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From: Danielle Campbell [REDACTED]
Sent: Wednesday, 25 February 2026 1:38 PM
To: Taxpolicy Advice
Subject: Short Stay Levy Bill 2025 - Consultation

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Dear Treasury Policy Team,

I am writing to formally express my strong opposition to the proposed 5% levy on short-stay accommodation.

While I understand that the stated purpose of the levy is to raise revenue for a first home buyer assistance scheme, I remain concerned that this approach risks causing material harm to Tasmania's tourism economy without addressing the structural drivers of housing affordability.

Firstly, Tasmania is already a comparatively more expensive destination due to the need for air travel. Visitors cannot drive across a border as they can interstate. Adding a further levy at the point of booking compounds this disadvantage and places the cost burden squarely on guests. This reduces Tasmania's price competitiveness, particularly for longer stays, regional travel and off-peak visitation.

Secondly, short-stay accommodation underpins a significant local employment ecosystem. Beyond property owners and managers, the sector supports cleaners, linen services, tradespeople, gardeners, spa technicians, photographers and a wide range of small, locally based service providers. In our business alone, we directly and indirectly generate consistent work for numerous local contractors. Any reduction in visitor demand flows directly through to these workers and businesses.

While the levy is framed as a revenue measure to support first home buyers it sits within a broader public narrative that often positions short-stay accommodation as contributing to housing pressure. However, increasing the number of first home buyers in the market does not address the core constraint, which is supply. From my position operating on the periphery of the real estate industry through Wolf Property, demand from first home buyers is already strong. The issue is not a shortage of buyers, it is a shortage of available housing. Introducing measures that increase purchasing capacity without increasing housing stock risks placing further upward pressure on prices rather than improving affordability.

Housing affordability is fundamentally a structural issue requiring coordinated planning, land release, infrastructure investment and construction capacity. It is a government planning challenge, not one that can be resolved by redistributing cost onto private investors or visitors.

If the objective is to support first home buyers, broader structural reforms (including participation in initiatives such as the Federal Government's Help to Buy scheme) would appear more directly aligned with that goal. At present, Tasmania is the only state not to opt in. Introducing a tourism-facing levy while declining participation in a national affordability program creates a perception of policy inconsistency.

There is also tension between this proposal and the State's substantial investment in tourism growth, including major infrastructure projects such as the proposed stadium. Adequate accommodation supply is essential to support visitors and the workforce required to deliver these initiatives. Constraining or financially penalising short-stay accommodation risks undermining tourism competitiveness at the very time the State is seeking to expand it.

If housing pressure within the long-term rental market is a concern, incentive-based mechanisms may prove more effective than punitive ones. For example, targeted tax concessions or grants for owners who voluntarily transition to long-term leasing could encourage behavioural change without dampening tourism demand.

More broadly, improving public transport and regional connectivity would represent a far more meaningful structural reform. Strengthening transport links to outer suburbs and regional areas would unlock more affordable land beyond Hobart's CBD, making currently underutilised or lower-cost areas viable for development. Increasing accessibility expands effective housing supply without reallocating existing stock, which is ultimately what affordability requires.

In addition, the levy raises fairness and competition concerns. Small-scale short-stay operators are being singled out for an additional charge, while hotels and other traditional accommodation providers operate under different commercial structures and scale efficiencies. Applying a levy to one segment of the market risks distorting competition rather than creating neutrality across accommodation types.

Short-stay operators already contribute significantly through GST, income tax, council rates, compliance costs, insurance and ongoing property maintenance. Introducing an additional levy risks discouraging investment, reducing accommodation diversity and weakening Tasmania's tourism competitiveness.

I respectfully urge Treasury to reconsider this proposal and instead pursue targeted, evidence-based solutions that address housing affordability at its structural source, while protecting the economic contribution of Tasmania's visitor economy.

Thank you for the opportunity to provide feedback.

Kind regards

DANNIELLE CAMPBELL

[Redacted signature]



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