

# Media Release

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## TAX CUTS NEEDED TO ASSIST SENIORS INTO APPROPRIATE HOUSING

The Urban Development Institute of Australia has responded to the Government’s release of a discussion paper on seniors housing, saying that there is more to getting seniors into appropriate housing than just providing more diverse housing stock.

“UDIA is supportive of ensuring that senior Australians have access to appropriate, affordable housing to suit their lifestyle needs,” UDIA CEO Allison Hailes said.

“However, we are consistently told that one of the major barriers to downsizing is the existing taxation mechanisms that can make the process of moving into a new property prohibitively expensive,” Ms Hailes said.

“Stamp duty, for example, is an inefficient tax that puts a barrier in place to downsizing or moving into a more appropriate home,” Ms Hailes said.

“An older person could be looking at \$20,000 or more in stamp duty,” Ms Hailes said. “That is on top of other transaction costs and the cost of moving itself.”

“The payment of stamp duty is just too much for many aged pensioners and older people to consider, as they either don’t have the savings to pay it or it has to be paid out of the capital they have built up in their existing home. This makes the cost of moving into more appropriate housing too expensive for most seniors to consider” Ms Hailes said.

“The development industry has worked hard in recent years to increase the diversity of housing stock available and to provide opportunities for older people to age in place within their local community, Ms Hailes said.

“There are great examples across Perth of innovative new developments that provide a range of housing options as well as dedicated seniors living accommodation in established and new areas,” Ms Hailes said.

“Of course we are always working on doing more, but if the state government is serious about making housing more affordable for seniors, it should start by addressing its own policies and taxation frameworks which add a significant and unnecessary cost burden,” Ms Hailes said.

“Any discussion about seniors housing needs and their ability to transition into more appropriate housing must start with the obvious costs associated with government taxes and charges,” Ms Hailes said.

**Ends.**

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