

Sustainable Property Taxation

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Sustainability – What does it mean?

- Economics;
- Society;
- Environment – natural and built;
- Resources;
- May be about Growth?
- Definitely about quality of life – now and in the future.

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Sustainable Property Tax – what could that mean?

- Sustainable outcomes for taxable property;
- Sustainable tax system – efficiency;
- Sustainable local services, which support;
- Sustainable communities.

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Sustainable tax objects

- Tax should encourage sustainable use(s) of land and buildings;
- Optimisation of use of buildings / land;
- ‘*Fairness*’ between taxpayers (horizontal and vertical equity);
- May perceived to be different across range of societies.

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Sustainability of tax itself

- A “good” property tax e.g.:
 - Confidence of taxpaying public;
 - Transparent, cheap and efficient;
 - Support taxable values of land and buildings;
 - Ensure tax base is frequently updated; but
 - Don’t assume that all such characteristics are “sustainable”.

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Sustainability of tax itself

- Reflect on “sustainable” nature of each characteristic in respect to needs and values of local society;
- Taxing of a necessity;
- Should reflect ability to pay.

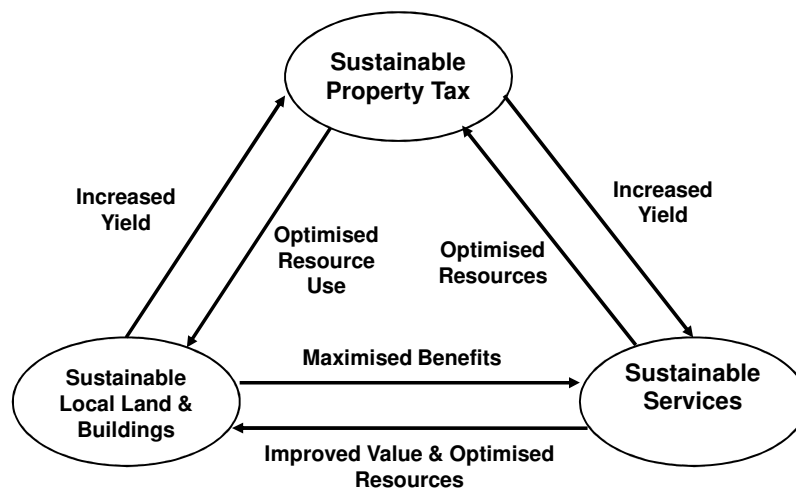
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Sustainable Services

- Sufficient yield to provide funds for range and level of services;
- Services should contribute to sustainability of local communities:
 - Maintenance and improvement of value / attraction of land and buildings;
 - Achieve buoyancy of yield;
 - Increase 'attractiveness' of local community.

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Sustainable Communities



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Conclusions

- Longevity – does that mean sustainable?
- Property taxes are not generic;
- Sustainable property taxes must reflect local society's:
 - Needs,
 - Aspirations;
 - Resources.

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Sustainable Property Tax?

One which operates in such a way that it maintains, if not enhances, the local physical, social and economic environment for the benefit of current and future generations.

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Investigate:

- Sustainable objectives;
- How local property tax can contribute to these;
- Learn from experiences of others – both good and bad practices!

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Thank you

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