

Market Based Rent Policy Reform

The Philosophy and the Economics of the following suggestions are based on Market Economy principles, where Landlords are assumed to choose a path that best suits their Economic interests.

In staying with those principles, I have deemed, all types of Regulations to be counterproductive, understanding that one way or another, they will contort the market leading to unintended and adverse consequences.

To save time and avoid useless and longwinded unnecessaries, propositions are organised in point form, with the understanding that they could be explored further, if of any interest.

Tax Policies:

1. A new Tax should be levied against all Airbnb and other short term residential rentals. This tax should be calculated at presumption of full annual occupancy, (assumed that they are fully occupied all year around). This tax should be **large enough** to bring the assumed or actual income down, equal to a similar accommodations in the area which are rented on long term bases. Faced with massive loses, thousands of houses and apartments will become available over night.
2. A new Tax should be levied against all empty accommodation calculated at an assumed full annual occupancy at rates natural to the local renting market.
3. All costs of renovating and improving a rental should be fully tax deductible.
4. 30% tax deduction allocated to landlords whose accommodations have been fully occupied for three years and more.
5. 25% tax deduction allocated to landlords allowing pets in their rentals.
6. All cost of fixing damage done by the renters (exceeding the bond), will be fully tax deductible including the periods when the rentals remain empty for the purpose of fixing.
7. A substantial tax deduction, 30% and more, for landlords renting to people on minimum wage, students, disable and other disadvantaged.
8. 20% Tax deduction for those landlords willing to rent to share groups.
9. 100% tax deduction, equal to the cost, for those landlords willing to renovate for the purpose of higher density rentals.
10. Subject to engineering standard, only, and free of local and state government red tape and other regulations, landlords should be able to add extra floors to their houses for the purpose of long term rental: Granny flats included.
11. Substantial tax deduction or tax credit for those owner occupier landlords who are willing to share their house with younger people or newly arrived immigrants.
12. Substantial tax incentives for the Universities to develop their own student accommodations on site or elsewhere.
13. Government funded and operated student accommodations near the universities, offered at reduce rates to attract students away from family suited rentals.

14. Substantial tax deductions and exemption from red tape and other regulations, for private entities willing to develop new and long term student accommodations near universities.
15. Substantial tax deduction or credit for families willing to accept and house newly arrived immigrants until they are ready to move out on their own.
16. 100% free public transport for those living a certain distance from their place of employment, preferably, free public transport statewide for everyone.
17. Bonds will be deposited in government accounts, movable and applicable to different contracts and houses and released to landlords after government inspections only.
18. In removing incentives for increasing rents all rent assistance should be removed.
19. Significant tax incentives and regulatory exemptions will create incentives for developers willing to build rental-only-complexes, which are owned and managed by themselves rather than atomising the ownership by selling them.
20. Blanket and state-wide **preapproved** permission for adding up to three extra floors to single floor houses, subject to engineering criteria only.