

# Media Release

**Mr Tim Pallas MP**  
Treasurer  
Minister for Industrial Relations  
Minister for Economic Growth



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## MORE LONG-TERM RENTALS AND MORE SOCIAL HOMES

The Allan Labor Government is delivering more social and affordable housing and making more properties available for long-term rentals – with the *Short Stay Levy Bill 2024* introduced into Parliament today.

Announced as part of the landmark *Housing Statement*, the final policy has been informed by consultation with local councils, industry and tourism bodies to get the balance right for communities across Victoria.

The legislation introduces a 7.5 per cent levy from 1 January 2025 on short stay accommodation bookings, including bookings made through platforms such as Airbnb and Stayz.

Short stay rentals reduce the number of properties available for longer term accommodation for families who need a place to live. In Victoria, there are around 63,000 short stay accommodation places – with nearly half of these in regional Victoria. Almost 50,000 of those places are entire homes which are not available for long-term rental.

Expected to raise around \$60 million a year, all revenue will go to Homes Victoria to support the building and maintenance of social and affordable housing – with 25 per cent of funds to be invested in regional Victoria.

The levy will not apply to a homeowner leasing out all or part of their principal place of residence for a short stay. When a homeowner goes on holiday and someone else stays there temporarily, the levy does not apply.

Commercial accommodation such as hotels, motels and caravan parks are also exempt. The levy will also only apply to stays less than 28 days.

Transitional arrangements will be in place, and the levy will not apply to bookings made prior to 1 January 2025.

The Labor Government is also giving local communities the ability to respond to local concerns – with owners' corporations now able to ban short stays in their developments if approved by 75 per cent of owners. There will also be changes to the planning system to give local councils the power to regulate short stay accommodation.

Governments across Australia and around the world have taken steps to regulate short-stay accommodation – including the use of short-stay booking levies – to tackle challenges with the supply of longer-term rental accommodation and manage the impacts of short-stay accommodation on local communities.

### Quotes attributable to Treasurer Tim Pallas

*"We're unlocking more homes for real rentals, and unlocking more funding for social housing."*

*"This is an important step towards making more properties available for long-term rental – and we've consulted with the sector to make sure we've got the balance right."*

### Quote attributable to Minister for Housing Harriet Shing

*"The demand for housing has never been greater around Australia, and the Victorian short stay levy will support the delivery of more social housing and encourage more people to use their properties for permanent rental accommodation across the state."*

**Media contact:** Alan Padgham 0418 783 688 | alan.padgham@minstaff.vic.gov.au