JLL Property Council New Zealand

Institutional Grade Build-To-Rent (Multi-family Housing) Legislative Framework Comparison

Note: *Liquidity and attractiveness of investment factors have been considered from an institutional investors viewpoint and run from left to right in the table in terms of promoting and sustaining institutional capital at scale. In other words, allowing overseas investment is considered the most important factor to institutional investors (to ensure liquidity of assets in the long-term) and having to pay a one-off stamp duty payment the least given it is a one-time cost and not an ongoing obligation.*

Country	Overseas Investor Limitations	Depreciation can be claimed	Investor Pays Council Rates	Asset Class Status	Interest deductibility for taxation allowed	Investor Pays Land Tax	Stamp Duty (Tax on acquisition)
UK	No if structured appropriately - there is a Stamp duty surcharge payable by individual overseas investors.	Yes	No	For planning considerations	Yes (for companies, not individuals)	No	Yes at residential rates; eligible for multi-unit dwelling relief
USA	No	Yes	No	For zoning	Yes	Yes (referred to as Property Taxes)	Government Taxes (not referred to as stamp duty)
Australia (VIC)	No Stamp duty surcharge on land purchase for development; yes on re-sale	Yes	Yes	For land tax concessions	Yes	Yes (50% discount for 30 years incentive for schemes approved before 2040)	Yes at residential rates
Australia (NSW)	No (as part of BTR policy)	Yes	Yes	For land tax concessions	Yes	Yes (50% discount to 2040)	Yes at residential rates
Canada	No. There is a foreign buyer tax on single family residences but not multifamily	Yes	No	For zoning	Yes	Yes, municipal and provincial	Investor pays HST (value add tax). No stamp duty.
New Zealand	Market perception is Overseas Investment Act gives no reliable liquidity for second hand schemes	No	Yes	For Interest deductibility	Yes	No	No