	425.9
2022-23 ^(a)	1,042.6	298.8
2023-24 ^(b)	928.4	-11.0

(a) *Annual Report on State Finances 2022-23.*
(b) *2023-24 Budget estimate.*

Gold

Royalties for gold were introduced on 1 July 1998. They are administered under the *Mining Act 1978* based on the royalty value of the gold metal produced.

Royalty Rate

2.5% of the royalty value of the gold metal produced.

Exemptions and Concessions

The first 2,500 ounces of gold metal produced by each gold royalty project per annum are exempt.

Interstate Comparison

GOLD ROYALTY RATES								
Royalty Rate	WA	NSW	VIC	QLD	SA	TAS	ACT	NT
	2.5% of royalty value ^(a)	4.0% of the ex-mine value (value less allowable deductions)	2.75% of net market value ^(b)	Variable rate (between 2.5% and 5.0%) ^(c) depending on average metal prices	3.5% of net market value if in a metal form, concentrates at 5.0%	1.9% on net sales plus profit royalty up to maximum of 5.35% of net sales ^(d)	N/A	Greater of 20.0% of net value (less \$10,000) or 1% to 2.5% of gross revenue ^(e)
Royalty System	Ad valorem	Ad valorem	Ad valorem	Ad valorem	Ad valorem	Hybrid		Hybrid
<p>(a) First 2,500 ounces produced by each project per annum are exempt.</p> <p>(b) Does not apply to gold produced on a prospecting licence, or to the first 2,500 ounces produced each year.</p> <p>(c) Producers are advised of the applicable variable rate each quarter. No royalty is payable on the first \$100,000 of gold produced per year. Prices below \$600/oz attract the minimum rate; prices above \$890/oz attract the maximum rate.</p> <p>(d) A 20% rebate is available for the production of a metal in Tasmania.</p> <p>(e) Royalty will only apply when a miner's annual gross production revenue exceeds \$500,000. The rate applying to gross production revenue is 1% per annum in a mine's first royalty year, 2% in a mine's second royalty year, and 2.5% in subsequent years.</p>								

Changes to Royalty Rates and Concessions

No changes to rates or concessions apply in 2023-24.

Refer to Appendix 3 for historical changes to rates and concessions.

Gold Royalty Collections

WESTERN AUSTRALIA		
	Revenue Collections \$m	Change (Nominal) %
2014-15	228.7	6.2
2015-16	250.1	9.3
2016-17	266.8	6.7
2017-18	278.7	4.5
2018-19	294.2	5.5
2019-20	388.5	32.1
2020-21	406.9	4.7
2021-22	425.9	4.7
2022-23 ^(a)	457.4	7.4
2023-24 ^(b)	544.4	19.0

(a) *Annual Report on State Finances 2022-23.*

(b) *2023-24 Budget estimate.*

Nickel

Nickel royalties are administered under the *Mining Act 1978*, or State Agreement Acts, based on the value of the nickel within the product sold.

Royalty Rate

2.5% of the percentage of units of nickel metal multiplied by the contracted list price or reference price.

Interstate Comparison

NICKEL ROYALTY RATES								
	WA	NSW	VIC	QLD	SA	TAS	ACT	NT
Royalty Rate	2.5% of the royalty value	4.0% of the ex-mine value (value less allowable deductions)	2.75% of net market value	Variable rate (between 2.5% and 5.0%)(a) depending on average metal prices	3.5% of net market value if in a metal form, concentrates at 5.0%	1.9% on net sales plus profit royalty up to maximum of 5.35% of net sales(b)	N/A	Greater of 20.0% of net value (less \$10,000) or 1- 2.5% of gross revenue(c)
Royalty System	Ad valorem	Ad valorem	Ad valorem	Ad valorem	Ad valorem	Hybrid		Hybrid
<p>(a) Producers are advised of the applicable variable rate each quarter. Prices below \$12,500/tonne attract the minimum rate; prices above \$38,100/tonne attract the maximum rate. A discount of 20% is available if the mineral is processed in Queensland and the metal produced is at least 70% nickel. No royalty is payable on the first \$100,000 of nickel produced per year.</p> <p>(b) A rebate of 20% is available for the production of a metal within Tasmania.</p> <p>(c) Royalty will only apply when a miner's annual gross production revenue exceeds \$500,000. The rate applying to gross production revenue is 1% per annum in a mine's first royalty year, 2% in a mine's second royalty year, and 2.5% in subsequent years.</p>								

Changes to Royalty Rates and Concessions

No changes to rates or concessions apply in 2023-24.

Refer to Appendix 3 for historical changes to rates and concessions.

Nickel Royalty Collections

WESTERN AUSTRALIA		
	Revenue Collections \$m	Change (Nominal) %
2014-15	76.5	-13.1
2015-16	45.9	-40.0
2016-17	42.9	-6.5
2017-18	63.8	48.7
2018-19	66.6	4.4
2019-20	77.6	16.6
2020-21	85.7	10.5
2021-22	118.9	38.7
2022-23 ^(a)	137.5	15.6
2023-24 ^(b)	173.8	26.4

(a) Annual Report on State Finances 2022-23.

(b) 2023-24 Budget estimate.

Bauxite/Alumina

Bauxite is an ore which is processed to produce alumina. Western Australia currently applies separate royalty rates to bauxite and alumina.

Bauxite royalties are administered under the *Mining Act 1978* based on the royalty value of the bauxite mined.

Alumina royalties are administered under State Agreement Acts, based on an arm's length export sales value per tonne (in the case of Alcoa) or the average alumina export price per tonne over the preceding four quarters (in the case of Worsley).

Royalty Rate

BAUXITE/ALUMINA	
Mineral	Royalty Rate (%)
Bauxite	7.5
Alumina	1.65

Interstate Comparison

The table below provides an interstate comparison for bauxite royalties. No other jurisdiction separately applies a royalty rate on alumina.

BAUXITE ROYALTY RATES								
	WA	NSW	VIC	QLD	SA	TAS	ACT	NT
Royalty Rate	Bauxite: 7.5% Alumina: 1.65%	35c/tonne	2.75% of net market value	Non-domestic: the higher of 10% of value or \$2.00/tonne Domestic: the higher of 75% of the non-domestic rate or \$1.50/tonne	3.5% of net market value if in a metal form, concentrates at 5.0%	1.9% on net sales plus profit royalty up to maximum of 5.35% of net sales ^(a)	N/A	Greater of 20.0% of net value (less \$10,000) or 1% to 2.5% of gross revenue ^(b)
Royalty System	Ad valorem	Quantum	Ad valorem	Hybrid	Ad valorem	Hybrid		Hybrid

(a) A 20% rebate is available for the production of a metal in Tasmania.

(b) Royalty will only apply when a miner's annual gross production revenue exceeds \$500,000. The rate applying to gross production revenue is 1% per annum in a mine's first royalty year, 2% in a mine's second royalty year, and 2.5% in subsequent years.

Changes to Royalty Rates and Concessions

No changes to rates or concessions apply in 2023-24.

Refer to Appendix 3 for historical changes to rates and concessions.

Alumina Royalty Collections

WESTERN AUSTRALIA		
	Revenue Collections \$m	Change (Nominal) %
2014-15	81.8	13.8
2015-16	80.8	-1.2
2016-17	83.7	3.6
2017-18	108.6	29.7
2018-19	135.7	24.9
2019-20	104.7	-22.9
2020-21	90.9	-13.2
2021-22	110.5	21.7
2022-23 ^(a)	110.3	-0.2
2022-23 ^(b)	114.8	4.1

(a) *Annual Report on State Finances 2022-23.*
(b) *2023-24 Budget estimate.*

Mineral Sands

Mineral sands royalties are administered under the *Mining Act 1978*. The main minerals that are collected from mineral sand mining in Western Australia are ilmenite, ilmenite feedstock, leucoxene, rutile and zircon.

Royalty Rate

MINERAL SANDS	
Mineral	Royalty Rate (%)
Ilmenite	5.0
Ilmenite Feedstock ^(a)	5.0
Leucoxene	5.0
Rutile	5.0
Zircon	5.0

(a) This rate applies only to marketable ilmenite feedstock, with a separate royalty rate applying to non-marketable ilmenite feedstock.

Interstate Comparison

Unless stated otherwise, the rates apply to ilmenite, ilmenite feedstock, leucoxene, rutile, and zircon.

MINERAL SANDS ROYALTY RATES								
	WA	NSW	VIC	QLD	SA	TAS	ACT	NT
Royalty Rate	5.0%	4.0% ex-mine value (value less allowable deductions)	2.75% of net market value	5.0%	3.5% ^(a)	1.9% on net sales plus profit royalty up to maximum of 5.35% of net sales	N/A	Greater of 20.0% of net value (less \$10,000) or 1% to 2.5% of gross revenue ^(b)
Royalty System	Ad valorem	Ad valorem	Ad valorem	Ad valorem	Ad valorem	Hybrid		Hybrid

(a) No rate is specified for ilmenite feedstock in South Australia. However, a default rate of 5% applies for mineral ores.

(b) Royalty will only apply when a miner's annual gross production revenue exceeds \$500,000. The rate applying to gross production revenue is 1% per annum in a mine's first royalty year, 2% in a mine's second royalty year, and 2.5% in subsequent years.

Changes to Royalty Rates and Concessions

No changes to rates or concessions apply in 2023-24.

Refer to Appendix 3 for historical changes to rates and concessions.

Mineral Sands Royalty Collections

WESTERN AUSTRALIA		
	Revenue Collections \$	Change (Nominal) %
2014-15	12.8	-16.4
2015-16	16.6	30.3
2016-17	13.4	-19.3
2017-18	12.7	-5.2
2018-19	20.1	57.6
2019-20	27.5	37.0
2020-21	29.7	8.2
2021-22	48.5	63.2
2022-23 ^(a)	48.6	0.2
2023-24 ^(b)	49.5	1.7

(a) *Annual Report on State Finances 2022-23.*
(b) *2023-24 Budget estimate.*

Copper

Copper royalties are administered under the *Mining Act 1978*.

Royalty Rate

The royalty payable under the Mining Act depends on the form in which the copper is sold.

COPPER	
Type of Copper	Royalty Rate (%)
Crushed and screened ore	7.5
Concentrate	5.0
Metallic form	2.5
Nickel by-product	2.5

Interstate Comparison

COPPER ROYALTY RATES								
	WA	NSW	VIC	QLD	SA	TAS	ACT	NT
Royalty Rate	Crushed and screened ore: 7.5% Concentrate: 5.0% Metallic form: 2.5%	4.0% of the ex-mine value (value less allowable deductions)	2.75% of net market value	Variable rate (between 2.5% and 5.0%) depending on average metal prices ^(a)	3.5% of net market value if in a metal form, concentrates at 5.0%	1.9% on net sales plus profit royalty up to maximum of 5.35% of net sales ^(b)	N/A	Greater of 20.0% of net value (less \$10,000) or 1% to 2.5% of gross revenue ^(c)
Royalty System	Ad valorem	Ad valorem	Ad valorem	Ad valorem	Ad valorem	Hybrid		Hybrid

(a) Producers are advised of the applicable variable rate each quarter. Prices below \$3,600/tonne attract the minimum rate; prices above \$9,200/tonne attract the maximum rate. A discount of 20% is available if the mineral is processed in Queensland and the metal produced is at least 95% copper. No royalty is payable on the first \$100,000 of copper produced each year.

(b) A rebate of 20% is available for the production of a metal within Tasmania.

(c) Royalty will only apply when a miner's annual gross production revenue exceeds \$500,000. The rate applying to gross production revenue is 1% per annum in a mine's first royalty year, 2% in a mine's second royalty year, and 2.5% in subsequent years.

Changes to Royalty Rates and Concessions

No changes to rates or concessions apply in 2023-24.

Refer to Appendix 3 for historical changes to rates and concessions.

Petroleum Royalties

Petroleum royalties are levied by the State Government on petroleum production that occurs onshore or within coastal waters.

There are three State Acts which apply to the administration and collection of petroleum royalties in Western Australia:

- *Petroleum (Submerged Lands) Act 1982*;
- *Petroleum and Geothermal Energy Resources Act 1967*; and
- *Barrow Island Royalty Variation Agreement Act 1985*.

Western Australia also receives grants from the Commonwealth Government for the North West Shelf project (covered by the Commonwealth's *Offshore Petroleum (Royalty) Act 2006*), representing a proportion of the Commonwealth's royalties from the project.

Royalty Rate

The royalty rate for petroleum depends on where the petroleum production is undertaken and hence, what State (or Commonwealth) legislation is applicable. Under Western Australian legislation, the royalty rates are as follows.

PETROLEUM	
Relevant Legislation	Royalty Rate (%)
<i>Petroleum (Submerged Lands) Act 1982</i>	10.0 or 12.5 ^(a)
<i>Petroleum and Geothermal Energy Resources Act 1967</i>	10.0 or 12.5 ^{(a)(b)}
<i>Barrow Island Royalty Variation Agreement Act 1985</i>	40.0 ^(c)

(a) A 10% royalty rate applies to a primary production licence; a 10% to 12.5% rate applies once a secondary licence is taken up.
(b) A minimum royalty rate of 5% applies to a primary production licence for tight gas.
(c) A 40% royalty rate applies to the resource rents (net cash flows).

For the North West Shelf project, royalty is levied as a percentage of the value of petroleum at the 'well-head'. This is calculated using a 'netback' method (gross value of petroleum recovered less allowable post-well-head processing, transport and storage costs).

Overview of State Taxes and Royalties 2023-24

This differs from the Resource Rent Royalty (RRR) under the *Barrow Island Royalty Variation Agreement Act 1985*. Like the Commonwealth's Petroleum Resource Rent Tax (PRRT), the RRR applies to only the economic profit or rent of the project. It is levied at 40% of the net cash flow and is shared between the Commonwealth (75%) and the State (25%).

From 1 July 2012, the Commonwealth's PRRT was extended to include State offshore and onshore petroleum projects and the North West Shelf project. Its application to onshore petroleum projects ceased from 1 July 2019. Similar to the RRR for Barrow Island, the PRRT applies a rate of 40% on the taxable profits of a petroleum project. State royalties are fully creditable against PRRT liabilities.

Interstate Comparison

PETROLEUM ROYALTY RATES								
	WA	NSW	VIC	QLD	SA	TAS	ACT	NT
Royalty Rate	10.0% or 12.5% at the well-head ^{(a)(b)}	10.0% at the well-head	10.0% at the well-head	Sliding rate scale based on average sales price and volume of gas produced	10.0% at the well-head	12.0% at the well-head	N/A	10.0% at the well-head
Royalty System	Ad valorem	Ad valorem	Ad valorem	Ad valorem	Ad valorem	Ad valorem		Ad valorem

(a) Except under the *Barrow Island Royalty Variation Agreement Act 1985*, which applies a royalty rate of 40% to resource rents (calculated on a similar basis to the Commonwealth's Petroleum Resource Rent Tax).

(b) A minimum rate of 5% applies to tight gas.

Petroleum Royalty Collections

WESTERN AUSTRALIA		
	Revenue Collections ^(a)	Change (Nominal)
	\$m	%
2014-15	10.5	-7.8
2015-16	4.7	-55.4
2016-17	3.6	-23.4
2017-18	7.0	96.5
2018-19	8.0	13.3
2019-20	6.6	-16.5
2020-21	2.7	-59.8
2021-22	10.0	276.0
2022-23 ^(b)	16.0	59.4
2023-24 ^(c)	9.8	-38.8

(a) Excluding collections from the North-West Shelf project.
 (b) *Annual Report on State Finances 2022-23*.
 (c) *2023-24 Budget* estimate.

North West Shelf Grants

WESTERN AUSTRALIA		
	Revenue Collections ^(a)	Change (Nominal)
	\$m	%
2014-15	912.6	-21.9
2015-16	645.5	-29.3
2016-17	639.9	-0.9
2017-18	723.1	13.0
2018-19	916.3	26.7
2019-20	649.4	-29.1
2020-21	429.3	-33.9
2021-22	690.3	60.8
2022-23 ^(b)	920.8	33.4
2023-24 ^(c)	660.0	-28.3

(a) Including compensation for Commonwealth crude oil excise arrangements.
 (b) *Annual Report on State Finances 2022-23*.
 (c) *2023-24 Budget* estimate.

Appendix 1

Summary of Tax and Royalty Changes in 2023-24 in all States and Territories

The following is a summary of the major tax and royalty changes announced (not necessarily enacted) between 1 November 2022 and 31 October 2023. It is not intended to be an exhaustive list of all tax and royalty announcements during this period.

Western Australia

Transfer Duty

On 11 May 2023, the existing off-the-plan transfer duty assistance for pre-construction contracts was extended from 24 October 2023 to 30 June 2025 and the thresholds increased from \$500,000 and \$600,000 to \$650,000 and \$750,000 respectively.

On 31 August 2023, off-the-plan transfer duty rebates were converted to transfer duty concessions.

On 10 October 2023, the off-the-plan transfer duty concession was extended to provide apartments under construction with a 75% concession of duty for properties valued up to \$650,000, phasing to a 37.5% concession for properties valued at \$750,000 or more.

From 1 January 2023, land is no longer required to be vacant or substantially vacant for foreign developers to be eligible for a foreign buyers duty exemption when constructing or refurbishing 10 dwellings or subdividing land for the purposes of developing 10 dwellings.

Land Tax

On 22 November 2022, homeowners who move into full-time care and do not rent out their former residence became eligible for a land tax exemption from the 2020-21 land tax year (applied retrospectively).

On 18 October 2023, a temporary extension to the two-year land tax exemptions provided to people constructing or refurbishing their future home was made available to homeowners who began construction between 1 July 2020 and 30 June 2023.

New South Wales

Payroll Tax

On 4 September 2023, payroll tax audits on General Practitioners and their practices were paused for 12 months. A 12-month pause was also placed on penalties and interest accrued on outstanding payroll tax debts incurred before the commencement of the 12-month period.

Transfer Duty

On 29 May 2023, a foreign transfer duty surcharge exemption was introduced for citizens of Finland, Germany, India, Japan, New Zealand, Norway, South Africa and Switzerland. Citizens from these countries are eligible for a refund of foreign transfer duty paid from 1 January 2021.

On 1 July 2023, the rate applied to acquisitions in a significant interest (i.e. 90% or more of the property) of a public landholder was amended from the concessional rate of 10% of duty to the full rate.

On 9 February 2023, teachers at regional schools became eligible to claim back up to \$10,000 in transfer duty on home purchases in their school community.

On 1 July 2023, the First Home Buyer Assistance Scheme exemption and concession thresholds were increased from \$650,000 and \$800,000 to \$800,000 and \$1 million respectively.

On 1 July 2023, access to the First Home Buyer Choice Scheme was closed, with first home buyers who opted into the annual property tax still liable for the tax until the property is sold.

From 1 February 2024, the duty exemption for corporate reconstructions will be replaced with a concessional duty rate of 10% of duty.

Land Tax

On 29 May 2023, a foreign land tax surcharge exemption was introduced for citizens of Finland, Germany, India, Japan, New Zealand, Norway, South Africa and Switzerland. Citizens from these countries are eligible for a refund of foreign land tax surcharge paid from 1 January 2021.

On 1 July 2023, the Commissioner was given discretion to extend the four-year principal place of residence exemption provided to those constructing or renovating their family home by up to 24 months in exceptional circumstances. The extension is available to homeowners whose exemption ended on or after 31 December 2019.

Vehicle Licence Duty

From 1 January 2024, vehicle licence duty exemptions and rebates for the purchase of electric vehicles will cease.

Gambling Taxes

On 1 July 2023, casino tax rates on rebate play increased from 10% to 12.5% while non-rebate play increased from 17.91% to 20.25%.

From 1 July 2030, new casino tax rates will apply based on monthly net revenue per electronic gaming machine (poker machines) operated by Star Casino:

- Less than \$2,666 – 0%;
- Between \$2,666 and \$6,667 – 37.6%;
- Between \$6,667 and \$12,500 – 42.1%; and
- \$12,500 or more – 51.6%.

From 1 July 2023 to 30 June 2030, an additional levy of 35% will apply on the Star Casino's total gaming revenue that exceeds \$1.125 billion in a financial year.

Mineral Royalties

From 1 July 2024, coal royalty rates will increase by 2.6 percentage points:

- open cut coal from 8.2% to 10.8%;
- underground coal from 7.2% to 9.8%; and
- deep underground coal from 6.2% to 8.8%.

Victoria

Payroll Tax

Between 1 July 2023 and 1 July 2033, a temporary 0.5% surcharge is applied to employer's annual Australian taxable wages above \$10 million, and an additional temporary 0.5% surcharge is applied to annual Australian taxable wages above \$100 million.

From 1 July 2024, the payroll tax-free threshold will increase from \$700,000 to \$900,000 and will then increase to \$1 million from 1 July 2025.

From 1 July 2024, a 'phase out' of the tax-free amount will be introduced for businesses with wages between \$3 million and \$5 million.

From 1 July 2024, the payroll tax exemption for high-fee (income per student more than \$15,000) non-government schools will be removed.

Transfer Duty

On 1 July 2023, the exemption and concession thresholds for the Pensioner Duty Concession scheme increased to align with the first home buyer thresholds of \$600,000 and \$750,000 respectively.

On 1 July 2023, the Special Disability Trust (SDT) transfer duty concession threshold increased from \$500,000 to \$1.5 million.

From 1 July 2024, purchasers of commercial and industrial properties can opt-in to pay transfer duty over 10 years (plus interest with a government-facilitated transition loan). An annual 1% property tax of the unimproved value will apply 10 years after the initial sale and on all subsequent purchases of properties opted into the new tax system.

Land Tax

From 1 January 2024 to 30 June 2033, the tax-free threshold for general land tax will decrease from \$300,000 to \$50,000.

From 1 January 2024 to 30 June 2033, additional temporary fixed charges of \$500 and \$975 will apply to landholdings between \$50,000 and \$100,000 and above \$100,000 respectively.

From 1 January 2024 to 30 June 2033, land tax rates will increase by 0.1% for general and trust taxpayers with landholdings above \$300,000 and \$250,000 respectively.

From 1 January 2024, the absentee owner surcharge rate will increase from 2% to 4% and the minimum threshold for non-trust absentee owners will decrease from \$300,000 to \$50,000.

From 1 January 2024, the Commissioner of State Revenue will have discretion to extend the existing land tax exemptions (up to an additional two years) for principal places of residence under construction or renovation affected by builder insolvencies.

From 1 January 2026, residential land undeveloped for more than five years in established areas of Melbourne will become liable for the Vacant Residential Land Tax.

Insurance Duty

From 1 July 2024, the current business insurance duty rate of 10% will reduce by one percentage point each year until it is abolished in 2033.

Motor Vehicle Registrations

On 1 July 2023, the discount on motor vehicle registrations under the Trade Apprentice Registration Discount scheme increased from 50% to 100%.

Gambling Taxes

From 1 July 2024, the wagering and betting tax will increase from 10% to 15% of net wagering revenue.

Other Fees and levies

From 2025, a 7.5% short-stay levy will be introduced on short-stay accommodation platform revenue.

Queensland

Payroll Tax

On 1 July 2023, the 50% payroll tax rebate on the wages of apprentices and trainees was extended until 30 June 2024.

On 1 July 2023, an amnesty was provided to qualifying medical practices, otherwise liable to pay payroll tax on payments made to contracted General Practitioners, up to 30 June 2025 and for the previous 5 years (i.e. 2018 to 2025).

On 1 July 2023, the 1% regional employer discount on payroll tax was extended until 30 June 2030.

Transfer Duty

On 1 July 2023, an exemption for foreign acquirer duty was introduced for Build-to-Rent developments.

Land Tax

On 1 July 2023, a 50% discount on land tax and a full exemption on the 2% foreign investor land tax surcharge was introduced for eligible Build-to-Rent developments.

South Australia

Payroll Tax

On 22 June 2023, an amnesty was provided to qualifying medical practices, otherwise liable to pay payroll tax on payments made to contracted General Practitioners, up to 30 June 2024 and for the previous 5 years (i.e. 2018-19 to 2023-24).

Transfer Duty

On 5 February 2023, homeowners whose principal place of residence had been substantially damaged or destroyed by floods were made eligible for transfer duty relief up to \$48,830 on the purchase of a new home.

On 15 June 2023, a First Home Buyer Concession was introduced for eligible purchases of new or newly constructed homes valued up to \$650,000 (phasing out at \$700,000), and purchases of vacant land valued up to \$400,000 (phasing out at \$450,000).

Home Buyer Grants

On 15 June 2023, the First Home Owner Grant property cap increased from \$575,000 to \$650,000.

Vehicle Licence Duty

On 5 February 2023, vehicles purchased to replace damaged or lost vehicles in the floods, are eligible for vehicle licence duty relief up to \$2,816 and \$2,127 for commercial and non-commercial vehicles respectively.

Tasmania

Transfer Duty

On 25 May 2023, the eligibility period for first home buyers and pensioner downsizing duty concessions was extended for a further 12 months to 30 June 2024.

Home Buyer Grants

On 25 May 2023, the First Home Owner Grant was extended for a further 12 months to 30 June 2024.

Land Tax

On 25 May 2023, the land tax exemptions for newly constructed dwellings made available for long-term rentals and short-stay accommodation places converted to long-term rentals was extended for 12 months to 30 June 2024.

Vehicle Licence Duty

On 25 May 2023, the motor vehicle duty waiver on the purchase of electric and hydrogen fuel cell vehicles was extended to 31 December 2023, where the purchase is of a new vehicle and the contract was entered into prior to 25 May 2023.

Australian Capital Territory

Payroll tax

From 1 July 2025, a 0.25% surcharge will apply to taxable wages above the payroll tax-free threshold for businesses with Australian-wide wages above \$50 million, while a 0.5% surcharge will apply to wages above the tax-free threshold for businesses with Australia-wide wages above \$100 million.

On 26 August 2023, General Practitioners (GP) who have not previously paid payroll tax had their payroll tax liabilities up to 30 June 2023 waived. In addition, a further two-year exemption (until 30 June 2025) was applied to GPs that bulk bill 65% of all patients.

Transfer Duty

On 1 July 2023, the off-the-plan transfer duty concession threshold increased from \$600,000 to \$700,000.

From 27 November 2023 to 30 June 2026, an exemption for transfer duty will apply to the first transfer of unit-titled dwellings valued up to \$800,000 on dual occupancy residential blocks.

Vehicle Licence Duty

On 1 July 2023, an exemption for vehicle licence duty was introduced for eligible used plug-in hybrid and hybrid electric vehicles.

Motor Vehicle Registration

On 1 July 2023, motor vehicle registration exemptions were expanded to ACT Service Access and Australian Low Income Health Care card holders.

On 1 July 2023, a 12-month registration discount was introduced for eligible new and used plug-in hybrid and hybrid electric vehicles.

From 1 July 2024, vehicle registration fees will gradually transition from the current weight-based vehicle registration system to an emissions-based system.

Gambling Taxes

On 1 July 2023, the betting tax rate increased from 20% to 25%.

Other Fees and Levies

The Fire and Emergency Services Levy will increase by \$17 from 1 July 2025, and by a further \$35 from 1 July 2026.

Northern Territory

Transfer Duty

On 1 July 2023, transfer duty on the conveyances of non-land property was abolished, excluding chattels conveyed with an interest in land.

On 1 July 2023, transfer duty of conveyances of chattels with a lease that has nil or nominal dutiable value was abolished.

Appendix 2

Abolition of State Taxes under the GST Agreement

The following is a chronological summary of Western Australia's abolition of certain State taxes under the arrangements whereby GST grants are paid by the Commonwealth to the States.

The GST Agreement

The *Intergovernmental Agreement on the Reform of Commonwealth-State Financial Relations* (the Goods and Services Tax (GST) Agreement), signed by Commonwealth and State and Territory First Ministers on 9 April 1999, included commitments to abolish the following State taxes:

- bed taxes from 1 July 2000;
- financial institutions duty from 1 January 2001;
- debits tax from 1 January 2001;
- stamp duties on the following from 1 July 2001:
 - marketable securities;
 - business¹ conveyances (other than real property);
 - leases;
 - mortgages, bonds, debentures, and other loan securities;
 - credit arrangements, instalment purchase arrangements and rental (hiring) arrangements;
 - cheques, bills of exchange and promissory notes; and
- stamp duty on business conveyances of real property from a date to be determined.

¹ That is, non-residential conveyances.

The Commonwealth Government agreed to distribute all of the GST revenue amongst the States and Territories to compensate for the abolition of the above taxes and the cessation of financial assistance grants and payments associated with the safety net surcharge arrangements for alcohol, petroleum and tobacco products.

However, on 28 May 1999 the Commonwealth Government announced a number of changes to the GST to secure the passage of the legislation through the Senate. These changes included the exclusion of basic food and some health and education items from the GST revenue base, which reduced the amount of expected GST revenue by around \$4 billion per annum. Consequently, projected GST revenues were no longer sufficient to cover revenue foregone from the abolition of the taxes originally agreed and a revised GST Agreement was reached in June 1999.²

In the revised GST Agreement:

- the States and Territories agreed to abolish and not reintroduce:
 - bed taxes from 1 July 2000;
 - financial institutions duty from 1 July 2001;
 - stamp duties on quoted marketable securities³ from 1 July 2001;
 - debits tax by 1 July 2005, subject to review by the Ministerial Council;⁴ and
- it was agreed that the Ministerial Council would by 2005 review the need (once GST revenues proved sufficient) for the retention of stamp duties on:
 - non-quotable marketable securities;
 - business conveyances (including real property);
 - leases;
 - mortgages, debentures, bonds and other loan securities;
 - credit arrangements, instalment purchase arrangements and rental (hiring) arrangements; and
 - cheques, bills of exchange, and promissory notes.

In both the original and revised GST Agreements, the States and Territories agreed to adjust their gambling tax arrangements to take account of the impact of the GST on gambling operators, pay the Australian Taxation Office for the cost of administering the GST, and fund and administer a new First Home Owner Grant scheme entailing a lump sum payment to eligible home buyers of \$7,000 from 1 July 2000.

² A copy of the revised agreement is in Schedule 1 of the Financial Relations Agreement (Consequential Provisions) Bill 1999 [http://www.parliament.wa.gov.au/parliament/bills.nsf/A553E2E809D9CC6C482567FC000F01E9/\\$File/Bill046-1.pdf](http://www.parliament.wa.gov.au/parliament/bills.nsf/A553E2E809D9CC6C482567FC000F01E9/$File/Bill046-1.pdf).

³ That is, on transfers of marketable securities quoted on a recognised stock exchange such as the Australian Securities Exchange (ASX).

⁴ Comprising the Commonwealth, State and Territory Treasurers.

Implementing the State Tax Reforms

As per the revised GST Agreement, Western Australia abolished financial institutions duty and stamp duties on quoted marketable securities from 1 July 2001. Western Australia did not levy any bed taxes.

Western Australia also chose to abolish a number of taxes ahead of the scheduled review by the Ministerial Council, with stamp duty on leases, cheques, bills of exchange and promissory notes, and non-quotable marketable securities all being abolished from 1 January 2004.

The Ministerial Council agreed at its meeting in March 2004 to abolish debits tax from 1 July 2005.

Consistent with the revised GST Agreement, in March 2005 the Ministerial Council considered the need to retain the relevant stamp duties, with the Commonwealth Treasurer proposing the abolition of:

- stamp duties on non-quotable marketable securities; leases; mortgages, bonds, debentures and other loan securities; credit arrangements, instalment purchase arrangements and rental arrangements; and cheques, bills of exchange and promissory notes by 1 July 2006;
- stamp duty on the non-real component of business conveyances from 1 July 2007; and
- stamp duty on business conveyances of real property from a date to be determined by the Ministerial Council (when all States could abolish this duty without being in a net loss position under the GST funding arrangements).

However, agreement on the schedule for abolishing these State taxes was not reached at that Ministerial Council meeting.

Subsequently, six of the States and Territories (excluding Western Australia and New South Wales), proposed the abolition of the relevant State taxes by 2010-11, with the exception of stamp duty on business conveyances of real property (which was proposed to be retained indefinitely, at the individual discretion of States).

Western Australia maintained that it should be able to determine its own State tax reform priorities without intervention by the Commonwealth and noted that its capacity to abolish these taxes was limited. A State Tax Review was undertaken to ensure any tax relief would be in line with the State's needs and priorities, rather than being determined by the Commonwealth.

Western Australia proposed to abolish:

- stamp duty on the hire of goods from 1 January 2007;⁵
- stamp duty on mortgages, debentures, bonds and other loan securities from 1 July 2008 (but with rates reduced by 50% from 1 July 2006); and
- stamp duty on non-real business conveyances from 1 July 2010.

At the March 2006 Ministerial Council Meeting, the Commonwealth agreed to individual State schedules for the abolition of the relevant State taxes from seven of the States and Territories (excluding New South Wales), but did not agree with the proposed approach in relation to stamp duty on real business conveyances. Subsequently, New South Wales also announced an abolition schedule.

In line with the agreed schedule, from 1 July 2006, Western Australia cut the rates of stamp duty on mortgages by 50% before abolishing mortgage duty from 1 July 2008. Stamp duty on hire of goods was abolished from 1 January 2007.

In November 2008, COAG agreed a new *Intergovernmental Agreement on Federal Financial Relations* (IGA) which came into effect from 1 January 2009. The IGA incorporated the still relevant parts of the revised GST Agreement and included major reforms to specific purpose payment arrangements.⁶

The IGA included an overarching agreement that the remaining identified State taxes would be abolished by 1 July 2013. Consistent with the agreed approach in 2006, these taxes are those listed in the revised GST Agreement, with the exception of duty on real business conveyances (which, following the required 2005 review, the States concluded they could not afford to abolish).

In May 2013, in response to structural challenges facing the State's budget, the Western Australian Government announced that it would defer the abolition of duty on non-real business assets until budget circumstances allow. Duty on non-real business assets is the only listed State tax that Western Australia has yet to abolish. Queensland has also deferred the abolition of this duty.

The Australian Capital Territory abolished duty on non-real business assets from 1 July 2006, Tasmania abolished it from 1 July 2008, South Australia abolished it from 18 June 2015, and the Northern Territory abolished it from 9 May 2023. New South Wales abolished duties on non-real business assets, mortgages and unlisted marketable securities from 1 July 2016. Victoria never levied duty on non-real business assets.

⁵ In Western Australia, stamp duties on credit/rental arrangements comprised only duty on hire of goods.

⁶ The IGA is now available at: <https://federalfinancialrelations.gov.au/intergovernmental-agreement-federal-financial-relations>

Appendix 3

Summary of Historical Tax and Royalty Changes in Western Australia

The following is a summary of the historical changes to rates, exemptions and concessions in Western Australia up until 31 October 2023 for the following taxes and royalties.

- **Payroll Tax**
- **Transfer Duty**
- **Land Tax and Metropolitan Region Improvement Tax**
- **Insurance Duty**
- **Vehicle Licence Duty**
- **Motor Vehicle Registrations**
- **Gambling Taxes** – Casino Tax and Betting Taxes
- **Other Fees and Levies** – Perth Parking Levy, Landfill Levy and Building and Construction Industry Training Fund Levy
- **Mineral Royalties** – Iron Ore, Lithium, Gold, Nickel, Bauxite/Alumina, Mineral Sands and Copper, Lead, Zinc, Diamonds

Payroll Tax

Changes to the Payroll Tax Scale

	Exemption Threshold	Top Threshold ^(a)	Minimum Statutory Tax Rate	Maximum Statutory Tax Rate
	\$	\$	%	%
1 Sep 1971	20,800	20,800	3.50	3.50
1 Sep 1973	20,800	20,800	4.50	4.50
1 Sep 1974	20,800	20,800	5.00	5.00
1 Jan 1976	41,600	104,000	5.00	5.00
1 Jan 1977	48,000	84,000 ^(b)	5.00	5.00
1 Dec 1977	60,000	109,500 ^(b)	5.00	5.00
1 Jan 1980	72,000	131,400 ^(b)	5.00	5.00
1 Jan 1982	102,000	201,000 ^(b)	5.00	5.00
1 Jan 1983	125,000	255,780 ^(b)	5.00	5.00
1 Jan 1984	160,000	400,000	5.00	5.00
1 Jan 1985	200,000	800,000	4.75	4.75
1 Jan 1986	220,000	1,408,000	4.00	4.75
1 Aug 1986	250,000	1,800,000	3.75	5.75
1 Jan 1988	275,000	1,980,000	3.75	5.75
1 Jan 1989	295,000	2,124,000	3.75	5.75
1 Nov 1989	300,000	2,500,000	3.95	6.00
1 Jan 1991	320,000	2,666,667	3.95	6.00
1 Jun 1992	350,000	2,916,667	3.95	6.00
1 Dec 1992	375,000	3,125,000	3.95	6.00
1 Jan 1994	450,000	3,750,000	3.95	6.00
1 Jul 1994	550,000	4,583,333	3.95	6.00
1 Jul 1995	600,000	5,000,000	3.95	6.00
1 Jul 1996	625,000	5,208,333	3.95	6.00
1 Jul 1997	675,000	5,625,000	3.65	5.56
1 Jan 2002	675,000	5,625,000	3.65	6.00
1 Jul 2003	750,000	No threshold	N/A	6.00
1 Jan 2005	750,000	No threshold	N/A	5.50
1 Jul 2014	800,000	No threshold	N/A	5.50
1 Jul 2015	800,000	7,500,000 ^(c)	N/A	5.50
1 Jul 2016	850,000	7,500,000	N/A	5.50
1 Jul 2018	850,000	1,500,000,000	N/A	6.50 ^(d)
1 Jan 2020	950,000	1,500,000,000	N/A	6.50
1 Jul 2020	1,000,000	1,500,000,000	N/A	6.50
1 Jul 2023	1,000,000	7,500,000	N/A	5.50

(a) Prior to 1986 the top threshold reflects the annual wages at which the payroll tax deduction phases out. From 1 January 1986 until 1 July 2003 multiple legislated thresholds (and rates) applied.

(b) From 1 January 1977 to 1 January 1984, the payroll tax deduction phased out by a specified amount for every dollar that wages were over the exemption threshold.

(c) A diminishing exemption threshold was introduced from 1 July 2015 on payrolls between \$800,000 and \$7,499,999. The exemption threshold does not apply to payrolls of at least \$7,500,000, such that (for example) the 5.50% rate applies to all WA wages.

(d) A temporary progressive payroll tax scale was introduced for five years between 1 July 2018 and 30 June 2023.

Changes to Exemptions and Concessions

An exemption for the wages of first year apprentices was introduced from 1 January 1984 and extended to the wages of all apprentices from 1 January 1994.

Budget-funded government departments were exempted from 1 June 1986.

Certain prescribed fringe benefits paid by employers to employees in remote areas were exempted from payroll tax from 1 July 1996. These benefits include housing, annual leave, travel assistance, power and water subsidies and child education bursaries.

The payroll tax base was expanded to a wide range of employee benefits from 1 July 1997, including superannuation benefits and non-cash fringe benefits as defined and valued by the *Fringe Benefits Tax Act 1986* (Cth).

Travel and accommodation allowances up to prescribed levels were excluded from the payroll tax base from 1 July 1997.

The payroll tax base was extended to the grossed-up value of taxable fringe benefits from 1 January 2002 and to eligible termination payments from 1 July 2003.

From 1 July 2009, seven areas of payroll tax were brought in line with the other jurisdictions as part of a harmonisation program. These areas are timing of lodgements; accommodation allowance exemptions; vehicle allowance exemptions; fringe benefits; employee share benefit schemes; services performed outside a jurisdiction; and superannuation contributions. Grouping provisions were harmonised with other jurisdictions from 1 July 2012 (previously scheduled for 1 July 2009).

From 1 July 2009, exemptions for parental leave and volunteer emergency service work were implemented as part of the 'stage 2' payroll tax harmonisation measures.

In 2010-11, employers with payrolls of up to \$1.6 million in 2009-10 were paid a one-off rebate to fully offset their 2009-10 tax liabilities. The maximum amount of the rebate (on a payroll of \$1.6 million) was \$46,750. The rebate phased down for employers with payrolls between \$1.6 million and \$3.2 million.

From 1 July 2012, an exemption was introduced for wages paid to new employees with a disability in their first two years of employment, where these employees are eligible for a Commonwealth Disability Employment Services wage subsidy or are eligible for any form of disability support from Western Australia's Department of Communities.

From 1 July 2012, employers with an Australia-wide group annual payroll of \$15 million or less are eligible for a 100% payroll tax rebate on wages paid to new Indigenous employees in their first two years of employment if the employers are also in receipt of a Commonwealth Indigenous Wage Subsidy.

Overview of State Taxes and Royalties 2023-24

Employers with Australia-wide group payrolls of up to \$1.5 million in 2012-13 received a one-off rebate in 2013-14 to fully offset their 2012-13 payroll tax liabilities. The maximum rebate payable was \$41,250. The rebate phased down for employers with payrolls between \$1.5 million and \$3 million.

From 10 March 2015, the scope of the exemption for charitable institutions was narrowed to exclude certain 'fourth limb' charities that promote trade, industry or commerce. Political parties, industrial associations and professional associations were also excluded.

On 1 December 2017, the payroll tax exemption for trainees was restricted to new employee trainees earning no more than \$100,000 per annum at the date of lodgement of their training contract with the Department of Training and Workforce Development. This was replaced with a grant program from 1 July 2019.

The payroll tax exemption for new employee trainees earning up to \$100,000 per annum was removed from 1 July 2019 and replaced with a grant program.

On 1 January 2020, the payroll tax exemption threshold was increased from \$850,000 to \$950,000. A previously flagged further increase to \$1 million was brought forward, commencing on 1 July 2020 instead of 1 January 2021.

In 2020, a one-off grant of \$17,500 was provided to businesses with a payroll between \$1 million and \$4 million.

Payroll tax paying employers with Australia-wide wages less than \$7.5 million had their payroll tax waived for the period 1 March 2020 to 30 June 2020.

A three-month payroll tax waiver was available for eligible hospitality businesses that could demonstrate a 40% or greater reduction in turnover for any four-week period between 1 January 2022 and 30 April 2022.

On 1 July 2022, the quarterly payroll tax return lodgement threshold increased from \$100,000 to \$150,000, meaning those businesses with an annual liability of up to \$150,000 will have the option to pay quarterly rather than monthly.

Transfer Duty

Changes to the Rate Scale

MARGINAL TAX RATES (%) UNTIL 30 JUNE 2022						
Value \$	From 1 Jul 1998	From 1 Jul 2002	From 1 Jul 2003	From 1 Jul 2004	From 28 Oct 2004	From 1 Jul 2008^(a)
Less than 80,000	1.95	2.00	2.30	2.20	2.00	1.90
80,001 – 100,000	2.85	3.00	3.45	3.30	3.00	2.85
100,001 – 250,000	3.70	4.15	4.75	4.50	4.00	3.80
250,001 – 500,000	4.55	5.15	5.90	5.60	5.00	4.75
Above 500,000	4.85	5.50	6.30	6.00	5.40	5.15

(a) A concessional scale applies to residential properties where the rates of duty are the same but the corresponding thresholds are higher (i.e. \$120,000, \$150,000, \$360,000 and \$725,000).

MARGINAL TAX RATES (%) FROM 1 JULY 2022^(a)	
Value \$	
Less than 120,000	1.90
120,001 – 150,000	2.85
150,001 – 360,000	3.80
360,001 – 725,000	4.75
Above 725,000	5.15

(a) On 1 July 2022, the general rate of transfer duty was reduced to align with the rate of duty for residential transactions.

Since 1 January 2019, a 7% foreign transfer duty surcharge has applied in Western Australia on purchases of residential property by foreigners, including individuals, corporations and trusts. The surcharge is in addition to transfer duty payable.

Changes to Exemptions and Concessions

The exemption for the transfer of the matrimonial home to joint tenants was introduced in January 1988. It was extended to couples living in opposite-sex de facto relationships in December 1991 and then to same-sex de facto relationships on 1 July 2003.

A \$500 stamp duty rebate for first home owners was introduced in March 1989. The value limits were increased from \$80,000 to \$85,000 and, for properties north of the 26th parallel, from \$120,000 to \$127,500 on 1 November 1989.

From 1 July 1998, the value limits were further increased from \$85,000 to \$135,000 and, for properties north of the 26th parallel, from \$127,500 to \$202,500. From 1 January 2004, the value limits were again increased from \$135,000 to \$185,000 and from \$202,500 to \$277,500 (for properties north of the 26th parallel).

On 1 July 2004, the \$500 stamp duty rebate for first home owners was replaced with a stamp duty exemption for purchases of homes below \$220,000, phasing out at \$300,000. For vacant land, the exemption applied to purchases below \$100,000, phasing out at \$150,000. This exemption threshold was extended on 29 October 2004 to \$250,000 for first home purchases (phasing out at \$350,000), and to \$150,000 for vacant land (phasing out at \$200,000). This was further extended from 10 May 2007 to \$500,000 for first home purchases (phasing out at \$600,000), and \$300,000 for vacant land (phasing out at \$400,000). From 3 July 2014, the exemption threshold for first home purchases was reduced to \$430,000 (phasing out at \$530,000).

The first home buyer stamp duty concession was extended to any subsequent purchases of an interest by an eligible first home buyer who enters into a shared equity arrangement with the Department of Housing and Works from 1 July 2004.

A stamp duty exemption for property transfers from a bankrupt entity to a creditor was introduced on 1 July 2004.

The value limit for the 1.5% concessional duty rate for the transfer of owner-occupied residences and small businesses was increased from \$50,000 to \$85,000 on 1 November 1989. This was further increased to \$100,000 on 1 July 1998. A gradual phase out of the concessional duty rate for properties valued between \$100,000 and \$135,000 was also introduced at that time. On 1 July 2004, the phase-out value was extended to \$200,000. On 1 July 2022, the value limit for the 1.5% concessional rate increased to \$120,000.

A stamp duty exemption for corporate reconstructions was introduced on 1 October 1996. From 1 January 2004, the scope of the corporate reconstruction provisions was broadened to include direct property transfers between certain subsidiaries of holding companies. From 1 July 2008, the exemption also applies to unit trust schemes. The three-year pre-association test and the five-year post-association tests for corporate reconstructions were also removed, coinciding with the implementation of the landholder duty regime.

The stamp duty exemption for chattels (except trading stock, livestock and chattels used in farming) conveyed with real property was removed from 1 July 1998.

From 1 July 2008, a new concessional duty scale was introduced for transfers of residential properties, with the concession phasing out when a property is valued over \$116,000.

The scope of the exemption for charitable institutions was narrowed from 10 March 2015 to exclude certain 'fourth limb' charities that promote trade, industry or commerce. Political parties, industrial associations and professional associations were also excluded.

An off-the-plan transfer duty rebate scheme provided a 75% transfer duty rebate (up to a maximum of \$50,000) to eligible owner-occupiers and investors who entered into a pre-construction contract between 23 October 2019 and 23 October 2021 to purchase a new residential unit or apartment in a multi-tiered strata scheme. The above rebate was temporarily expanded to also provide up to \$25,000 per transaction for contracts signed during construction, between 4 June 2020 and 31 December 2020.

This rebate was also available at a reduced rate of 50% (with a maximum rebate of \$50,000) for pre-construction contracts entered into between 24 October 2021 and 31 May 2022.

For pre-construction contracts entered into between 1 June 2022 and 24 October 2023, an amended scheme provided increased assistance to those who purchased lower value dwellings. The rebate amount was equal to 100% of the duty payable for a dwelling valued at less than \$500,000, phasing to a 50% rebate on dwellings valued at \$600,000 or above.

On 1 July 2022, the general rate of transfer duty was reduced to align with the rate of duty for residential transactions.

On 1 July 2022, the duty on prospecting licences and derivative mining rights in relation to prospecting licences was removed (excluding transfers with dutiable property).

On 11 May 2023, the existing off-the-plan transfer duty rebate scheme was extended from 24 October 2023 to 30 June 2025 and the thresholds increased from \$500,000 and \$600,000 to \$650,000 and \$750,000 respectively. The rebate was converted to a duty concession from 31 August 2023. On 10 October 2023, the assistance was extended to provide apartments under construction with a 75% concession of duty for properties valued up to \$650,000, phasing to 37.5% for properties valued at \$750,000 or more. In all cases the maximum concession value is \$50,000.

Land Tax and Metropolitan Region Improvement Tax

Land Tax

Changes to the Rate Scale

In 1986-87, the maximum marginal rate was reduced from 2.4% to 2%. The number of tiers was also reduced and the value ranges applying to each tier were expanded. In 1993-94, the land tax scale was restructured to accommodate the introduction of annual valuations. The land tax rates were further reduced in 1995-96, 1996-97, 1997-98, 1998-99 and 1999-2000.

In 2002-03, the exemption threshold was increased from \$10,000 to \$50,000. At the same time, the top tax rates were increased from 2% to 2.3% for land with an unimproved value between \$2 million and \$5 million, and to 2.5% for land with an unimproved value exceeding \$5 million.

In 2003-04, the number of tiers in the land tax scale was reduced from ten to six, without changing the minimum and maximum thresholds (\$50,000 and \$5 million respectively). The minimum and maximum tax rates were also unchanged.

In 2004-05, the exemption threshold was increased from \$50,000 to \$100,000, the second threshold increased from \$190,000 to \$220,000, and the third threshold increased from \$550,000 to \$570,000.

From 2005-06, land tax was levied on the portion of the aggregate taxable value of land above the exemption threshold, rather than on the total value once the exemption threshold is reached. In addition, the exemption threshold was increased from \$100,000 to \$130,000, the second threshold increased from \$220,000 to \$290,000 and the third threshold increased from \$570,000 to \$750,000. The marginal rate for the third threshold was reduced from 1.76% to 1.62%.

In 2006-07, the exemption threshold was increased from \$130,000 to \$150,000, the second threshold increased from \$290,000 to \$390,000 and the third threshold increased from \$750,000 to \$875,000.

From 2007-08, the exemption threshold was increased to \$250,000, with the other thresholds increased to \$875,000, \$2 million, \$5 million and \$10 million. The corresponding marginal tax rates were set at 0.15%, 0.75%, 1.30%, 1.55% and 2.30% respectively.

In 2008-09, the exemption threshold was increased to \$300,000, with the other thresholds increased to \$1 million, \$2.2 million, \$5.5 million and \$11 million. The corresponding marginal tax rates were reduced to 0.09%, 0.47%, 1.22%, 1.46% and 2.16% respectively.

From 2013-14, all marginal tax rates were increased by around 12.5% to 0.10%, 0.53%, 1.37%, 1.64% and 2.43% for the existing thresholds of \$300,000, \$1 million, \$2.2 million, \$5.5 million and \$11 million respectively.

In 2014-15, all marginal tax rates were increased by 10% to 0.11%, 0.58%, 1.51%, 1.80% and 2.67%. The thresholds again remained unchanged.

In 2015-16, the land tax scale was revised to apply a flat dollar amount of \$300 on taxable land with an unimproved value of up to \$420,000 and increase rates for all thresholds except the top threshold. Marginal tax rates increased to 0.25%, 0.9%, 1.8%, 2.0% and 2.67% (the latter rate was unchanged), while the \$2.2 million and \$5.5 million thresholds were reduced to \$1.8 million and \$5 million respectively.

Changes to Exemptions and Concessions

In 1985-86 and 1986-87, as an interim measure, a 10% land tax rebate was offered to all of Western Australia's land tax payers, pending a major review.

From 1988-89, the phase-in period for general revaluations for land tax purposes was extended from three years to four years, a move designed especially to assist owners of Perth Central Business District (CBD) properties whose land was subject to revaluations in that year.

In 1991-92, new valuations for land tax purposes were not applied to provide relief to owners of property otherwise subject to both the first year's phase-in of a new valuation and the fourth year's phase in of the previous valuation (again, owners of Perth CBD properties were the principal beneficiaries).

In 1992-93, land tax assessments were frozen at 1991-92 levels, except where reductions were applicable (or where there had been variations to land holdings). Reductions were applicable primarily in the Perth CBD, where in some cases the new 1992-93 valuations were significantly less than the fully phased-in 1988-89 valuations on which the 1991-92 land tax assessments were based.

In 1993-94, a land tax exemption for beneficiary-occupiers of residences owned by discretionary trusts was re-introduced (reversing the removal of this exemption in 1989-90).

From 1994-95, a land tax exemption was extended to all land owned by retirement villages. Also, the 50% land tax concession available for land used solely for non-profit activities by a society, club or association was increased to a 100% exemption.

In 1995-96, the primary production exemption was extended to land used by the owner for the purpose of breeding horses. Also, a 50% concession was provided to certain primary producers who do not meet a 'one third of net income from primary production' test. From 2014-15, the 50% concession was removed as part of amendments to take account of modern business practices and ownership structures.

Overview of State Taxes and Royalties 2023-24

In 1996-97, a concession was introduced for land developers by applying the land tax scale to the 'en globo' (un-subdivided) value of property. The land developers' concession was removed from the 2003-04 land tax year and reintroduced in 2009-10.

The 50% concession for land owned by a religious or educational body and used for commercial or business purposes was reduced to 40% in 1998-99 and 20% in 1999-2000. The concession was completely phased out from 2000-01 onwards.

The land tax exemption for principal places of residence held by a company or trust was removed from 2002-03.

From 2004-05, land held under an approved conservation covenant is exempt from land tax.

In 2005-06, caravan parks were granted a 50% land tax concession, which was extended to a full exemption from 2010-11 onwards.

From 2006-07, the exemption period for persons constructing new residences was extended from 12 months to two years. In addition, parents, grandparents or siblings providing independent accommodation for disabled children were exempted from land tax.

Since 2007-08, a land tax exemption has applied to private aged care providers.

From 2009-10, a 50% cap was placed on the annual growth in unimproved land values for land tax purposes.

On 10 March 2015, the scope of the exemption for charitable institutions was narrowed to exclude certain 'fourth limb' charities that promote trade, industry or commerce. Political parties, industrial associations and professional associations were also excluded.

Up to two grants per landlord, each equal to 25% of the landlord's 2019-20 land tax bill (including MRIT), were available to eligible commercial landlords who provided a minimum level of rent relief for tenants affected by COVID-19.

On 30 June 2020, owner-occupied relocatable homes, common areas in residential parks and some land used in caravan parks for holiday accommodation became exempt from land tax.

On 1 July 2022, the 2% surcharge on assessed land tax liability when paid over three instalments was removed.

On 22 November 2022, homeowners who move into full-time care and do not rent out their former residence became eligible for a land tax exemption from the 2020-21 land tax year (applied retrospectively).

From 1 July 2023, a 50% land tax concession is available for new eligible build-to-rent developments.

On 18 October 2023, a temporary extension to the two-year land tax exemptions provided to people constructing or refurbishing their future home was made available to homeowners who began construction between 1 July 2020 and 30 June 2023.

Metropolitan Region Improvement Tax

Changes to the Rate Scale

The original MRIT rate in 1959-60 was one half penny for every pound (0.21%) of the total unimproved value.

In 1962-63, the rate of MRIT was reduced to three-eighths of one penny for every pound (0.156%) of the total unimproved value.

In 1967-68, the rate of MRIT was increased to 0.25% of the total unimproved value.

In 1987-88, the rate of MRIT was reduced from 0.25% to 0.225% of unimproved value.

In 1993-94, the rate was further reduced to 0.15%, to accommodate the introduction of annual valuations for land tax.

In 2007-08, the exemption threshold was increased from \$150,000 to \$250,000. The rate of MRIT was changed from 0.15% of the total unimproved land value to 0.18% of the unimproved land value above \$250,000.

In 2008-09, the exemption threshold was increased from \$250,000 to \$300,000 and the rate reduced to 0.14%.

Changes to Exemptions and Concessions

As for land tax.

Insurance Duty

Changes to the Rate Scale

Duty on life insurance was introduced on 1 November 1983, but was later abolished as set out below.

The duty rate on general insurance policies was increased from 5% to 8% from 1 July 1998, and was further increased to 10% from 1 July 2003.

The concessional rate for workers' compensation insurance was increased from 3% to 5% from 1 July 1998.

From 30 June 2001, the concessional rate for workers' compensation insurance was reduced from 5% to 3% for employers below the payroll tax exemption threshold. The 5% rate remained unchanged for other employers, until duty on workers' compensation insurances was abolished as set out below.

The nominal amount of duty (25 cents per policy) for motor vehicle compulsory third party insurance policies was replaced by an ad valorem rate of 8% of the premium from 1 July 2002. The ad valorem rate was increased to 10% from 1 July 2003.

Changes to Exemptions and Concessions

The exemption for insurance on transport of goods and on commercial marine hulls came into effect on 11 December 1986.

As part of the reform of State business taxes, duty on workers' compensation insurance and life insurance policies was abolished from 1 July 2004.

Vehicle Licence Duty

Changes to the Rate Scale

From 1 November 1983, the rate of stamp duty on motor vehicle licence transfers was increased from \$1.50 to \$3.00 per \$100 of the vehicle value. A maximum duty ceiling was also removed at that time.

On 1 July 1999, the rate of duty was changed from the single flat rate of 3% to a multi-tiered scale with rates ranging from 2.5% to 5%.

From 1 July 2002, the rate scale was separated into a 3% flat rate for new heavy vehicles (with duty capped at \$12,000), the above multi-tiered scale for used heavy vehicles and a higher-rate multi-tiered scale (2.75% to 6.5%) for light vehicles.

On 1 July 2007, the flat 3% duty rate for new heavy vehicles was extended to used heavy vehicles, and thresholds for the light vehicle duty scale were increased by \$5,000 to \$20,000 and \$45,000. From 1 July 2008, these thresholds were further increased to \$25,000 and \$50,000.

Changes to Exemptions and Concessions

On 1 July 2007, a duty exemption for caravans and camper trailers permanently fitted for human habitation was introduced.

From 1 July 2011, transfers of private vehicle licences between de facto partners of at least two years or between spouses are exempt from vehicle licence duty.

On 28 May 2022, an exemption was introduced for service demonstrator vehicles or vehicles that are returned to the seller as faulty.

Motor Vehicle Registrations

Changes to Registration Fees

On 1 July 1997, registration fee rates increased by approximately 20%.

On 1 July 1998, registration fees were further increased, as part of which the calculation was simplified and charged based on weight only (\$12 per 100 kg tare weight), rather than engine power output.

Motor vehicle registrations for light vehicles in 2020-21 were kept at 2019-20 levels.

Changes to Exemptions and Concessions

Since 1 January 1987, aged pensioners who hold Pensioner Health Benefits Cards (now Pensioner Concession Cards) have received a 50% concession.

From 1 January 1990, a \$20 concession was introduced for private vehicles, and they did not attract the 7% increase in licence fees that applied to other vehicles from that date.

On 1 July 1998, the private vehicle discount was fixed at \$28 and a 25% concession for diesel powered vehicles was removed. A 25% concession for intrastate heavy vehicles was phased out in two stages by 1 July 1999.

From 1 July 2001, eligibility for a 50% concession on registrations was extended to seniors who hold both State and Commonwealth Seniors Health Cards.

On 1 July 2005, the private vehicle discount was increased from \$28 to \$53 and indexed to the movement in the Perth consumer price index, in line with the registration fee rates. This saw increases to \$55 in 2006-07, \$58 in 2007-08, \$60 in 2008-09, \$63 in 2009-10, \$65 in 2010-11, \$67 in 2011-12, \$69 in 2012-13 and \$72 in the first half of 2013-14.

The discount for private vehicles was then reduced from \$72 to \$36 from 1 January 2014 and was abolished from 1 July 2014.

Gambling Taxes

Casino Tax

Changes to the Rate Scale

Prior to 24 December 2002, casino tax was 15% of casino gross revenue for all gaming.

From 24 December 2002, the single casino tax was replaced with a three-tier scale with different rates applying to international gaming, domestic table gaming and gaming machines.

On 1 July 2011, the effective tax rate on the casino's electronic gaming machines increased from 20% to 20.125%, as part of the July 2010 approval of the expansion of the casino complex. A tax rate of 22% was also introduced from 1 July 2011 for fully automated table games.

From 1 July 2012, the 2010 casino expansion approval also resulted in the effective tax rate on the casino's electronic gaming machines increasing from 20.125% to 20.25%.

From 24 December 2012, the 2012 casino expansion approval resulted in the effective tax rate on the casino's electronic gaming machines increasing from 20.25% to 20.614%. The rate increased again to 20.956% on 24 December 2013.

From 24 December 2014, casino tax rates were reduced in return for the cessation of GST reimbursements to Crown Casino. The effective tax rate on the casino's electronic gaming machines was reduced to 12.27% (although this increased to 12.42% on 24 December 2015). The table game tax rate was reduced to 9.37% and the fully automated table game tax rate was reduced to 12.92%.

From 1 July 2015, the international commission business tax rate was reduced to 1.75%.

Changes to Exemptions and Concessions

Nil.

Betting Taxes

Changes to the Rate Scale

Prior to 2003, betting taxes comprised the Totalisator Agency Board (TAB) Betting Tax and the Bookmakers' Betting Levy.

Wagering Tax

The TAB Betting Tax rate was increased from 6% to 7% of TAB turnover in 1983. In 1988-89, the TAB Betting Tax was reduced to 6%. On 28 June 1996, the TAB Betting Tax rate was reduced to 5% and the Totalisator Duty was abolished. From 1 February 2001, the TAB Betting Tax rate was effectively reduced from 5% to 4.5%, through the payment of rebates to the TAB.

From 1 July 2007, the tax rate for what by then was the Racing and Wagering Western Australia (RWWA) Wagering Tax was changed from 4.5% of TAB turnover, to a tax rate of 11.91% of gross margin (net of GST). This represented an equivalent rate reduction from 4.5% to 3.5% of turnover. The tax rate for totalisator sports betting remained unchanged at 5% of turnover.

On 1 January 2019, as part of the introduction of the Betting Tax, the RWWA Wagering Tax was abolished. At the time of abolition, the rate of tax for off-course totalisator racing wagers was 11.91% of gross revenue (net of GST), 5% of turnover for off-course totalisator sports betting and no totalisator tax applied to on-course racing or sports betting. The tax rate for fixed odds betting was 2% of turnover for racing and 0.5% of turnover for sports betting.

Bookmakers' Betting Levy

From 1 August 1989, the Bookmakers' Betting Tax was reduced from 2.50% to 2.25% and stamp duty was abolished on betting tickets.

From 28 June 1996, the Bookmakers' Betting Tax was changed to a levy, and reduced to 2%. On 30 June 1998, the Bookmakers' Betting Levy for sports betting at a racecourse was reduced from 2% to 0.5%. From 1 August 1998, the Bookmakers' Betting Levy was introduced at the rate of 2% for sports betting at a sporting venue. From 11 January 2010, the 2% Bookmakers' Betting Levy payable on horse and greyhound racing was abolished. On the same date, the Bookmakers' Betting Levy on betting conducted at a designated sporting event was reduced from 2% to 1.5%.

On 1 January 2019, as part of the introduction of the Betting Tax, the Bookmakers' Betting Levy was abolished. At the time of abolition, the levy rate was 1.5% of sports betting turnover at a designated sporting event and 0.5% of sports betting turnover at a racecourse.

Racing Bets Levy

On 1 September 2008, the Racing Bets Levy was introduced. It applied to all wagering operators (including interstate operators) who publish or use Western Australian race fields, with other States also charging for the use of their race fields information. The levy was applied to either 1.5% of turnover or the greater of 20% of gross revenue or 0.2% of turnover.

From 1 November 2012, the Racing Bets Levy applied at the rate of 1.5% of a betting operator's monthly turnover. On 1 April 2013, the Racing Bets Levy decreased from 1.5% to 1% when a betting operator's annual turnover was \$2.5 million or less.

When a betting operator's annual turnover was greater than \$2.5 million, the 1.5% rate applied. From 1 August 2013 until 1 October 2014, a 2% rate applied for thoroughbred racing conducted from 1 November to 1 January each year (inclusive).

On 1 October 2014, the threshold at which the rate of 1.5% applies was increased to \$3 million. The levy on bets placed at premium race meetings above this threshold increased to 2.5%. Fixed odds bets placed at non-betting exchanges were levied at 2% for standard race meetings and at 3% for premium race meetings.

From 1 August 2018, the rate on pari-mutuel bets for standard race meetings increased to 2.0% of turnover, where turnover exceeds \$3 million. The calculation for non-betting exchange fixed odds bets was also changed to the greater of 2% of turnover or 13.6% of gross revenue for standard race meetings; or 2.5% of turnover or 22.7% of gross revenue for premium race meetings.

Betting Tax

A point of consumption Betting Tax was introduced on 1 January 2019. It applies to bets considered to be placed in Western Australia, i.e. if made by a person located there, or by a body corporate whose principal place of business is there, at the time the bet was made. The rate of tax is 15% of a betting operator's taxable betting revenue above a tax-free threshold of \$150,000. For the period from 1 January 2019 to 30 June 2019, the tax-free threshold was \$75,000.

Changes to Exemptions and Concessions

A taxation rebate on totalisator off-course wagering on racing through electronic channels was introduced in 2010-11 (for three years) for professional punters who were on contract with RWWA and had annual betting turnover of at least \$500,000. The rebate was equivalent to 10% of gross wagering revenue for this category of betting (effectively reducing the wagering tax rate from 11.91% to 1.91%). This concession ceased with the introduction of the Betting Tax on 1 January 2019.

Since 1 April 2013, a Racing Bets Levy exemption has applied where a betting operator's turnover does not reach \$1,000 in any month.

Other Fees and Levies

Perth Parking Levy

Changes to the Levy Rate

	Long Stay Public Bays \$	Short Stay Public/ On-Street Bays \$	Tenant/ Other Bays \$	Motorcycle Bays \$
1999-2001	70.00	70.00	70.00	35.00
2001-02	120.00	120.00	120.00	60.00
2002-03	150.00	150.00	150.00	75.00
2003-04	180.00	155.00	180.00	77.50
2004-05	185.00	160.00	185.00	80.00
2005-06	189.00	163.50	189.00	82.00
2006-07	195.50	169.00	195.50	84.75
2007-08	205.00	177.00	205.00	88.50
2008-09	212.00	183.00	212.00	91.50
2009-10	586.00	555.50	586.00	Nil
2010-11	598.30	567.20	598.30	Nil
2011-12	616.30	584.30	616.30	Nil
2012-13	633.60	600.70	633.60	Nil
2013-14	697.00	630.80	728.70	Nil
2014-15	879.50	813.30	911.20	Nil
2015-16	1,062.00	995.80	1,093.70	Nil
2016-17	1,088.60	1,005.80	1,132.00	Nil
2017-18	1,107.70	1,023.50	1,151.90	Nil
2018-21	1,124.40	1,038.90	1,169.20	Nil
2021-22	1,144.10	1,057.10	1,189.70	Nil
2022-23	1,164.20	1,073.00	1,213.50	Nil
2023-24	1,187.50	1,091.80	1,240.90	Nil

Landfill Levy

Recent changes to the Levy Rate

	Putrescible Waste \$ per tonne ^(a)	Inert Waste \$ per cubic meter ^(b)
1 July 1998	3.00	0.67
1 July 2008	6.00	2.00
1 July 2009	7.00	2.00
1 January 2010	28.00	12.00
1 January 2015	55.00	60.00
1 July 2016	60.00	75.00
1 July 2017	65.00	90.00
1 July 2018	70.00	105.00

(a) Putrescible waste includes household food waste, green waste and certain commercial and industrial wastes that easily decompose.

(b) Inert waste is waste, such as sand and concrete, which is neither chemically nor biologically reactive and will not decompose.

Building and Construction Industry Training Fund Levy

Changes to Exemptions and Concessions

An exemption from the Building and Construction Industry Training Fund Levy for construction projects in the resources sector was abolished from 1 October 2018.

Mineral Royalties

Iron Ore

MINING ACT ROYALTY RATES (%)			
Iron Ore Type			
Date	Beneficiated	Fines	Lump
1981	N/A	7.5	7.5
1995	5.0	5.625	7.5
2012	5.0	6.5	7.5
2013	5.0	7.5	7.5

A compromise rate of 5.625% for iron ore 'fines' was introduced in the *Mining Act 1978* (the Mining Act) in May 1995, when iron ore production commenced outside of State Agreement Acts. This rate was halfway between the existing 3.75% concessional rate set in State Agreements in the 1960s (which reflected that 'fine' ore was then considered to be inferior and less marketable than 'lump' ore) and the 7.5% rate in the Mining Act for 'crushed and screened' ores.

From 1 July 2010, the iron ore 'fines' concessional royalty rate of 3.75% in the relevant State Agreements was aligned with the 5.625% rate in the *Mining Act 1978*.

The Western Australian Government announced in the 2011-12 Budget that the concessional royalty rate for iron ore 'fines' would be removed over two years. The royalty rate for iron ore 'fines' increased from 5.625% to 6.5% from 1 July 2012 and further increased to 7.5% from 1 July 2013 (in both the Mining Act and the relevant State Agreement Acts).

From 9 April 2013, for a period of three years, a rebate of up to 50% of royalty payments was available to eligible magnetite producers for the first 12 months of magnetite production.

In the 2016-17 State Budget, the Western Australian Government announced a two-year extension to the royalty rebate program for the two mining operations that qualified under the original scheme. The 2018-19 State Budget extended that scheme to 31 December 2018. The scheme was subsequently extended to 31 December 2019, with a rebate of up to 50% of royalties paid available until 30 June 2019 and 25% of royalties paid until 31 December 2019.

From 19 December 2014, a rebate of 50% of royalty payments was available to eligible hematite producers with a commissioned iron ore production capacity of less than 20 million tonnes per annum. The rebate was available from the December 2014 quarter until the September 2015 quarter. All rebates were repaid by 30 September 2017.

As part of a State Government support package, a full royalty rebate (up to a maximum of 30 million tonnes of iron ore) was made available until December 2024 to the Koolyanobbing mine operated by Mineral Resources. In around July 2023, the 30 million tonne cap was reached.

In 2020-21, a 50% non-repayable rebate was provided on royalties paid by Ridges Iron Ore from its Ridges deposit.

Lithium

Prior to 27 March 2020, there was a 5% ad valorem royalty payable on all 'lithium minerals' at the first point of sale. Since 28 March 2020, a 5% feedstock royalty rate applies for lithium hydroxide and lithium carbonate, where those are the first products sold and the feedstock is a lithium concentrate, and a 7.5% rate applies for lithium that is crushed or screened.

Two producers received temporary and repayable royalty rebates of 50% on lithium concentrate sales for the period from 1 October 2020 to 31 March 2021. The rebates were repaid in quarterly instalments over a period of two years, concluding on 30 September 2023.

Gold

Gold mining was exempt from royalties until 1998.

From 1 July 1998, a gold royalty was introduced at a concessional rate of 1.25% of the royalty value of the gold metal produced. From 1 July 2000, the rate was increased to 2.5%.

During the period from 1 July 2000 to 30 June 2005, a concessional rate of 1.25% was payable if the average gold spot price for the quarter fell to less than \$A450 per ounce. However, this never occurred.

Nickel

Nil.

Bauxite/Alumina

Nil.

Mineral Sands

Royalties for the mining of mineral sands were first introduced on 1 July 1958 at an ad valorem rate of 2%. This rate was less than half of the initial proposed rate (5%) and was introduced as a temporary measure to address the industry's economic difficulties at that time. Ilmenite was exempt from royalty payments for five years.

With the introduction of the *Mining Act 1978* (effective 1 January 1982) the general rate for mineral sands increased to 2.5%. At the same time, a concessional royalty rate (50 cents per tonne) was introduced for ilmenite feedstock. The reduced rate was intended to apply to low quality product requiring further processing for it to be marketable.

From 6 August 1982, the general rate for mineral sands was increased to 3%. A 3% royalty rate was also specifically applied to xenotime from this date.

From 21 August 1987, royalty rates on all exported mineral sands (including xenotime) were increased to 5% and the ilmenite feedstock rate was increased to \$1.50 per tonne. From this date the ilmenite feedstock rate was also subject to a yearly review and adjusted in accordance with the export price of all bulk ilmenite concentrate sales from Western Australia for the financial year compared with the corresponding price of all bulk ilmenite concentrate sales from Western Australia in the 1987 base financial year.

The royalty rate applying to ilmenite feedstock that was of marketable quality was progressively increased to 3.5% from 1 July 2005, 4% from 1 July 2006, 4.5% from 1 July 2007, and 5% from 1 July 2008.

Copper

No royalty was collected for copper until 1 January 1982, when a 5% rate was introduced.

Copper produced at the Teutonic Bore Mine was subject to a concessional rate of 2.5% from 6 August 1982 until 14 December 2001.

From 16 June 2000, copper sold in metallic form is subject to a rate of 2.5% and copper sold as a concentrate is subject to a 5% rate. From 30 June 2005 copper sold as a nickel by-product is subject to a 2.5% royalty rate and from 5 September 2017 copper sold in a crushed and screened form is subject to a 7.5% royalty rate.

Lead

No royalty was collected for lead in Western Australia until the introduction of the *Mining Act 1978* (effective from 1 January 1982), when a 5% rate was introduced for concentrates.

From 16 June 2000, a rate of 2.5% applies to lead sold in metallic form.

Zinc

Royalties for the mining of zinc were first introduced on 1 July 1958 at a rate of \$0.20 per tonne produced. With the introduction of the *Mining Act 1978* (effective from 1 January 1982) the rate was changed to an ad valorem rate of 5% for concentrates.

Zinc produced at the Teutonic Bore Mine was subject to a concessional rate of 2.5% from 6 August 1982 until 14 December 2001, when that concession ceased.

From 16 June 2000, a rate of 2.5% applies to zinc sold in metallic form.

Diamonds

From the Argyle mine's opening in 1985 until 1 January 2006, the royalty payable was either 22.5% of the 'above zero profit', or 7.5% of the ad valorem rate, whichever was greater. From 1 January 2006, the royalty arrangements were changed to a flat 5% ad valorem rate to facilitate the extension of the Argyle diamond mine's life (through the development of an underground operation) and to be consistent with the 1981 three tiered royalty rates principle.

