

This is a cash grab

Land tax appeals soar

MORE than 4000 Victorians have successfully appealed the amount of land tax they are slugged, with some property owners slashing their bills by thousands of dollars.

Successful appeals often stem from objections to property valuations, which then cut council rates bills and save land owners more money.

The *Herald Sun* can reveal some accountants are now urging clients to contest valuations before paying bills, in a bid to ease soaring taxes that poured \$3.5 billion into government coffers last year.

State Revenue Office figures revealed objections were on the rise, with 3934 lodged in 2018-19 compared to 2496 in 2015-16. Over the past four years, 13,531 valuation objections were lodged, with 4041 of them successful.

Amid the skyrocketing cases are examples of significant bumbles, with one Melbourne family slugged a land tax bill of \$2625 even though their property was their primary residence.

After complaining to State Revenue Office, the money was refunded.

A separate complaint about the value of their property was also upheld by a council valuer, reducing their rates bill by

**ALEX WHITE AND
MATT JOHNSTON**

almost \$150 a year. "With a mortgage and a family, the budget is already tight, and this money was a big chunk of childcare fees," the family said.

They did not want to be identified, but said the overvaluing of their property by \$200,000 was "ludicrous".

"This is just a cash grab and we wonder how many other people are paying higher rates due to incorrect land valuation," they said.

Accountants say clients can no longer afford to pay land tax bills that in some cases have increased by up to 1200 per cent in only a few years.

Think Accountants partner Paul Raye said he encouraged all clients to get a valuation assessment, but warned the state government's failure to change tax brackets for more than a decade remained the biggest issue.

"It is having a catastrophic effect," he said.

"I have one client whose valuation went from \$7500 to \$105,000 in just five years."

A State Revenue Office spokesman said: "The vast majority of land tax assessments are undisputed."

alex.white@news.com.au