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Tax, land use and nature restoration

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** This Policy Brief is based on work commissioned by the Australian Conservation Foundation (ACF). The work is independent research and the options and recommendations do not necessarily reflect the views of the ACF.*

This policy brief discusses tax, land use and nature restoration. It outlines elements in the Australian tax system that may affect the incentives of businesses and individuals regarding land use for commercial activities and consumption. These elements may encourage or discourage conservation and restoration of land, through the distortion of price signals and the externalisation of costs, that are ultimately borne by the environment and society.

The tax system is a powerful driver of Australia's economy. Taxation can change the price of producing or consuming certain goods or services, making them more, or less, attractive for producers and consumers. It can shift a market to prefer one activity or another, especially if they are directly substitutable, and it can encourage or discourage certain behaviour.

This brief focuses on the effect of the tax system on incentives for private land conservation, clean up, nature restoration and rehabilitation, rather than on public expenditure and regulation for land use and nature restoration (such as the management of publicly owned National Parks and reserves). The brief sets out a policy options to improve tax incentives for nature and land conservation and restoration.

SUMMARY OF POLICY OPTIONS

Policy option 1. Review land valuation methods for all States, Territories and local government taxes, to ensure that these valuation methods produce an environmentally efficient outcome.

Policy option 2. Review State land tax and stamp duty exemptions for primary production; reduce or remove these exemptions or consider equivalent exemptions for land conservation,

restoration of native flora and fauna and forest planting for emissions reduction.

Policy option 3. Review and redefine 'landcare', building depreciation and primary production tax rules to improve environmental impact.

Policy option 4. Explore tax incentives to support 'greening' of productive activities, processes and upgrades and ensure that policies are part of a coherent framework.

Policy option 5. Review State land tax and stamp duty exemptions for the home or main residence.

Policy option 6. Target new housing tax concessions in the income tax to sustainable and higher density housing.

Policy option 7. Consider a split-receipting approach or CGT exemption for land conservation.

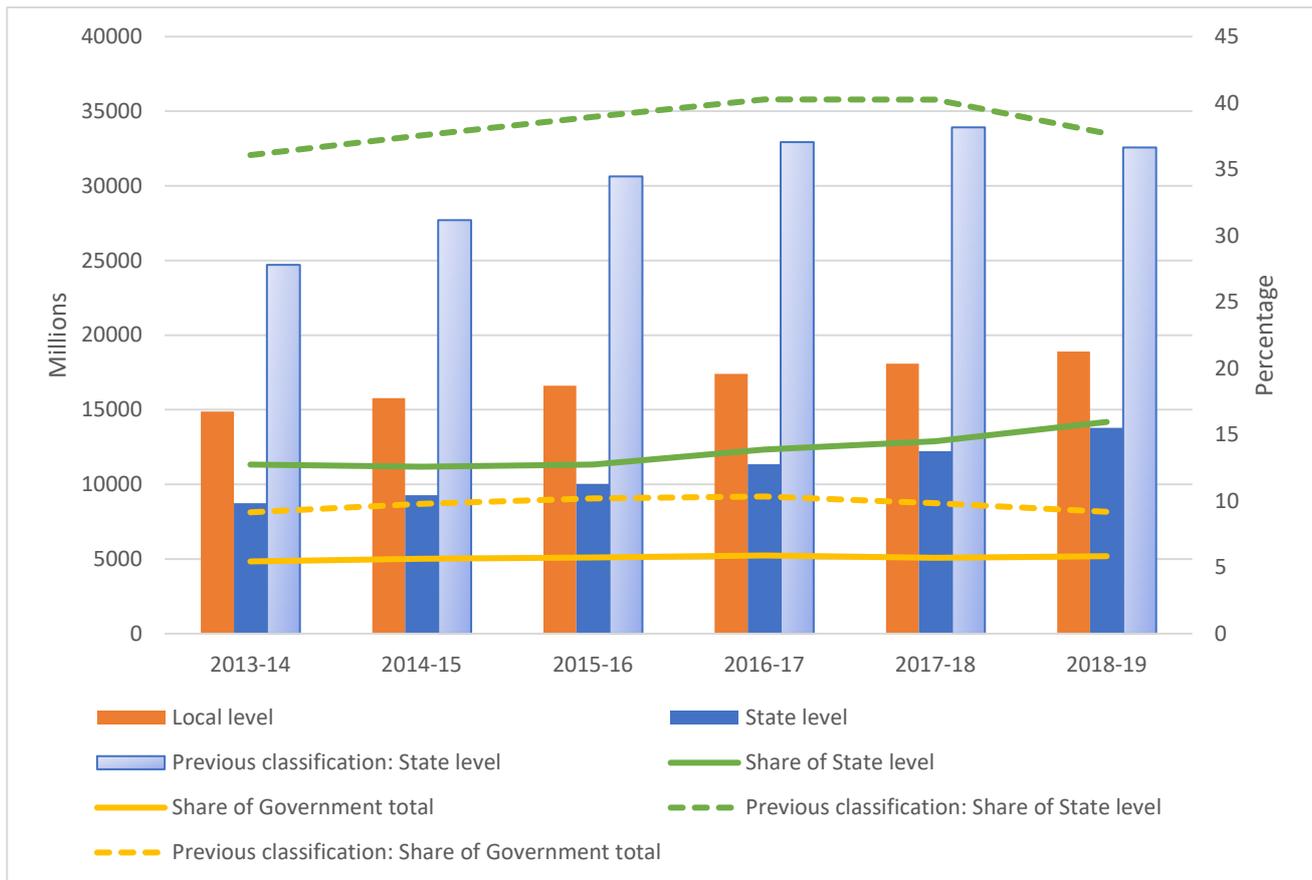
Policy option 8. Expand the land conservation covenant program.

TAX AND LAND USE

Taxes on land and property are an important source of revenue for State and local governments in Australia. In 2016-17, taxes on property made up [around 43%](#) of State-level tax revenue.¹ Stamp duties on

real estate property conveyances, and land tax, are levied by most State governments.² Royalties on mineral resources are also levied by State governments. Local governments collect municipal rates on the value of property, with varying rates and base definition by jurisdiction and type of land.

Figure 1. Revenue from taxes on property, Australia, 2013-2019



Own construction. Source: Australian Bureau of Statistics 2020, [Taxation Revenue, Australia, 2018-19](#). Taxes on property are equal to 100% of local-level revenue.

¹ In its 2019 [Taxation Revenue 2017-18](#) release, the ABS reclassified taxes on financial and capital transactions, which include stamp duty on conveyances, from 'Taxes on Property' to 'Taxes on Provision of Goods and Services', following implementation of the [AGFS 15](#) framework. This reclassification significantly reduces the share of taxes on property at the State level; for instance, to only 16% of State revenue in 2018-19, with taxes on the provision of goods and services amounting to 39.2% of State-level revenue in the same year. This means that in the ABS statistics, as a share of TTP Policy Brief 3/2020

all Government revenue, taxes on property represent 5.8% for 2018-19 (compared to 11% in [2016-17](#)). However, this is misleading for Australian policy debate about property taxation. Stamp duties on real estate have long been considered as taxes in property in Australia. As such, we include the previous classification in Figure 1.

² Petroleum Resource Rent Tax (profits above a normal rate of return from extracting petroleum) and agricultural [levies](#) are levied by the Commonwealth government.

Each State levies [stamp duties](#) on the transfer of property. The duty is paid by the purchaser based on the sale price of the property (or its market value if higher). Different rates and thresholds apply to the purchase of different types of property, and these [vary across States](#). There are programs in each of the States that provide concessions for first home buyers and other groups.

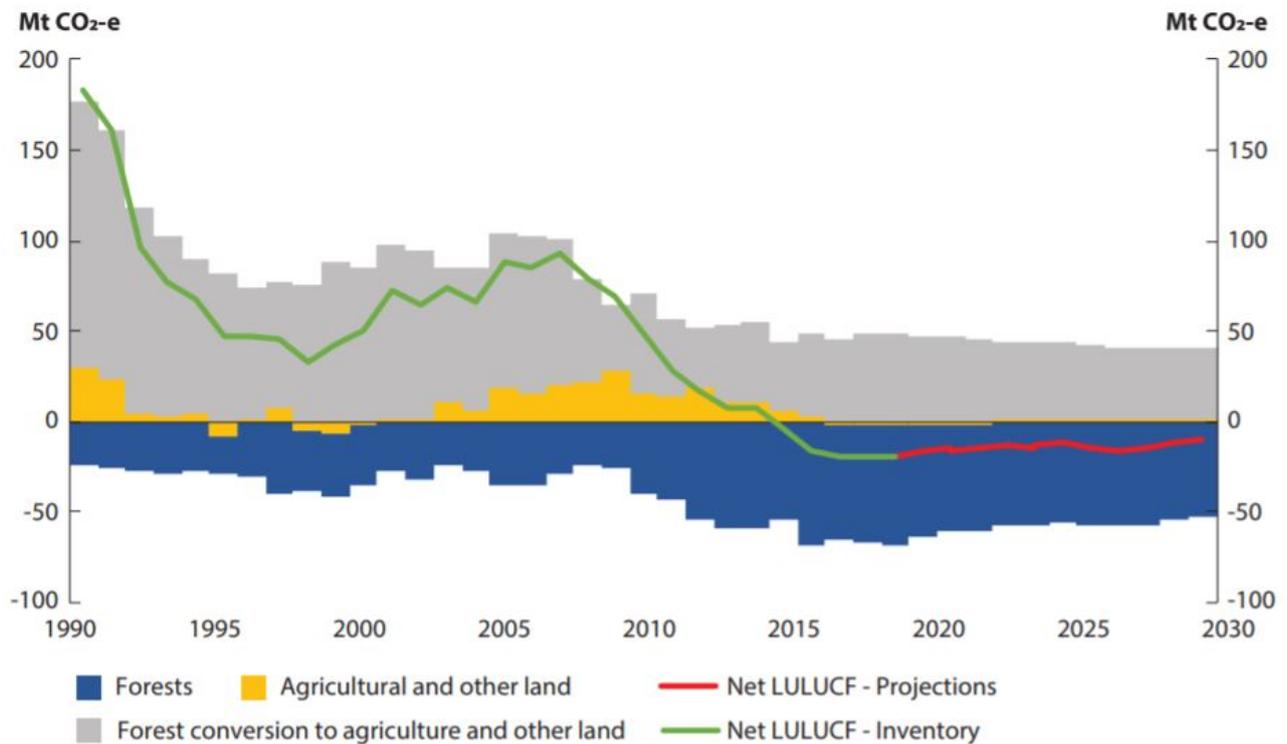
All States and the Australian Capital Territory (but not [the Northern Territory](#)) levy a [land tax](#) on the total holding of unimproved land value (with some variation in valuation approaches across jurisdictions). All States exclude the main or principal residence from tax, and all States

also exempt land used in primary production (agriculture). Land tax rates are progressive, although rates and thresholds vary.

Land use and land tax valuation

The Department of the Environment and Energy (now Department of Industry, Science, Energy and Resources) declares that clearing of forests is the most influential source of emissions deriving from land use ([2019](#)). At the same time, addressing land use can constitute a key factor in the reduction of Australia's greenhouse emissions. In 2019, the sector [offset](#) 4% of emissions from other sectors, due to carbon sinks from regrowing forests (see Figure 2 and Policy Brief 1 – Tax and Pollution).

Figure 2. Emissions and removals from land use, land use change and forestry (LULUCF), 1990 to 2030



Source: Department of the Environment and Energy 2019, [Australia's Emissions Projections 2019](#).

This reveals an apparent policy conflict. Land clearing or development is defined as an 'improvement' to land in most tax and regulatory land valuation regimes, but an

environmentally conscious approach to land use would seek, where possible, to preserve or encourage tree cover or forests on land as an important contribution to

reducing Australia's greenhouse emissions and a valuable land use itself.

The interaction of land clearing or 'improvement' with the land tax and stamp duty system is complicated. For stamp duty, the value on which the duty is levied is the price or market value paid (reflecting all land 'improvements' as priced in the market); this is usually easy to identify. For land taxes

and council rates, the land valuation approach is fundamental. Various approaches to valuation are applied by State, Territory and local governments. These range from the 'unimproved' land value, to 'site value' which recognises land clearing and similar interventions, to 'market value' including the value of buildings and structures.

Example approaches to land valuation in State and local taxes

In **Queensland**, for land defined as rural, land tax applies based on a valuation of [rural land](#) that is 'unimproved', being land in its 'natural, undisturbed condition ... without physical improvements such as houses, fences, clearing, levelling and earthworks'.

Non-rural land is valued applying a [site value](#) method which reflects what the land would be expected to sell for in its current condition, including work that has been undertaken or materials used to 'improve the physical nature of the land to prepare it for development'. This includes clearing vegetation, modifying soil fertility, managing contamination or restoring, rehabilitating or improving the land's surface, reclaiming land, underground drainage or 'any other works done to the land that are necessary to improve it or prepare it for development'. Site value does not include 'structural improvements' such as buildings, fencing, dams and landscaping.

In **New South Wales**, a [mass valuation](#) approach is taken to properties of different types compared to a benchmark, taking account of land classification, permitted use, and a range of other factors. Land clearing will usually be [considered](#) a land improvement for tax purposes.

In **Victoria**, there is an annual land valuation cycle for land tax, the fire services levy and council rates, conducted by the [Valuer-General Victoria](#). Most land is valued on the basis of 'site value', which recognises the added value from clearing and preparation of land but excludes buildings, structures and other capital improvements. Vacant residential land is valued at its improved value.

In these land valuation methods for rural and non-rural land, a common feature is the inclusion of land clearing, drainage, levelling and other methods of preparation for development, as improvements that increase the value of the land. As a result, cleared land will usually attract a higher valuation and therefore a higher land tax bill. Uncleared, or 'natural' land, or land with restricted or conservation use, is valued at its 'unimproved value' which would usually be a lower amount. This is consistent with

the traditional approach to land valuation as being for its 'highest and best use', which usually requires land clearing, improvements and placing the land into production, commercial or residential use.

Policy options

Policy option 1. Review land valuation methods for all States, Territories and local government taxes, to ensure that these valuation methods produce an environmentally efficient outcome

This existing approach for land taxation and council rates may support environmental outcomes, as ‘improved’ land which is more highly valued will be effectively taxed more highly than ‘unimproved’ land. However, diverse and inconsistent approaches apply across the States and Territories, and a harmonised approach to support conservation and emissions offset land use would be desirable.

A review of land valuation methods would seek to ensure that land protected or conserved in its natural state, or put into use by planting or conserving forests or native vegetation that will offset or reduce Australian carbon emissions and protect other environmental land values (including

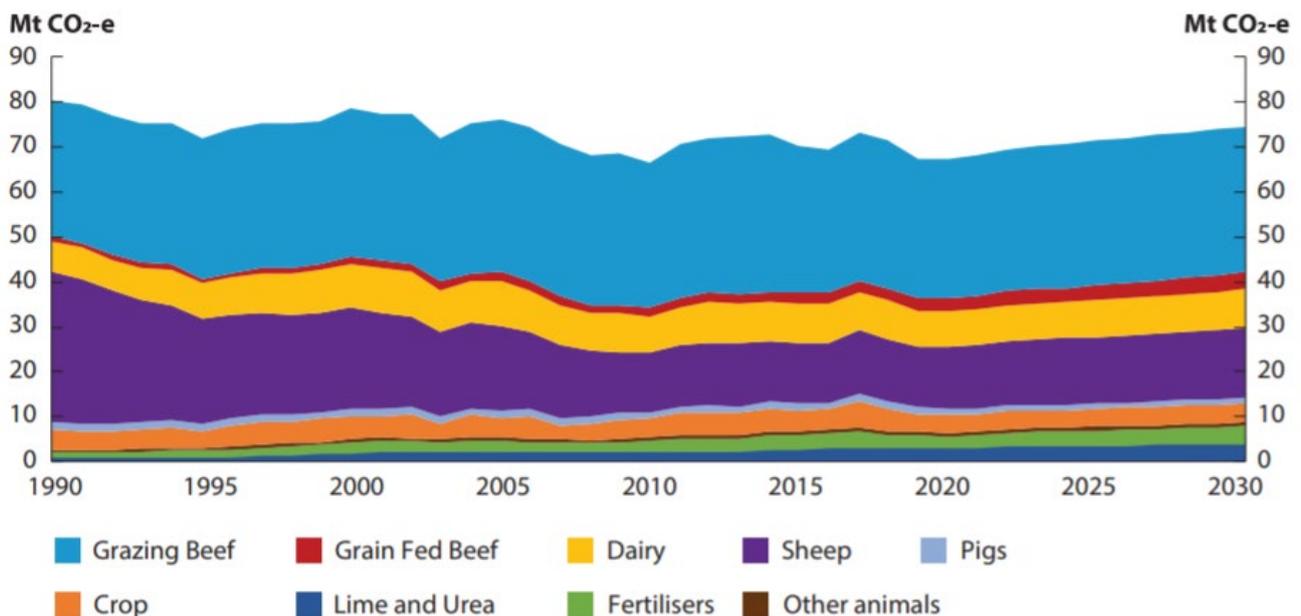
erosion, salinity and other concerns) would attract a nil or lower land tax or council rates.

TAX AND PRIMARY PRODUCTION

Land tax exemptions incentivise primary production over land conservation

In most State land tax regimes, land used primarily for primary production or agriculture is eligible for an exemption, even though such land would be ‘improved’ and otherwise subject to land taxation under the general rule. The exemption for land used for primary production is inconsistent with the policy goal of reducing Australia’s carbon emissions from the agricultural sector, and with other land protection, rehabilitation and conservation goals. Figure 3 shows the scale of carbon emissions from agriculture from 1990 and projected to 2030.

Figure 3. Agriculture emissions, 1990 to 2030



Source: Department of the Environment and Energy 2019, [Australia's Emissions Projections 2019](#).

Example: Primary Production Exemptions

In Victoria, the [Primary Production Land](#) tax exemption may be claimed when land, or a part of it, is used for primary production. An exemption may also be available for land being prepared for primary production (e.g. land clearing). The business must be viable and have a reasonable expectation of returning a profit (and not be a hobby). Primary production includes activities such as:

- cultivating crops for the purposes of selling the produce, including in a processed or converted state,
- maintaining animals or poultry for the purposes of selling them, their offspring or bodily produce,
- commercial fishing, including preparing for such fishing or storing or preserving fish or fishing gear,
- land used for agistment may also qualify.

To be eligible for the primary production exemption, there must be a commercial sale of the products resulting from the primary production activity, with a reasonable expectation of profit as mentioned.

Victoria also [provides](#) a family farm exemption from stamp duty, and an exemption from duty for young farmers buying their first farm.

The States of [NSW](#) and [South Australia](#) provide land tax exemptions for land used wholly or mainly for primary production and satisfying various other conditions.

Policy options

Policy option 2. Review State land tax and stamp duty exemptions for primary production; reduce or remove these exemptions or consider equivalent exemptions for land conservation, restoration of native flora and fauna and forest planting for emissions reduction

These land tax exemptions incentivise primary production land use requiring water, clearing, and other interventions over its conservation and protection. This internalises the commercial benefits (subsidised by the exemption) and externalises the environmental costs, such as land degradation, greenhouse emissions, weakening ecosystems, and excessive use of water resources.

In another example of conflicting policy goals, this exemption contributes to increasing emissions from the agricultural sector; at the same time, climate change poses challenges [particularly](#) for the sectors dependent on natural resources, like agriculture, forestry and fisheries which may not be able to adapt [quickly enough](#) to the changing climate.

There is no general land tax exemption for maintaining or restoring rural or semi-rural land in its natural state, restoring it with native vegetation or planting trees without the purpose of forestry for sale. Some not-for-profit organisations or charities which own land for these purposes may be eligible for a tax exemption. The recommended review should aim to establish a level playing field, at least, or to incentivise conservation, native vegetation restoration or forestry on land vis-à-vis primary production for private individuals. This would need to be subject to a suitable regulatory regime.

Income tax concessions for primary production and land care

The income tax law contains various deductions and capital allowances for land clearing, commercial exploration and development. The income tax also exempts the principal residence or home from capital gains tax, but also does not allow any deductions in relation to investment in the home, even if this is aimed at energy efficiency or environmental goals.

The income tax law provides a [deduction](#) for 'landcare operations', focused on primary production activities. There are various other tax provisions relating to primary production, which are out of scope for this Policy Brief. There are also deductions for mining and exploration activities on land (discussed in Policy Brief 1 – Tax and Pollution).

Under [Section 40-630](#) of Subdivision 40-G of the Income Tax Assessment Act 1997 (ITAA97), capital expenditure on a 'landcare operation' used for carrying on a primary production business, or rural land used for another income-producing purpose is deductible. A deduction is also available for rural land irrigation water providers. The deduction extends to farmers establishing '[shelter belts](#)' to protect primary production land. Plant and equipment for these purposes are able to be depreciated under general capital allowance rules in Division 40 of ITAA97.

A landcare operation includes eradicating or exterminating animal pests or plant growth detrimental to the land; preventing or combating land degradation other than by use of fences; erecting fences to keep out animals from areas affected by land degradation; and constructing drainage works to control salinity or assist in drainage control. More detail is provided by the [Department of Agriculture, Water and the](#) TTPi Policy Brief 3/2020

[Environment](#). An approved management plan may be required.

Capital allowances for expenditure on buildings and capital improvements ([Division 43](#) of ITAA97) are not targeted on environmental protection or restoration, and require active land development rather than land restoration. Even the deductions for environmental protection activities (ITAA97 [Section 40.755](#)) are based on preventing, fighting, remedying, treating, cleaning up, removing or storing pollution and waste resulting from an income-earning activity.

Policy options

Policy option 3. Review and redefine 'landcare', building depreciation and primary production tax rules to improve environmental impact

Many of the defined 'landcare' activities in the tax law support conservation and environmental land rehabilitation goals. However, they are targeted to primary producers and not to land restoration to native flora and fauna. These deductions do not support landcare activities to protect forestry or natural land without commercial use.

In general, as noted above, agriculture is a key producer of carbon emissions in Australia and has other negative environmental impacts. Suitable tax policy is critical for rural and farming communities, businesses and jobs. Tax policy like other policies should be designed to be coherent and consistent with environmental and sustainability policy goals in this space.

As part of a transition to an environmentally sustainable economy and tax system, a new balance is required regarding land use, development and conservation. This could generate a win-win solution for the environment and these communities, [improving the resilience](#) of their income-

generating activities and lessening the impact of drought and changing ecosystems.

One option to support environmentally sustainable land use and more resilient primary production can be to expand the definition of ‘landcare’ ([ITAA Section 40.635](#)) to include non-commercial aspects, such as higher tree cover and ecosystem support for land. Another option is to refocus [deductions](#) for buildings and structural improvements on energy-efficient built structures and activities.

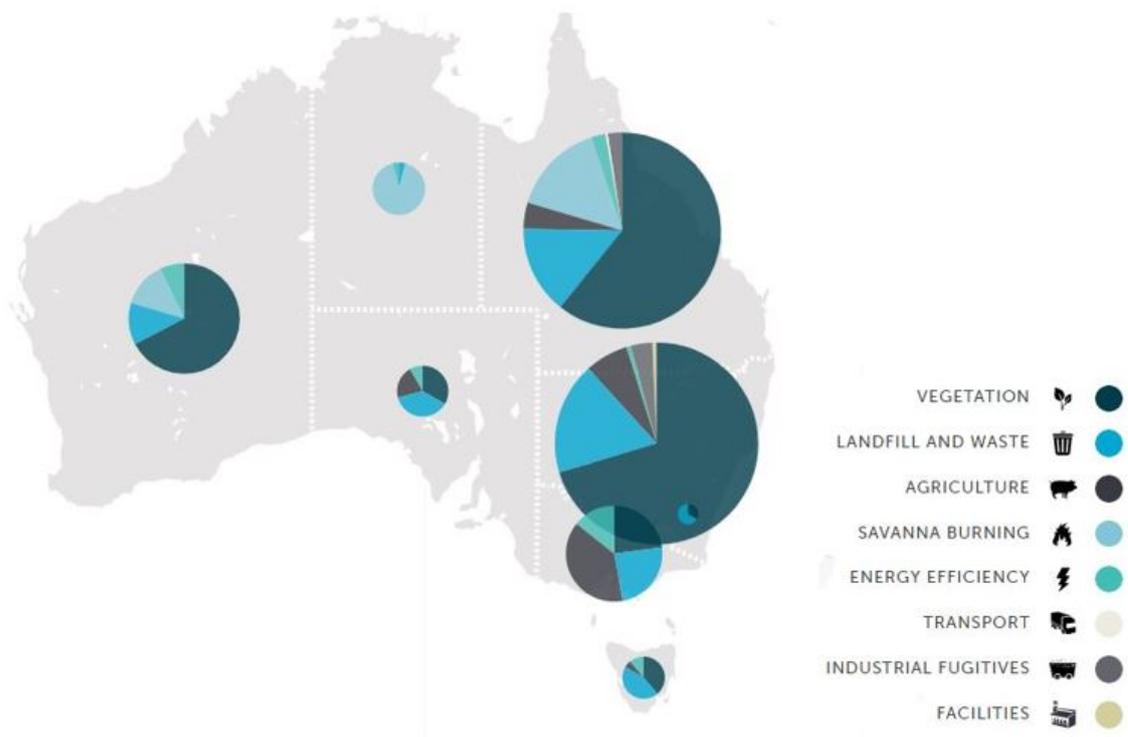
General schemes for environmentally sustainable agriculture and irrigation

The Commonwealth Government has various schemes to support water reform and other environmentally sustainable agricultural activities. It provides [funding and financial incentives](#) for farm irrigation (infrastructure) and water management

(irrigation efficiency) as part of delivering the Murray-Darling Basin Plan (urban, industrial, off-farm, on-farm and metering water infrastructure projects).

The Emissions Reduction Fund [includes](#) funding for agriculture; energy efficiency; facilities; mining, oil and gas; transport; vegetation management and waste and wastewater. The Fund sets out rules for estimating emissions reductions from different activities, to ensure that emissions reductions are genuine –that is, both real and additional to business as usual operations. The Fund [excludes](#) from its offset projects those considered likely to cause adverse impacts to one or more of the availability of water, the conservation of biodiversity, employment, the local community, and land access for agricultural production. This is important for policy coherence across different environmental policy goals.

Figure 4. Emissions Reduction Fund projects by type and location



Source: Clean Energy Regulator, [Emissions Reduction Fund project map](#).

Policy options

Policy option 4. Explore tax incentives to support ‘greening’ of productive activities, processes and upgrades and ensure that policies are part of a coherent framework

As mentioned, State land tax exemptions usually apply to primary production and income-producing activities. There is a disincentive for landowners to retain and restore native bushland, forests and habitats that are not income-producing. Many activities eligible for land tax and income tax exemptions or concessions are the same activities that the Emissions Reduction Fund defines as likely to have negative environmental impacts. The majority of Fund projects focus on vegetation (Figure 4). This means that the Fund may in fact be paying to restore the same bushland that the current tax system at federal and State levels encourages farmers to clear. This lack of coordination in environmental policy measures and tax policy produces inefficient, ineffective and unsustainable outcomes at a fiscal cost.

Better targeting of incentives to support environmentally sustainable productive activities, processes and upgrades could constitute a more comprehensive alternative. For example, this may reduce the impact of drought on agricultural land rather than solely through [tax-based drought relief measures](#) (such as deferred payments, waived penalties) which aim to mitigate the consequences of damaging the environment without a fundamental change in the regime or its incentives.

TAX AND RESIDENTIAL LAND USE

State tax exemptions incentivise suburban development over higher density housing

All State land tax regimes exempt the principal or main residence of homeowners from tax. This exemption (and the heavy reliance by State governments on stamp duty) has long been seen as inefficient and inequitable from a tax and housing policy perspective, and as undermining urban density and housing affordability goals (see [Henry Tax Review 2009](#); [Stewart 2010](#); [Freebairn and Stewart 2015](#)).

The homeowner land tax exemption incentivises the development of suburban land for housing, leading to expanding city boundaries with higher environmental costs. The exemption is usually defined with a land size limit well in excess of requirements for most urban land users. The exemption is regressive, favouring homeowners over renters; high income or wealth homeowners over low income or wealth homeowners; and large properties over small properties. The exemption takes no account of higher density or strata housing that is better adapted to urban environments and a growing population. The exemption is in policy conflict with State and local planning goals of increasing urban density and reducing transport costs, commuting time, carbon emissions and road use.

Policy options

Policy option 5. Review State land tax and stamp duty exemptions for the home or main residence

Consistent with tax policy goals, a review would aim to replace the exemption and stamp duty on housing with land taxation on

the home, taking account of transition, housing market, equity and urban planning goals and constraints. This likely requires coordinated system-wide reform at State and federal government levels, although State governments could 'go it alone', following the [example](#) of the Australian Capital Territory, in developing this reform. An exemption could be redesigned to support housing affordability and urban density planning goals.

Residential land use and income tax

For land purchased for use in a business or profit-making activity that deals in land, any sale proceeds are treated as ordinary income, and may also be subject to the Goods and Services Tax (GST). Otherwise, land is generally seen as a capital asset that may be subject to Capital Gains Tax (CGT).

Rental property investors may deduct interest costs and all expenses against rental and other income (negative gearing) and are eligible for a 50% CGT discount on capital gain. If [vacant land](#) is acquired (either for private purposes or as an investment) it is usually considered a capital asset, which is subject to capital gains tax (CGT) when selling the land. If vacant land is bought with the intent to build a rental property on it, it may be eligible for tax deductions for expenses incurred in holding the land.

During the 2019 Federal election campaign the Australian Labor Party proposed to limit the deduction of investment expenses and losses to investment income and gains, and to reduce the CGT discount to 25%, for properties acquired after 1 January 2020. Negative gearing would still be available for new housing.

The main or principal residence of homeowners is [exempt from CGT](#) (Division 118-B of ITAA97). Home mortgage interest

is not deductible. There are no deductions or credits for tax purposes in relation to investment in the home, even if this is aimed at energy efficiency or environmental goals. However, applying CGT to home ownership raises many complexities and equity considerations, and would require homeowners to account for their costs and expenses. A better solution than bringing the home into the income tax net, is to reform land taxation of the home, as discussed above.

Policy options

Policy option 6. Target new housing tax concessions in the income tax to sustainable and higher density housing

An option to encourage sustainable community design could be to offer additional income tax or CGT concessions for construction of sustainable buildings (such as [Green Star](#) certified), or for higher density or strata living options.

In an example from the ACT and NSW, the [Ginninderry](#) development has been designed as a low-cost sustainable precinct, where builders have to support the sustainability scheme in order to take part of the development. A [commissioned](#) report found that full electric homes with solar may cost a little more upfront, however, they can recover the cost in about three years while displacing coal and gas-powered grid electricity with renewable solar.

For further analysis on households and energy efficiency and consumption, please refer to Policy Brief 2, Tax and Energy.

TAX AND NATURE RESTORATION

The income tax law contains provisions to support carbon sink forests and nature restoration, as well as landcare, pollution clean-up and rehabilitation (see Policy Brief 1).

Carbon sink forests

The establishment of carbon sink forests for sequestration of carbon can support Australia's carbon emission reduction goals (Figure 2). Carbon sink forest investment is supported by [Subdivision 40-J](#) of ITAA97, which allows a deduction for capital expenditure by a taxpayer carrying on a business, where the expenditure is incurred to establish trees that meet the requirements for carbon sequestration (Section 40-1000). The cost of establishing the trees is deductible at a write-off rate of 7% per year, in general, and strict conditions are applied to define establishment costs of carbon sink trees (s 40-1010 of ITAA97).

The [Carbon Credits \(Carbon Farming Initiative\) Act 2011](#) establishes the guidelines for sequestration and mechanism for determining Australian carbon credit units, which may be issued in relation to eligible offsets projects. No deduction is provided for taxpayers not in a business, or for private individuals or entities. All other forestry investment or business activities are excluded. There may be scope to extend a tax incentive for private individuals, or investors, to invest in carbon sequestration operations or forests in Australia.

Conservation covenants, environmental organisations and gifts

A [conservation covenant](#) is a promise contained in a deed to land or real estate which is binding upon the current owner and all future owners, defining the limitations, conditions or restrictions on the use of the land for conservation. It is a voluntary agreement made between a landholder and an authorised body –such as a Covenant Scheme Provider– that aims to protect and enhance the natural, cultural or scientific

values of certain land. The owner continues to own, use and live on the land while the natural values of an area are conserved by the landholder in partnership with the Covenant Scheme Provider (which can be not-for-profit organisations, government agencies or local councils).

The income tax law provides a deduction for entering into conservation covenants and other permanent protection instruments in [Division 31](#) of ITAA97. A deduction is available for eligible taxpayers holding a conservation covenant whose market value of the land decreased by more than \$5,000 as a result of entering the covenant. The deduction is calculated by the difference between the market value of the land before entering into the covenant agreement and the market value of the land just after that time.

[Section 30-246](#) of ITAA97 allows the claiming of the deduction for certain gifts and covenants over up to 5 income years.

The environmental organisations tax exemption ([Subdivision 30-E](#) of ITAA97) requires the establishment of a register of environmental organisations and covers deductions of gifts made to a fund that is on the register.

Comparative experience: Canada and the United States

Some other countries have established specific regimes to encourage land conservation or rehabilitation by private individuals or landowners.

In Canada, the [Ecological Gifts Program](#) donates ecologically sensitive land to governments or charities. It operates under the *Income Tax Act* of Canada and the Quebec *Taxation Act*, offering tax benefits to landowners who donate land, or a partial interest in land to a qualified recipient. In turn, recipients must ensure that the land's

biodiversity and environmental heritage are conserved in perpetuity.

In the United States, public and private land conservation is aimed more broadly at securing ecosystem services through land for open space, recreation, soil conservation, carbon sequestration, and water quality improvements ([Lerner et al 2007](#)). Conservation easements held by land trusts are being modelled through a combination of tax incentives and acknowledging the ecological significance of private land ([Hardy et al 2016](#)), driving the expansion of conservation easements held by land trusts. This model requires improved methods for assessing the conservation value of private land. It has been suggested that tax incentives are a “key driver” of easement and land trust growth in the United States ([Parker and Thurman 2016](#)).

Policy options

Policy option 7. Consider a split-receipting approach or CGT exemption for land conservation

Covenants that take place as a gift are covered by ITAA [Division 31](#), but if there is a payment in return these transactions are considered private and ineligible for the tax benefits. One scholar [recommends](#) a split-receipting approach. A land-owner who receives both a payment for permanently protecting environmentally sensitive land (in recognition of the private benefit) and a tax deduction for any unremunerated value of the land gifted in for permanent protection (in recognition of the public benefit) would be eligible for the deduction for the portion of the land gifted for protection.

As indicated above, a tax deduction is [available](#) for land managers to claim a deduction for capital expenditure on a landcare operation. Following the Canadian

model, Guglyuvatyy ([2018](#)) proposes establishing a CGT exemption or a tax deduction, independent of a conservation covenant as an incentive for Australian taxpayers to undertake conservation activities.

Policy option 8. Expand the land conservation covenant program

Private land conservation could be increased in Australia by reviewing and potentially adopting suitable aspects of conservation covenant regimes in other jurisdictions, and establishing a coherent national regime across State and federal taxes.

Further considerations

Aboriginal native title and land rights

The options outlined in this briefer acknowledge and require the consideration of Aboriginal native title and land rights. Environmental approaches towards land protection and conservation would greatly benefit from [incorporating](#) indigenous knowledge and management practices as custodians of the land. A recent example of this was the [Indigenous fire management](#) and burn-back approach which has attracted considerable interest since the 2019-20 bushfires.

Wealth and land ownership

A topic not explored in this briefer is the relationship between [wealth and land ownership](#) in Australia, and the potential role of wealth taxation as a channel to shift the current tax system towards strengthening the protection of land.

2020: Bushfires and COVID-19

The devastating 2019-2020 bushfires, prolonged droughts and rising temperatures evidence the present and possible future impacts of [climate change in Australia](#), and the pressing need for the tax system to

support sustainable land use and nature restoration. Moreover, risk reduction and risk management of future pandemics such as COVID-19 [require a fundamental rethink](#) of Australia's agriculture and livestock systems (see also Policy Brief 1 – Tax and Pollution), since anthropogenic activities and environmental exploitation not only cause losses in wildlife habitat quality, but also facilitate zoonotic disease transmission ([Johnson et al 2020](#)).

Australians' satisfaction with the environment

The Household, Income and Labour Dynamics in Australia ([HILDA](#)) Survey is a household-based panel study about economic and personal wellbeing, labour market dynamics and family life, funded by the Australian government and managed by the Melbourne Institute. HILDA is a powerful tool for academic research and evidence-based policymaking in Australia. However, while the survey is intended to assess personal wellbeing –annually asking participants about their lives, employment opportunities, financial situation, free time, homes, local communities, neighbourhoods, safety and health– it makes no mention of the environment; which is an integral and increasingly important part in the wellbeing of Australians. Including questions about participants' perception of the environment within the subject areas of life satisfaction and attitudes in the Survey could provide important insights into Australians' attitudes to the environment, energy efficiency, nature and land use.

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