Treasurer Delia Lawrie’s submission to the Henry Tax Review supports the extension of Commonwealth taxation which has left open the potential to attract a Federal version of Land Tax – a tax she said she would never introduce in the Territory.

“The thrust of the Government’s submission was to have the Commonwealth retain all taxing powers and then, by way of a national agreement, the States and Territories get money distributed back to them,” said Shadow Treasurer John Elferink.

“The problem with that approach is that the Commonwealth may well decide to levy taxes that occur in all the other states – one example of which is a Land Tax.

“With the Territory’s debt and superannuation liabilities approaching $4billion and this year’s budget deficit at $249million, the Treasurer will be looking for any income she can get her hands on.

“This way Delia will be able to say that she doesn’t support a land tax but get one anyhow.

“In her submission she expresses concern about the political implications of introducing new taxes and that’s why she will want the Commonwealth to do it.

“It is clear that the only handbrake on her taxing Territorians is political damage.”

Further comment: John Elferink 0418 406 400