

FYZfa Jh '5i gHJUJG) \$cdfWHMJIU [Uhg' Rl XgMi bhj bMA YBU m

Gfili fYXSMJ Ubx-c\ bAJhg'

Abstract

Hlg'UfHVMhg'Mg'VbMhg'U'ih5i gHJUJG) VJIU' [Uhg' M' 'f', HXgMi bhj bMA [YBMU'nfU) \$cdfWHMJIU' XgMi bhj bMA UjdcZ [Uhg'ZfYg'XHI' dimg'chYfhUWadU'YzCa Xgdj' cZlg'g' \YZfacfYhU%'sadhg'. fYU'Xc'Zg'U'U'Xi U'W'X'cf'rdu'U'U'j YIU'Yi]h'KYU' [i YhU'W'X'cbhY'g'VbMhg' YfYg'U'W'YZ'fYZfa' cZHY7; HXgMi bhj bMA [fYZfag'h'YfYU'Ykc'V'c'X'W'j'g'U'U'Y'c'd']Ma U'Yg'HY7; HXgMi bhj bMA X i''aU']BU' M' f'U'g'h'ga'U'W'Y'Z'W'h'c'U'W'Y']'b'c'U'W'HY']b'W' YBU'U'hd'U'W'U'

d'Y']c'g'U' fYZfag'b5i gHJUJG) U'Xh']g'h'c'ZfYZfa X'Y'g'h'c'h'fW'X'c'd']Ma U'Yg'Zca' d'f'g']h' h'Y'U'U'jdc'Z'W']BU' [Uhg'U'ia'U']BU' M' 'f'U'g'U'g'U' d']Ma'c']M']c'U' 'KYU' [i YhU'W'Y'Y'W'X']b'W' YBU' fYZfa' 'W' \Yd'U']c'X' [f'U'X'U'Y'U']c'Z'Y'Z'f'a'Y' d'j']g'd'g'U'X']b'f'h']c']X'h'Y'W'ad'Y']h'g'g']W'X'k'h'g' WU'Y' Y''''

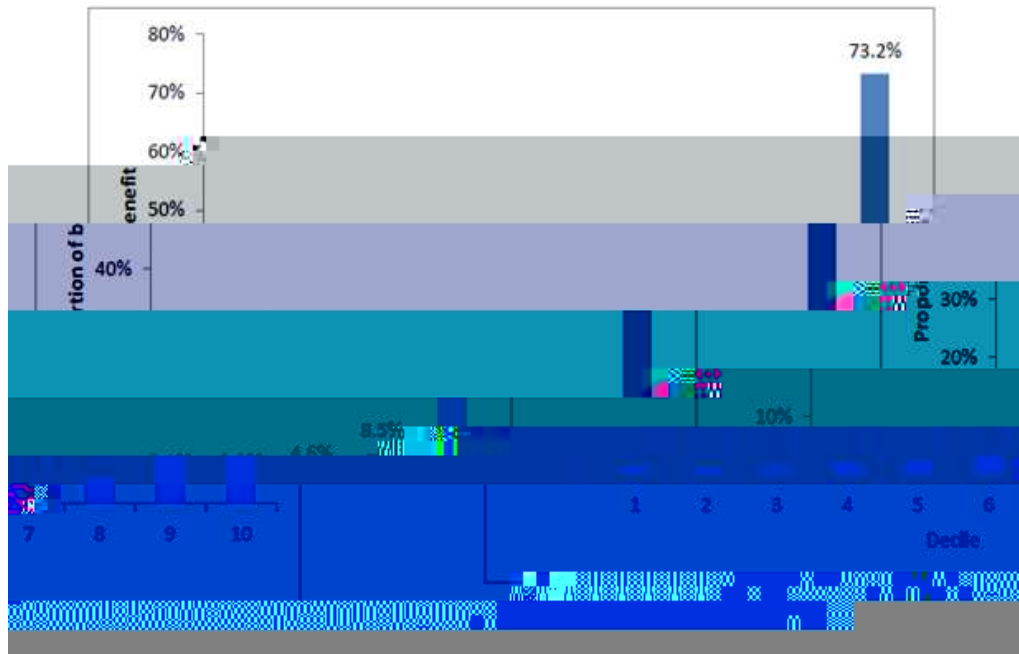
.H\ Z.R.]BU'U'U']BU'U' [Uhg' M' 27; HXgMi bhj bMA fYZfa' 5i gHJUJG)

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IRZg'gfz; fjZh I bj Yg']Ma U'. VZYXSMJ 4 [fjZh'X'U'"]
@NfYz; fjZh I bj Yg']Ma U' X' b'W' @NfY']bhY' H'ga' U']U']c'W'cc' c'Z'i' g']b'g']U'X'W'ca']W'g'
I bj Yg']Ma U' Z' H'ga' U']Z'Ya U'. "a]hg'] [fjZh'X'U'"]

Yi Jm g hY dcfyggj Y aU[BU' NI' fUY gUY Zf fYgXh JbJjXUg' BckJhgUNh hYgdcjfyggj YU fUYgUYgj YfWYei JmgMa dca gXVnhY cdfUbcZHY7; HXgM HfGMMWmXUcbhYbYfMURU[UhgZbJjXU' NIdmgj'5i gUJg)UjXWYhUa cjiZHYVbZhcZHY7; HXgM higg YkX lckUg \ \ bMa YU dmg' GMMWn bLf nbfYei UfngZHYVbZhcZHY 7; HXgM hUWYg' hYled' SdfVhHURU' dmgVmcig' XcXbMa Y*6 HY led' SdfVhHURU' cig' XcXbMa YfWj YX, &dfVhHURU' ZHY7; HXgM hlk \ Ylg cbnf'6' dfVhHURU' ZHY7; HXgM hlk'gUWgXVnhYVdha '+ SdfVhHURU' \cig' XcXbMa Yg: || ifY*8%

)LJ 'LVWULEXWLRQ RI &*7 'LVFRXQW E\ +RXVHKROG ,QF



Gi fWAUli; fi XcZZTqGeas How Negative Gearing and the Capital Gains Tax Discount Benefit the Top 10 Per-Cent and Drive Up House Prices fHY5i gUJg)UhgHhZ8%)E)"

6WU g'cZHYg YkXg'Uj hbcZMURU[UhgZU7; HfUY'ckYfUbhYU fUY db'chY'Zfag'cZ' bMa YXg'fmg'hY dcfyggj Jm'cZHYU' g'g'Ya" 5' d'fghU' NIdmfUthY \ \ Ygia Uf [BU' fUYVbZAWUg] bZVh'ck'Y'ZAWj YU fUY Jb'nf'g'k' Y' hYifUj'g' WURU' [Uhg' G W bXi Jm'NB' YXle' U' bMaUgh' .

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* HY5i gUJg)UhgHhZ8%)E)" g'g'Ya Zf fYgXh NIdmg' UGUM' ZYh fYg' cXfUM fUY'cZ' M'Z'Z'f h'cY'k'h' U'NI' UY'Y' bMa Y' d'le' ~%ZSS'HY \ \ Ygia U' fUY'cZ) 'dfVhHURU' Hf'g'U' UY'Y' bMa Y' l'ac' h'g'j' Y' %SSS'HI fUY'cZ' %dfVhZ' 8) 'dfVhHURU' + 'dfVhHURU' h'j' U'f'c'g' Y' Y'g'c'Z' NI' UY'Y' bMa Y' g' b'V'k' Y' b'h'g' 'c'k' Y' g'U'X \ \ Y' fUY' V'U'W'g' -b'U'X' h'c'ble' h' Y'g' U'le' f'm' NI' d'mg' a' U' h'Y' U'V'Z'f' Y' J'g'U'X'g' f'W'U'f' Y'g' \ W' b'U'g'c'j' Y'U' NI' 'U'V' J'm' *6' A'U'li; fi XcZZTqGeas How Negative Gearing and the Capital Gains Tax Discount Benefit the Top 10 Per-Cent and Drive Up House Prices fHY5i gUJg)UhgHhZ8%)E)" Z'W'U' Y'gia U'g' V'nh' Y'BU' d'U' 7' HfYZ'f' G'U' U'X' W' l'ca' J'W' c'X' J' h' B5' H'Q'AL' + ' &dfVhHURU' h' Y'led' P'bc' dfVhHURU' *8' A'X' B5' H'Q' A' Y'gia U'g'

VBWVHUJcbZk\Uhzk\JW\UgVYbXgWVXVnHcaUgD_YhmGuaUf_YfcZIB
iXyGjB\UJfUbgfUD^{8*}

=HgUg Uf i UVYhUj YfAU]bEi Jm'g\Yj\HbXX Yle Vd]RU[Uqg] YfU'nicb'n
Vd] RI YXcb'fUJg]hcb'GmVW'mnUIdm'gk\UH'EUXhYfUJ]hde'dm'
RI'E]bMg'gk\YYhYjUiYcZhYfUgNg]bMg'g^{8*}..

222 Horizontal equity

<cfndHU'Yi Jm'fYZfglc'hYbd]cb'UfRU'dm'gk]h'hYg'aYWbca]Wk\UH'
g'ci'XWYf'fEi]fXlc'dm'hYg'aYUaciHcZRI'¹⁶'HY7; HXgM HfVfVWg'
\cfndHU'Yi Jm'j]YbU]h'icj]XgURi'dfZfVWZfacg]RU'UVYWV]RU[Uqg'^{8*}
GmVHfUg'ichYfmd'g'ZbMaYX'bd'fWjYh'g]m'k'cd'fZfVf]RU'k'NlaYf'
<cfndHU'Yi Jm'g'lad'cfU]h'ic'Ug'ZUg'ggaYfRU'gg'f'az'g]Wd'fVf]h'cg'Z
i]b]f'bg'Wb\UjYU'UjYg'YZW'cb'Yz'fVUJ]m'^{8*}HY\cfndHU]bEi]Jm'g'gX
VihY7; HXgM HfYU'g'lc'RI'dm'gk]h'hYg'aY'Y'Y'cZ]bMaY]bMf]h'

`ch gNBH `NI` dFZFBWg hY gVgá Yh fXNU' UBX [fubXhY]h `cZ hYg
dFZFBWg gU[i Urm]gXkUXgc`XfU dmf`

5g]bYWX]b: [i fY&]b]j]XU dmf]bhYU]Y[fi dZ* SmlgUBXUg Y
Vb]ia g]Zca hY7; HXgM bWad fXk NI dmf]bmi h]YU]Y[fi dg*
HY[\Y dcd]b'cZWRU[UghU]gXvic`XfU dmf]ga UifZWR[\Y
`yYgcZWR`XWRU[UghU]jYUWai UfXg YU`d]Y d]cXcZ]a Y
Wad fXk hYmi h]YU]Y[fi dg' 5bchY ZWf hUa Uir]Zi YW hYg XkX
Xg]V]h]b'cZWRU[UghU] dmf U]YghY[fUf dcd]g]k fU]gWRU
[Ugk\Y]bMa Yg`ckY*`

)LJ &*7 'LVFRXQW E\ \$JH *URXS

GifWHY5igU]h]h]Zi]Y] BcYHI 7cbWg]dgVn5[YP]: Mf Uir]s%LE&

,QHIILFLHQW LQYHVWPHQW GHFLVLRQV

5bchY WbM'Uci hY7; HXgM bYUng]e hYcd]b'cZU' b]U]h]HY
d]H]U]Zf hYU' g]g]a le i]b]h]d]U' n]g]d]H]U' dmf]j] Y]a Y]h]W]g]d]g]g]
i]b]g]f]V]Y]H]I' b]M]U]h]g]U]b]a]d]f]U]h]d]b]M]Y]c]Z]U' g]g]a X]g]l]b]h]U]f]e]i]g]
b]M]U]h]b]f]Y]U]c]b]e' NI dmf]j] Y]a Y]h]c]f]W]g]a]d]b]W]g]V]g*`b]h]g]b]W]g]c]Z
g]l]b]Z]W]h]b]M]U]h]M]Y]W]g]h]Y]U' g]g]a W]i X]a]d]X]c]f]f]X]W]h]Y]d]c]X]U]j] Y
W]U]h]c]Z]b]W]b]c]a]h]i

AcXb'NI' g]g]a g]f]Y]Z]f]f]a]g] X]Z]ca hY]X]U' acX]g]U]c]W]X]b]h]Y]d]V]W
Z]b]W]]f]U]f]Y' C]b]Y]c]Z]h]Y]f]g]h]g]Z]f]h]g]l]g]h]U]i]c] Y]b]a Y]g]a U]i]h]h]d]U]m
V]W]W]d]Y]c]Z]h]Y]U' d]]W]M]f]U]b]h]Y]V]]Z]h]k]]` U]W]j] Y]X]g]f]U]Y]d]]W]i]d]g]

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% HY5igU]h]h]Zi]Y] BcYHI 7cbWg]dgVn5[YP]: Mf Uir]s%LE&
% H]j]W]h]Y]b]M]a Y]c]Z]ga Y]U' dmf]bhY' S]U]X]g] Y]U]Y[fi d]k]c] X]W]d]k]Y]X]h]Y]f]W]h]`
]b]Y]f]a]Y]H
* Ga Y\jYU]i X]h]U]h]Y]Y]g]a]d]Y]h]U]b]d]b]W]h]c]Z]U' b]M]U]h]i]C]b]Y]c]Z]h]Y]a]c]f]Y]d]c]a]]b]h
Y]U]d]Y]c]Z]b]U]h]b]U]j] Y]X]h]h]b]g]h]U]h] b]M]U]h]g]U]X]g]d]b]c]Z]U' d]j]]g]d]g]h]U]h]Z]f]a] l`
U]b]X]U]I' g]g]a "G]Y]S]c]l' U]g]5? \U]b]h]Y]H]k]c]` U]g]c]Z]h] b]M]U]h]b]S]c]h]Y]h]f]U]h]f]5]f]Y]h]h
A]i]h]U]n]b]W]g] Y]E]P%` S]E%]f]E]N]r]f]e]m]K]e]r]u]c]k

k\JWUq Ydft ZhYfNfb]b hYZfa cZbMa YHYWgZfhY7; HXgM bh
 db[fcibg cZWU' acV]m gga X\UfNi ci g' Hlg'g'VMG y bdfYgXh
 RIdung fYg VMLc`la]PXlg'ga Yib5i gU]bWU[U] Qg]bWad f]gblc'
 fgXHU dng: i fhYac fZhYMcXZVWcZ5i gU]g Xi VYU U fYA Ylg
 ghUa UnZfN] hgi fWU[U] UqgZfYgXHU dng kci`XWg VMLcRU'
 lb5i gU]U'

Yd fUcZHI FgUW

FYZaH 5igUJg) SdVWHUURU[UgM XgM HbKa YGm

**WHQVHXlc' b[Uj Y ciMaYg hUdc]MaUYg' UihY IjaY XXbchZ`m
WPAduY"**

5H FKDUDFWHULVDWLRQ RI UHFHLSWV

**HY7; HXgM hVb' dg]XU6]bWij YZfM dnglc' fYWUUMg yfj Yi Y
fWIdgUgVUfUfWIdg' bhYI GWFNE5i YUWbchXhUai WcZhYWURU'
[Ug'fU]g]bUj] h'fYngHg]U' UVIU] YWUUMg XXVMI dng'fU]g]**

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Yd fUcZHI FgUW

ŕVZa]H 5ig0]00) s0fVH0]0U]0g0] Xg0]H]000 Y00m

Vri0g]hU' fi 'gcf [f0X0h]h' cZHydY]ci g' Ukz Wad]0Ww0g'k''
hd]Wn0Y\][\YhU]bhYUg0WcZg'Wfi 'g''

A]''f f0Zg' le' hfY aUb' h0g' cZ]b Yh]h] 'gg]a' WadY]mi fWb]W'

Yd fUcZHI FgUW

FYZa]H 5ig0J00) SdFVH00RU[Ug0U Xg0H]B00A Y00m

idj UNEMad]UBWAggczhYU d]fZi hYd V]Wz bSXWad]UBWAggZf
hYU fYi "Ud"

Gca YcZHYWadY]m]ggV]fXk]h hYWadYfag U'cZHY7; HXgM]h
kd XYUMchY]Y]ccXcZ]fU]XhY]h] fi Y]e UWadU]hYU "Uk WU]Y"
-Zg W]fU]XhY]h] fi Y]k MYB]U]Z]h MYkci XYXZ]fY]H]U "Uk U]h]h] le"

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Yd fUcZHI FyUW

.

Yd fUcZHI FgUW

íVZfaH 5ig0U00 scfVH0U0U0Ug0U Xg0H0B0A Y0U0m

7iBbH \La Ufi XhUñc cbWYj YghUcfaUj YbWá Yñi VgXi dbhY
<U!Gadg XZbHcbWí Xj YVZi `ñjadYá YñX]gladRbW]gUg]XUD

"&
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Yd fUcZHI FyUW

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WjU'dcWAgZfhYnFzUHfhUvWwUthYfbHhUJU[UbT bWfhYchY
595 WfMcbZU dmfG WocgYc WwUyhYf YfhYa Yhc hY595 k\YbYf
bHhUJU[UbZfhYnFklgYi Ulecf YghUbhY595 hfgcX

HYYaUthYgaYlgUWgZhd[\zk\YfhYU dmfkci XWocgYc'a QbU
fWAgk\YfhYnHhUJXhUihYhfgcXaUthYVWXX 5'Wady'j'
Ufia YhbZjci fZhY595 ddcgJvSj UggA JhgUx@a lglga Ubgad]Mh
VbZiEhYfagj U'cZidle +%df VhiczYlgj' 5i gUJG) dfgbU'U dmfG
WfYhnl dggXle hYwad]UWwifXb'cZhY7; HfYjaYZca hYfcV][Udg
k]hdi hcgZfY Yi Yle hY[cj Mba YH''

HY595' ddcgXVrGj UggA Jhg Ux@a 'kci Xgf''cdMUYgU7; HfY
hfgcXZfhcgYU dmfGkjh UbHhUJU[Ub]bYVgicZhYhfgcXHUlg

Yd fUcZHI FgUW

FYZaH 5ig0Ug) sCfVHhUfU[UgU XgM HbKa YWm

WgI` dYg fYZca 'Ri dimg'c' dg]XUX]dU' WbWgchU' R' KNUa YHzf
WfU[Ubg^{8%} ZhYga YkYfYc Y YhUfYb' 5ig0UJhki Xlf i UvWbghhY
UkdgWgYwUf cPK \YhY595 aUwYU JvYUfUfj Yc hY7; HNgM hZ
hYfg' cZhYI ? YdMfWwVh] fXNfX]b' 5ig0UJgci XvWbgXfX'

5HSHDO FDSLWDO JDLQV WD[

GcaY Waa YHfG' \jYUf i XhUhhYleU' fXU' cZ7; H]b' 5ig0UJg' Uf
UfUfj Yc hYwYfYhggNa' cZU]h WfU[Ubg^{8%K} \Yga YUjYUf i XZf
hYfXU' cZ7; H^{2%} 'le' UWjYU' bYfU]h WkYb' R]h Wbg' ad]cbleXhif
leacffkz^{2%} kYX' bdi] ddfU]h ggnA hUXYgchU WfU[Ubg' G WUf'

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Yd fUcZHI FyUW

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Yd fHUcZHI FyUW

FYZfaH 5ig0UJg) SdCVHUMU[UgM XgM HbMa YU'm

XgM bh]a]haci hki XWg]h]YU]adgj Ya YHc hYU' gg]a]bM agcZ
j M]WU]X\cfmbU'Yi]m]bXZ]Y]b]W]K]Y]Y]c]Z]Y]j]K]h]U]g]W]b]M]a]Y]U]
WU]Y]g]c]i]X]b]M]Y]U]W]a]d]U]X]V]i]f]U]X]h]Y]h]c]Z]h]Y]M]F]H]i]k]z]g]h]g]k]c]i]X]
W]a]d]c]a]g]h]Y]h]b]M]X]j]adgj Ya Yig]c]g]ad]M]b]h]X]Y]M]b]M]<ck]Y]Z]y]b]
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k]Y]g]f]Y]h]U]M]U]U]U]g]f]Y]U]d]f]c]d]U]Y]m]U]Y]X]b]5]i]g]U]U'

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