

Corrected FactCheck on negative gearing

Written by The Conversation USA

A FactCheck [article](#) on negative gearing published last week has now been corrected and clarified.

The FactCheck was analysing whether or not Assistant Treasurer Kelly O'Dwyer was right to say:

Average income earners largely are the people who do get to take advantage of negative gearing - nurses, policemen and women on an average wage, investing, for instance, in a property. Most of them hold only one property, which adds to the housing stock that's available for people as well.

The original verdict, published on November 20, found that her statement was not supported by the data.

The corrected version acknowledges that there does exist ABS data to support what the Assistant Treasurer said – but that relying on that data set alone has limitations.

It has now been republished with the following verdict:

If Kelly O'Dwyer is referring to the [ABS's average weekly earnings for full time employees in 2015](#), then she would be correct in asserting that most (around 66%) negatively geared investors have a taxable income below this level in 2012-13.

However, ATO data shows that, typically, negatively geared investors have higher incomes than people without rental investments.

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The same data shows that negatively geared investors have typical incomes around 50% higher than non-investors – even after deducting their losses from negative gearing.

The top 10% of the income distribution for negatively geared investors earn around 50% more than non-investors. Incomes for this top 10% are around \$150,000 per year, compared with \$98,000 for non-investors, according to the ATO.

We are committed to providing accurate and reliable information. Where errors do occur, it's our policy to correct them promptly and be transparent about what happened.

We apologise for this mistake and greatly appreciate that readers of The Conversation brought this to our attention.

Read more <http://theconversation.com/corrected-factcheck-on-negative-gearing-51190>