



9 August 2017

Manager  
Individuals Tax Unit  
Individuals and Indirect Tax Division  
The Treasury  
Langton Crescent  
PARKES ACT 2600

Dear Sir/Madam

**Re: Treasury Laws Amendment (Housing Tax Integrity) Bill 2017**

I refer to the proposed Treasury Laws Amendment (Housing Tax Integrity) Bill 2017 (Bill) with particular reference to assets installed in new residential premises.

Our company is probably the biggest volume town house developer in Queensland and we sell predominantly to the investor market. I note that the Bill as drafted would deny a new purchaser depreciation deductions for assets in new residential premises if an entity has resided in those premises. This provision will severely prejudice our sales volume as invariably all our new premises are tenanted for the benefit of the new investor purchaser pending settlement. If our new premises were not to be tenanted prior to settlement we would lose marketing momentum and sales may fall to a degree that the number of our subcontractor employees would necessarily be reduced. In addition the volume of units for rent would thereby reduce and there would be inevitable market value consequences as a result of the rental shortfall. If our investor purchasers deplete there is no viable owner new occupier market that could realistically take up the slack.

I am not sure that these consequences were intended as a result of the present Bill but if not the provision where an entity should reside in the premises prior to settlement would prevent new assets being depreciated will fundamentally undermine our marketing strategy and the capacity to construction new dwellings at their present volume.

I believe that attention should be focused on the Bill's provision referred to above in a manner that would avoid the adverse outcomes outlined without derogating from the Bill's intention to withdraw depreciation deductions from subsequent purchasers.

Your positive consideration for our real concern would be appreciated.

Yours faithfully,

A handwritten signature in black ink, appearing to be 'Philip Usher', written in a cursive style.

**Philip Usher**  
Sole Director

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