



MAREEBA COMMUNITY HOUSING COMPANY LTD

212 Walsh Street,
PO Box 2017
Mareeba QLD 4880
www.mchc.org.au

Phone: 07 40927042 or 07 40926899
Fax: 07 4092 6877
ACN: 166451118
Email: reception@mchc.org.au

Manager
Financial Services Taxation Unit
Corporate and International Tax Division
The Treasury
Langton Crescent
PARKES ACT 2600

22nd September 2017

Dear Sir/Madam

Thank you for the opportunity to respond to the Government incentivising investment in affordable housing by:

- Increasing the Capital Gains Discount for MIT's who invest in affordable housing from 50% to 60% (to qualify, this housing must be managed exclusively by registered community housing providers); and
- Prohibiting future MIT investments in residential property - it has to be affordable housing managed by community housing provider.

1. Proposed criteria for affordable housing - i.e. tenant eligibility to be assessed using relevant State/Territory housing policies.
 - We believe there needs to be a National policy on what defines affordable housing and aligned to the NRSCH (national regulatory system community housing). Tenant eligibility would be assessed against this benchmark and allow residents and our youth to remain in their communities and afford the rental prices.
 - Eligibility procedures will be supported by existing registered provider current procedures aligned to NRSCH.
 - Does the Government intend to place a limit on the timeline on the capital gains discount for MIT's e.g.: 5 years, 10 years?
2. Administration / compliance costs - such as record keeping, reporting requirements and the annual 'certificate' to be provided by CHPs
 - Administration and compliance costs covering record keeping and reporting requirements to be leveraged through fee for service negotiated between the registered housing provider and the investors.
 - Annual certificate purpose needs to be defined as to whether this is compliance by the provider on the lessor or through the NRSCH.
 - There is a requirement for the NRSCH in Queensland to improve on their registration and re-registration procedures for community housing providers and alignment to a National body.



MAREEBA COMMUNITY HOUSING COMPANY LTD

212 Walsh Street,
PO Box 2017
Mareeba QLD 4880
www.mchc.org.au

Phone: 07 40927042 or 07 40926899
Fax: 07 4092 6877
ACN: 166451118
Email: reception@mchc.org.au

3. Disclosure of information to state registrars about CHPs - the Commissioner of Taxation will be permitted to disclose information to registrars, if the Commissioner has information suggesting that a CHP should no longer be registered.
 - Disclosure rules will require transparency on reporting from the Commissioner of Taxation to the office of registrar (NRSCH) that is not already being reported under current reporting frameworks.
 - Duplications and additional reporting will deter housing providers and add additional layers of compliance and financial expenses for organisations.

We congratulate the Australian Government on actively taking a role in the affordable housing policy and look forward to the progress.

Yours faithfully

Patricia Goldfinch
Manager