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# Boosting home ownership – Reforming negative gearing and capital gains tax

The Government has announced it will reform negative gearing and  
capital gains tax (CGT) arrangements.

As part of the 2026–27 Federal Budget, the Government  
will reform negative gearing and capital gains tax (CGT)

law.

From 1 July 2027:

For residential property investments to new builds  
the discount for individuals, trusts and partnerships  
will be reduced to 50% and a 30% minimum tax rate on capital gains.

Reforms on existing investments will be limited.  
The announcement (7:30pm AEST 12 May 2026) will be  
for negative gearing changes, while the CGT reforms will only  
take effect after 1 July 2027.

[Simplainer](#) ↗

[Budget 2026–27](#) ↗

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