

Tasmania Governments Proposed Short Stay Levy

I have a number of concerns regarding this proposed bill, particularly with regards to its impact on those establishments offering visitor accommodation in regional Tasmania.

As a holiday destination, Tasmania already suffers one major disadvantage that other competing states do not have to contend with, which of course is access from the mainland. Visitors must either fly but then need to rent a vehicle upon arrival if they wish to travel within the state, or travel by ferry. Both car rental fees and the very high ferry prices add significant costs to the visitor that are peculiar to Tasmania.

An additional five percent government surcharge (which I note is not being applied equally across the accommodation sector) will only add to the cost for our visitors.

In Tasmania, the excepted hotels and motels are primarily located in either Hobart or Launceston, with the vast majority of visitors to our regional areas relying on Short Stay Accommodation options and there is every likelihood that these will be disadvantaged. It should also be noted that visitors to these regional properties provide important direct and flow on revenue to the local communities, and as a state, we should be encouraging more regional visitation, not providing government initiated discouragement.

On an operational level, the handling of payment for direct bookings (usually a very small percentage of business compared with that generated by the big booking platforms, will be yet another time consuming administrative chore – registering, collating booking data, lodging returns and then paying taxes.

Whilst the current proposal is for a 5% levy, the political temptation will of course be to increase this, and I have little confidence that this temptation will be avoided if the bill is passed.

Finally, I note that the intent of this Levy is to help first home buyers – certainly commendable, but how exactly is it proposed that this will be done? I am certain that the targeted \$11million is not going to be much help given the scope of this problem.

Yours sincerely

Peter Gee

