

## Steve Douglas

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**From:** Steve Douglas  
**Sent:** Monday, 15 June 2026 4:43 PM  
**To:** senator.allman-payne@aph.gov.au; senator.ananda-rajah@aph.gov.au; senator.antic@aph.gov.au; senator.ayres@aph.gov.au; senator.babet@aph.gov.au; senator.bell@aph.gov.au; senator.blyth@aph.gov.au; senator.bragg@aph.gov.au; senator.brockman@aph.gov.au; senator.carol.brown@aph.gov.au; Senator.Cadell@aph.gov.au; senator.canavan@aph.gov.au; senator.cash@aph.gov.au; senator.chandler@aph.gov.au; senator.chisholm@aph.gov.au; senator.colbeck@aph.gov.au; senator.cicccone@aph.gov.au; senator.collins@aph.gov.au; senator.cox@aph.gov.au; senator.darmanin@aph.gov.au; senator.dolega@aph.gov.au; senator.dowling@aph.gov.au; senator.duniam@aph.gov.au; senator.faruqi@aph.gov.au; senator.katy.gallagher@aph.gov.au; senator.ghosh@aph.gov.au; senator.green@aph.gov.au; senator.grogan@aph.gov.au; senator.hanson-young@aph.gov.au; senator.hodgins-may@aph.gov.au; senator.hume@aph.gov.au; senator.kovacic@aph.gov.au; senator.lambie@aph.gov.au; senator.liddle@aph.gov.au; senator.lines@aph.gov.au; jennifer.mcallister@aph.gov.au; Senator.McCarthy@aph.gov.au; senator.mcdonald@aph.gov.au; senator.mcgrath@aph.gov.au; senator.mckenzie@aph.gov.au; senator.mckim@aph.gov.au; Senator.mclachlan@aph.gov.au; senator.mulholland@aph.gov.au; Senator.NampijinpaPrice@aph.gov.au; senator.oneill@aph.gov.au; senator.matt.o'sullivan@aph.gov.au; senator.paterson@aph.gov.au; Senator.Payman@aph.gov.au; senator.barbara.pocock@aph.gov.au; senator.polley@aph.gov.au; senator.roberts@aph.gov.au; senator.ruston@aph.gov.au; senator.scarr@aph.gov.au; senator.sharma@aph.gov.au; senator.sheldon@aph.gov.au; senator.shoebridge@aph.gov.au; senator.smith@aph.gov.au; senator.marielle.smith@aph.gov.au; senator.steele-john@aph.gov.au; senator.sterle@aph.gov.au; senator.stewart@aph.gov.au; senator.thorpe@aph.gov.au; Senator.Tyrrell@aph.gov.au; senator.walker@aph.gov.au; senator.walsh@aph.gov.au; senator.waters@aph.gov.au; senator.watt@aph.gov.au; senator.whish-wilson@aph.gov.au; senator.whiteaker@aph.gov.au; senator.whitten@aph.gov.au  
**Subject:** Open Email to All Senators re Treasury Laws Amendment (Tax Reform No. 1) Bill 2026  
**Attachments:** SMATS Submission to Senate Committee June 2026.pdf

You will soon be asked to vote on one of the most controversial tax bills to pass through parliament for over 20 years, **Treasury Laws Amendment (Tax Reform No. 1) Bill 2026**

The importance of this Bill has seen it referred to the Senate Economics Legislation Committee with their report due 22<sup>nd</sup> June 2026. Public response has been overwhelming with 89 Submissions made, including ours at #59 (attached for your reference). Given that the hearing is only scheduled for 2 days and that not all of the submissions are being offered the opportunity to present to the Committee, it is hard to fathom how this review could be genuine and effective given the 22<sup>nd</sup> June reporting date.

I am sharing this email with you in case you are not properly aware of all the Submissions and options available to the Government. We also have an active Parliamentary Petition supporting this with almost 900 signatories to date (<https://www.aph.gov.au/e-petitions/petition/EN9999>)

Importantly, our Submission differs from the others as we do not seek to justify or criticise the proposed changes, rather we point out clearly an alternative path that should be considered – **make new residential construction a GST Free activity.**

In doing this we feel that the Government with the guidance of the Senate can:

- Instantly make new housing more affordable by 6-10% without impacting, property markets, Federal finances or any significant impact on the State Government revenues
- Create great incentive through lower cost to build new residential property at the rates desperately required by a growing population
- Ease the administration burden on the construction industry and improve their financial well-being to ensure more projects are undertaken sensibly
- Fix an anomaly of significant cost being the double cost burden of GST and Stamp Duty transfer fee charged by the States where currently a new apartment of say \$1.2m currently comes with a in built GST cost of approximately \$72,000 plus a State Stamp Duty cost of \$48,412 in NSW, a total State revenue position of \$120,412 on a critically important new housing unit, over 10% of the purchase price.
- Defer the ideological decision to alter the current tax position on Capital Gains Tax and Negative Gearing to allow deeper, more informed community involvement and research to ensure the best outcome is taken on such an important and long reaching matter
- Look to minimise the obvious and real concerns of the community on these changes announced despite strong assurances during the election these would not occur and restore calm in the community

The Prime Minister has said on multiple occasions that these proposed changes are being considered because they have tried everything else, and that simply isn't true as you can see from above the option to make new housing construction GST Free is indeed an option not considered, and in reality a far better one than currently in the Bill.

The current proposed legislation doesn't achieve the Government's stated objectives in so far:

**More Affordable Housing** – No change to Negative Gearing or CGT has any impact on the key issue facing the property market – lack of supply. Government new housing targets are falling short of their goals, new housing is becoming even more expensive with material supply issues and labour shortages and if there is less rental investment, the pressure on rents to rise will escalate even more than currently being experienced. We need more homes to be built, importantly they must be more affordable and to reduce the cost of new construction instantly by 6-10% is an immediate boost to affordability without impacting the budget or putting pressure on the industry to reduce costs that are already squeezed.

**Fairer tax position** – A\$33bn more in personal tax in this budget over the previous year, with just \$3bn to be handed back through workers offset in FY 2027 would argue that taxes are rising unfairly, then when coupled with this Bill which seeks to raise further tax revenues from changes to Negative Gearing and Capital Gains Tax it is a hard pill to swallow and understandably getting backlash from the community.

The Government keeps saying they are reducing tax, which may be true if you look at the isolation of the offset, but factually incorrect if you adjust for inflation increases on wages pushing salaries up into higher tax brackets.

Furthermore, there is now the likely hood of higher Capital Gains Tax Rates (investors earning a salary of \$100,000 and making a gain of \$50,000 in a year from sale of any asset type would have only paid 16% capital gains tax previously – half of their gain at marginal rate of 32% - whereas now under the proposed rules they will pay a min 32% including Medicare of the above inflation profits. Until inflation is known later, there is no way to know if this is worse or better. It is clear that it is definitely more confusing and complicated and those are dangerous elements in any market as they destroy confidence and reduce activity. I would further argue that there is no fairer

way to improve tax than to allow anyone in Australia to build their home or invest in new property without the imposition of both GST and Stamp Duty.

The good news is that both the Prime Minister and Treasurer have been clear that they “changed their position” on Negative Gearing and CGT since the last election, and therefore should be able to change it again if the Senate can guide them to a better outcome and they listen to the real and vocal concerns of the community.

The significant commitment to tackle this issue with all tools available, suggests that an instant and significant improvement such as GST Free rating new construction, should not only be strongly considered, but it stands as perhaps the only real and genuine solution to the supply and affordability issues currently being faced.

It could be tried over the next 12-24 months to see if this provides the full solution prior to the further consideration of complex changes to Negative Gearing & CGT – especially when you consider that many of the proposed changes do not even start until 1<sup>st</sup> July 2027.

I trust you understand the simplicity of the GST change and work with the Government in your essential role to find a better outcome than their proposed legislation.

Many thanks for your time to review this email, and your important work for this country.

Regards