

# Great news on housing. Can we have BTR next?, property CEOs ask

MAY 19, 2019

While much of the election focus was on the opposition's negative gearing and capital gains tax changes, Labor, by contrast, had promised to extend the lower tax rate to give BTR the same treatment as other asset classes.

"You need taxation incentives, that's pretty clear," said Stockland chief executive Mark Steinert.

If the lower withholding tax was applied to investments in affordable and social housing, it would be reasonable for that to also apply to private sector housing, he said.

"Often those different uses blend together."

Property Council of Australia chief executive Ken Morrison said the lobby group would continue to push for the asset.

"What is clear is that individual investment in the housing rental market is safe from new federal tax increases and we need to turn our attention to restoring confidence in the residential market as a whole," he said.

Labor's election loss meant the residential market would enjoy an earlier and higher trough after [the federal election result](#) lifted uncertainty about tax policies, economists and property industry leaders said on Sunday.

AMP Capital's global head of real estate, Carmel Hourigan, said no changes on the capital gains and negative gearing fronts, along with the Coalition's promised first-home buyer incentives would boost the sector.

"Anything they can do which is positive for first-home buyers would be positive," Ms Hourigan said.

Preliminary auction clearances hovered above 50 per cent as volumes fell 25 per cent from a week earlier. First-home buyer incentives and further likely rate cuts could bring an earlier end to the bottom of the cycle, AMP Capital chief economist Shane Oliver said on Sunday.

"If we get an [interest rate cut in June or July](#) - which I think we will - then that in combination with [support for first-home buyers](#), which I have a sneaking suspicion will morph into a first-home buyers' grant, along with the removal of uncertainty about capital gains tax and negative gearing, all those things could bring forward the timing of the bottom," Dr Oliver said.