

I am writing to object to the imposition of the GAIC at the first sale of land. The GAIC should be applied in a structured and orderly way at the sale of residential blocks. User pay has been a catch cry of governments for a long time including in relation to toll roads, public transport and utilities. Future owners of blocks of land will benefit from any infrastructure supplied and on the user pay principal should pay for that infrastructure.

Australians have profited from smart investment of their assets since the first European settlement. How is a government entitled to a fixed amount of a private citizen's smart investment strategy? Capital Gains Tax and income tax already tax Australians on their investments. Australians adopt many investment strategies. No other investment strategy penalizes an investor in this way. Whether they invest in other types of property like houses or other investments like shares they all only pay CGT or income tax on their profit.

If introduced in its present form at a flat rate of \$95000 the GAIC also discriminates against landowners. Many landowners will have to sell their land at a lower value than predicted by the government. This discrimination will result in the government in many cases confiscating a larger percentage of any uplift in value. In some cases the government could be confiscating 70 - 80% of the increase in value. In others they may take a smaller percentage of 25 to 33% of any uplift in value. Not only will the landowner not benefit from the infrastructure supplied but some landowners will pay for a higher percentage infrastructure than other landowners.

The GAIC in its present form will also make landowners prisoners of their own land particularly if their land is 10 to 20 years away from development. They will see no uplift in value until their land is needed for subdivision but will be subjected to a likely tenfold increase in their rates immediately. In many cases this will force them to sell and they will be deprived of not only their chosen lifestyle but also their entitlement to see their investment strategy to its completion. In many cases they will end up with not enough money to purchase a property that will give them the same quality of life they enjoyed before the GAIC was introduced..

No other landowner in Australia has to pay for infrastructure on rezoned land. All infrastructure contributions are paid for by developers who build the cost into their developments as a project cost. No doubt there is a reason for all the other states applying an infrastructure tax on the developer. It is fairer, it doesn't discriminate and it doesn't confiscate assets or force people off their land.

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