

State's land taxes 'are out of control'

SARAH MARTIN

PROMINENT SA property investor Harry Perks says land tax is driving investment out of the state and costing jobs.

The property magnate, whose company manages more than \$450 million in SA assets, says he is now looking interstate for potential investments.

Last week, Perks Property Investments announced it had bought two Sunshine Coast retail centres for more than \$54.5 million.

Traditionally, Perks has invested in the South Australian market and last year bought Seaford Plaza shopping centre for \$72 million in a joint venture with the Cohen Group.

But Mr Perks says the Sunshine Coast acquisitions indicate a strategic shift for the company.

He said an equivalent purchase in SA would have incurred \$200,000 more in stamp duty and an annual land tax bill of \$300,000 - double

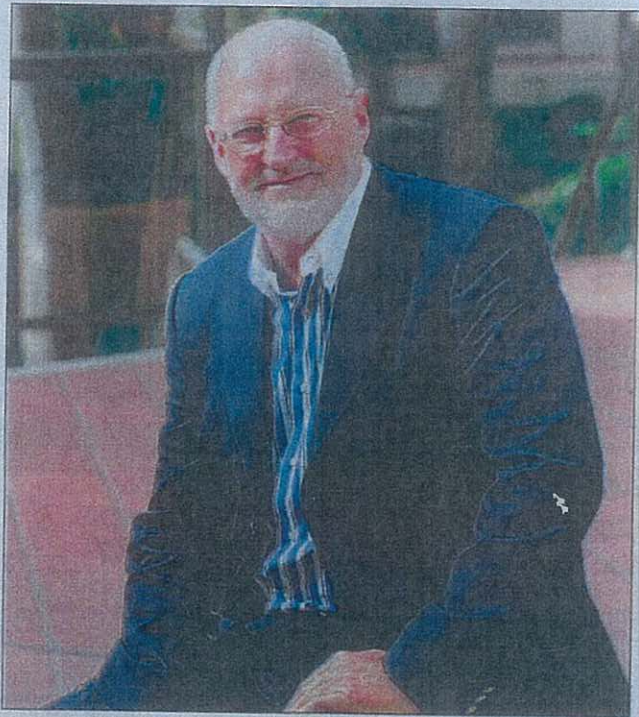
the rate of Queensland. "Why would anyone invest in this state when land tax is so out of control?" he said.

"We would love to invest further in South Australia - we can think of nothing better than investing in SA and that is what we have done for the last 20 years, but with land tax the way it is we are being forced to look interstate."

"That's not to say if there was a stand out asset here in SA we wouldn't look at it, but if there were two comparable assets one here and one in Queensland, the way it stands at the moment we would go to Queensland."

Mr Perks said land tax on one of his properties in Berri had increased 346 per cent since 2004, and one in Whyalla by 345 per cent.

"It is not in my interest to talk down investing in SA, but Blind Freddy can see that if given a choice why would someone invest here in SA when the land tax rates are so high?"



DISINCENTIVE: Property investor Harry Perks. Picture: GREG HIGGS