



# The Great Property Reset

Federal Budget 2026-27 Investor Briefing

 Proposed effective date: July 2027

Presented by: **Noor Finance PTY LTD**

 [noorfinance.com.au](https://noorfinance.com.au) |  [ali.mehboob@noorfinance.com.au](mailto:ali.mehboob@noorfinance.com.au)

 0411 963 365 |  +61411963365



# The Four Reforms Reshaping Property Investing

## Negative Gearing

Scrapped for established homes, retained only for new builds

100%  
Scrapped

## CGT Reform

50% discount removed, replaced by indexation + 30 minimum tax

50%  
Discount

## Trust Landing

30% minimum tax on distribution, reduce income splitting benefits

50%  
Tax

## SMSF Stability

No changes to SMSF structures, Grandfather preserved

0%  
Disruption

# Negative Gearing Ends For Established Homes

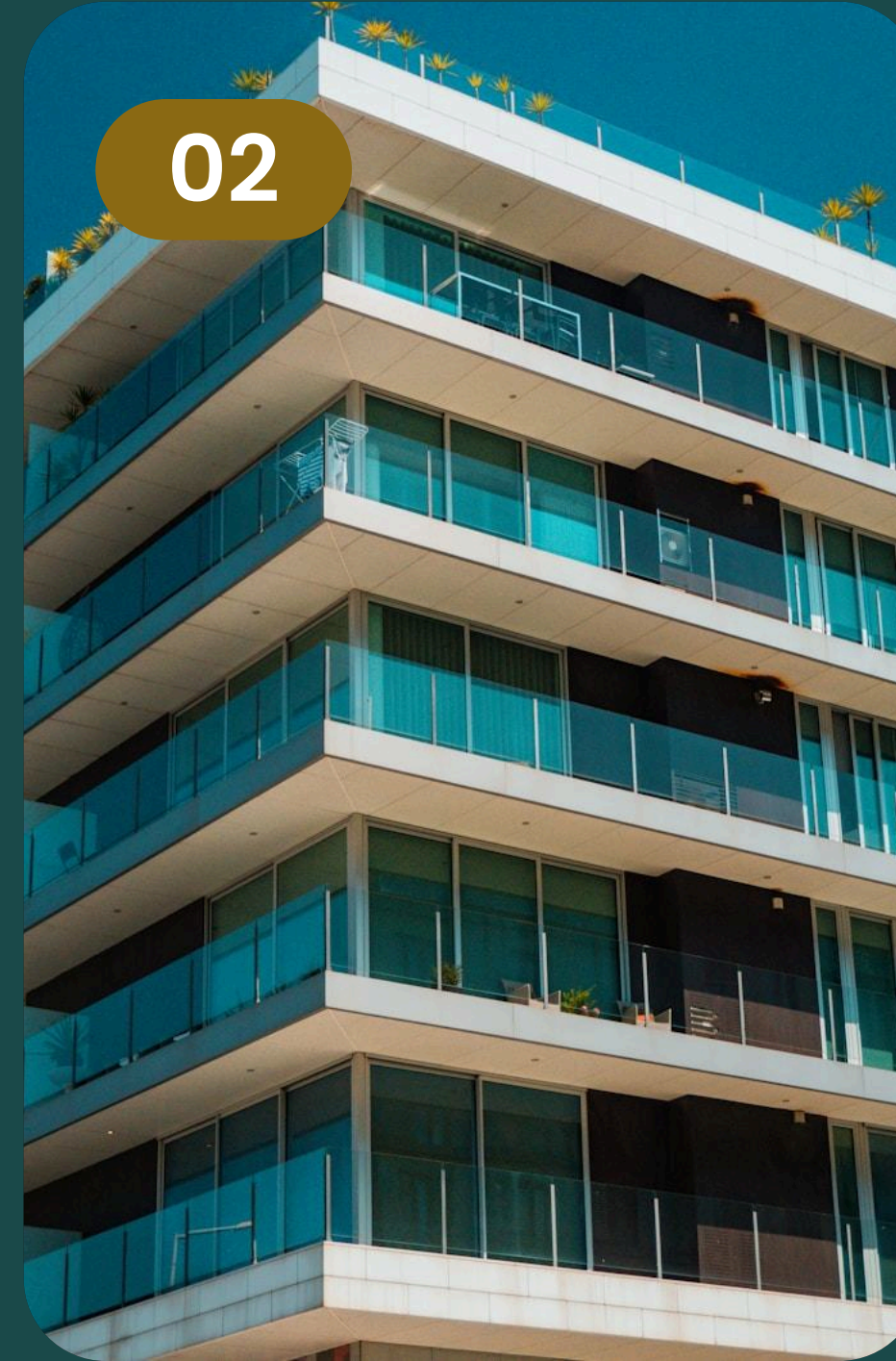
Tax benefit now redirect to new housing only. Established home lose deductions from July 2027, Grandfather assets purchased before May 2026 remain exempt, Investor must shift focus to new builds for tax efficiency.



01

## Established Homes

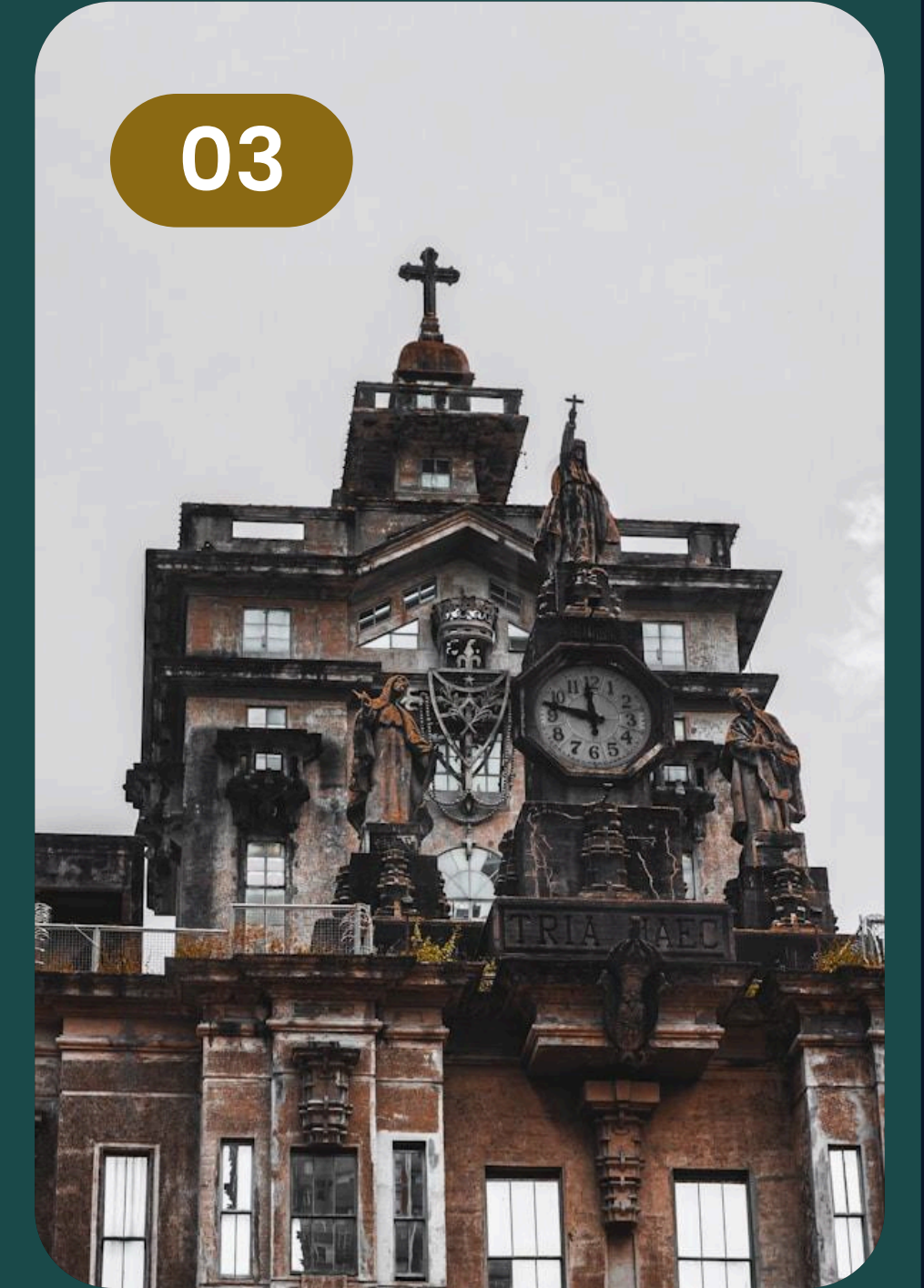
Deduction against personal income, abolished for new acquisitions



02

## New Builds

Full negative gearing remains available (to encourage housing apply)



03

## Grand fathering

Properties purchased before 12 May 2026 are fully exempt

# CGT Is Being Rewritten



## Removed

The 50% discount is removed



## New Method

- Inflation adjustment (CPI) before tax is applied
- 30% minimum tax floor on gains



## Impact

- Greater hit for holding under 5 years
- Long term investors still benefit for real growth + compounding



# Trust structure under pressure

01

## Conduits End

Discretionary trusts will no longer be tax-free conduits for low-income family members.

02

## Full Coverage

Applies to all income distributions without exception now.

03

## Wealth Hit

Significant reductions is effectiveness for family wealth distribution.

04

## Impact

- Stricter income verification.
- Lower debt-to-income (DPT) caps.

# The Borrowing Power Crunch



## Tighter LVR's Ahead

Lender will prioritize tighter loan-to-value ratios (LVR)



## Critical Income Focus

Maximizing taxable income is more critical than ever

30%

# Summary Comparison Table

Feature	Established <small>Post-May 26</small>	New Build Purchase	SMSF Asset
Negative Gearing	Quarantined/Carry Forward	Full deduction	No Change
CGT Method	Indexation + 30 min	50% disc or Index	1/3 discount countries
Borrowing Power	Reduced (30%)	Normal assessment	Fund Specific
Tax Efficiency	Low income benefit	Immediate tax shield	Highest long term

# Why Quality Assets Still Win



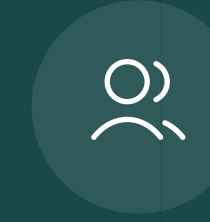
## The Carry Forward

- Offset rental losses against capital gains at sale.
- Carry losses forward to offset future rental income.



## Strategic Shift

- Shift focus from tax to income growth.
- Prioritizing Yield Over Deductions.



## Ideal For

- Lower-to-middle income earners, preserves capital gain for a time when taxable income may be higher.
- Maximize Gains When It Matters Most

# Why SMSF Remains Protected

✓ No changes to SMSF structures in the 2026-27 Budget

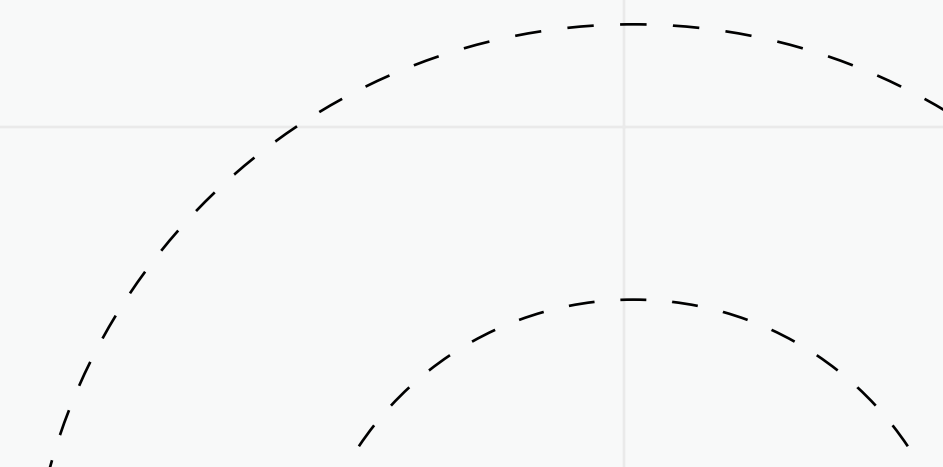
✓ Negative gearing benefits within SMSF = untouched

✓ Existing 1/3 CGT discount for super funds expected to remain

✓ Existing 1/3 CGT discount for super funds expected to remain

## Secure & Unchanged

Grandfathering protects existing assets. Most potent tax-effective vehicle for property. No structural disruption for SMSF investors. Stability aimed boarder market changes.

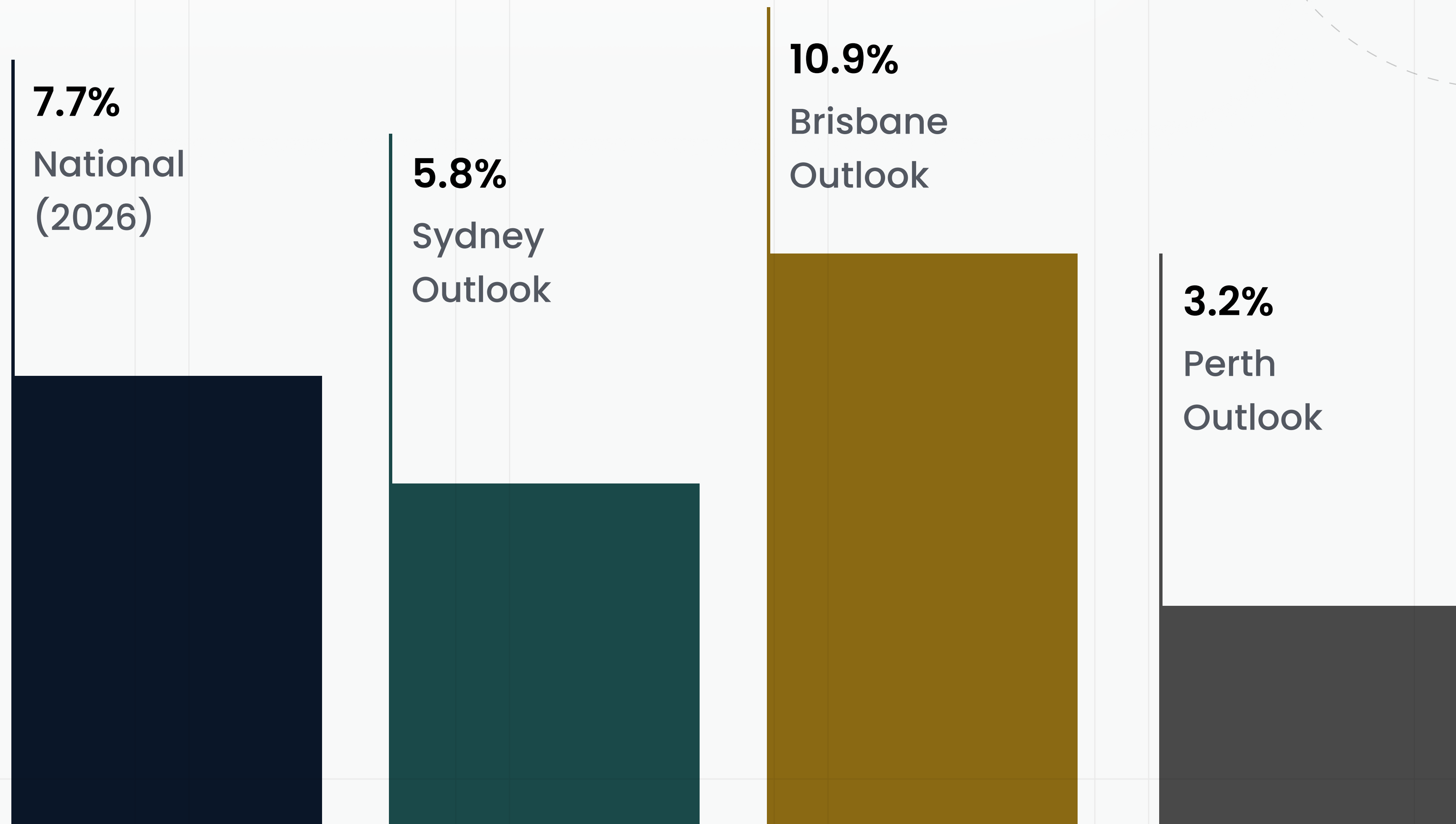




# Where the Market May Move Next

## Growth corridors of 2026-27

Target high growth corridors, Do not ignore steady markets. Time enter before 2027 rules. Focus on land and scarcity.



# Strategic Key Takeaways



## Coordinated approach needed

Accountant, Financial planner,  
lender.



## Professional Advice is Essential

Tax laws are becoming increasingly  
complex.



## Focus on Fundamentals

Priorities scarcity and high land-to-  
set value



## Improve Cash Flow

Through value - add strategies (e.g  
granny flats)



# Thank you

Noor Finance PTY LTD