

JHtaxsub

The Honourable Joe Hockey
Treasurer
House of Representatives
Parliament House
Canberra ACT 2600

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07 APR 2015	
Departmental Action	
<input type="checkbox"/> Acknowledge	<input type="checkbox"/> Briefing
<input type="checkbox"/> Substantive Response	<input type="checkbox"/> Speech
<input checked="" type="checkbox"/> Appropriate Action	<input type="checkbox"/> Refer to
<input type="checkbox"/> Information	<input type="checkbox"/> No Further Action
<input type="checkbox"/> Constituent Response	<input type="checkbox"/> URGENT
<input type="checkbox"/> Signatory	
30 Mar 2015	

Sir:

With the release of the Discussion Paper on Taxation, I would like to make a submission. With same involving that difficult issue of revenue. And upon a prevailing, disturbing and basically unfair trend.

It has become fashionable for various individuals to 'corporatize' their activities. For example, the IT 'consultant' enters into an agreement on a contractual basis, with the hiring of this consultant through his/her company. With same, the consultant's abode is similarly owned or rented through this company. As well as the furniture, as 'office equipment.' And then there's the consultant's motor vehicle, similarly owned and operated as a company car. And, of course there are other matters. As these matters obtain tax deductibility. As well as a lower marginal rate for his/her salary.

Such is similar particularly for tradesmen--where just about all and everything is owned and operated by a company obtaining like tax benefits.

Obviously much of these items and the use of these are not for business purposes, but rather for personal use. Yet, are obtaining tax concessions. Depriving the government of revenue as well as being unfair and unequitable.

I submit that no one can own and use such for eight (8) days of week--that's right, 8 days. Therewith, unless the individual can establish that the matter is used solely and exclusively for business purposes (I suggest you might one early morning attend at the entrance of a private school and observe company SUVs delivering students to their school) that the extent of 'business' deductions be limited to 87 1/2 %--that's 7/8's--for individualized/family companies, as well as such trusts. As a full deduction on these matters is unquestionably a rout.

I believe this proposal is somewhat unusual, and further will entail certain difficulties seeking to implement as well as enforce. However, I further believe it seeks to bring an element of fairness into the taxation system (noting your government has been criticized over the fairness issue).

Concluding I wish you well, and would be hopeful that someday an open and free discussion might reasonably develop--without political correctness and slogans-- in respect of the sustainability of the social welfare system.

A handwritten signature in black ink, appearing to be 'P Brown', with a long horizontal flourish extending to the right.

P Brown
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