

MEDIA RELEASE

20 April 2026

Changes to tax on property must support new housing supply

CEO of the Urban Taskforce Australia, Tom Forrest, today urged the Albanese Government to be very cautious about changing the taxation on housing investment. Any changes to be considered in the upcoming budget must support the growth of new housing stock.

Lowering the Capital Gains Tax (CGT) concession on existing dwellings has some merit because having the concession available for these properties makes them attractive to investors, therefore driving up the price for all consumers. But the government should not be rushing into this.

However, Urban Taskforce calls for the Commonwealth to increase the CGT concession for new dwellings, thereby encouraging investment in new housing stock.

Investors are critical to the supply of housing. They make up a significant component of off-the-plan purchases of new housing, therefore underwriting the flow of finance from the banks for the construction of new housing development. Reducing investor incentives to invest in new housing stock is precisely the opposite of what is needed right now.

Any reduction in the CGT concession for new housing will undermine housing supply.

Urban Taskforce urges the government to take a wholistic approach to taxation reform. Tinkering at the edges risks unanticipated consequences, like undermining the Housing Supply agenda that helped get the Albanese Government re-elected in 2025. Removing tax surcharges on foreign investors who are investing in the delivery of new housing stock is a reform that is desperately needed.

ABS housing data shows there were improvements in new housing commencements in the 12 months up till December 2025. Since then, the sector has been subjected to two interest rate rises and a war in Iran.

We remain a long way behind the National Housing Accord targets and now is not the time to use the taxation system for high-risk political virtue signalling.

End

The comments and analysis above can be attributed to Tom Forrest, CEO, Urban Taskforce Australia.

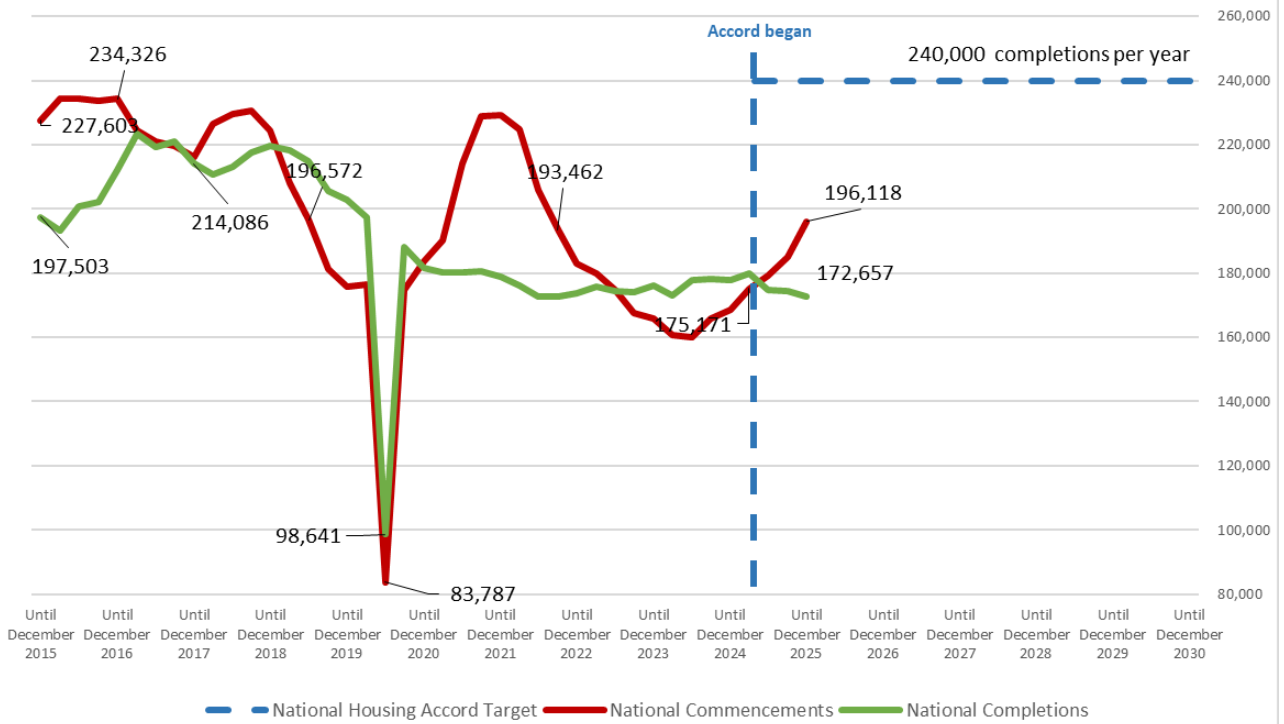
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Urban Taskforce Australia is a property development industry peak group, representing Australia's most prominent property developers and equity financiers.

National dwelling commencements & completions rolling four-quarter chart



Source: 8752.0 Building Activity, Australia. TABLE 34. Number of Dwelling Unit Commencements by Sector, States and Territories & TABLE 33 and TABLE 37 - Release 08/04/2026