

Brian Barnaby
25 Sullivan Rd
Burradoo NSW 2576
19th May 2015.

Tax White Paper Task Force
The Treasury
Langton Crescent
PARKES ACT 2600

Dear Sir, Madam,

Make a Formal Submission.

I wish to make a submission in regards to the Tax White Paper Task Force.

The whole Federation Taxation system is far too complex. The taxation system needs to be completely scrapped and started again. It's an administrative nightmare.

The tax acts need to be written definitively, no precedence.

CGT. The concession of a 50% discount if an asset is held for more than a year, and subsequently sold, is far far far too generous. I believe that the discount should not be given until the asset is held for at least 5 years if not 10. This needs to be altered immediately. It is an absolute farce.

CGT. Like with NZ, I consider that individuals own home must be held and lived in for at least 2 years, preferable 5 years to escape CGT. So if sold within 2 years there is CGT

Company tax should remain at 30%

Individual tax should remain as is and altered in latter years to take into account wage creep and CPI.

GST should be 10% on all goods and services (including food) – ie 100% wholly manufactured, produced, made and sourced grown goods & services in Australia.

GST should be 15% on all goods and services that are not 100% manufactured, produced, sourced or grown good & services in Australia.

5% - 10% withholding tax on sales turnover on all non 100% Australian manufactured, produced, sourced or grown goods & services. No refunds or offsets given to withholding tax paid. Once it is paid it is paid.

State Stamp Duty on property needs to be scrapped. This duty stifles the movement of individuals and penalises those who do. There should be a duty on all properties in Australia on a yearly basis, which is independent of Local Government Authorities LGA's councils rates. Also the ad valorem rate determined by the individual LGA should be amended so that it is the states ad valorem rate multiplied by the Land Value to determine the LGA rates (not the individuals LGA rate).

Negative Gearing needs to be amended that relates to residential properties so that the interest charged on loans and mortgages can not be more than the rental income. This amount that can not be claimed is carried forward to such time it can be claimed as a deduction. House prices have increased exponentially in the last five decades and the rate of growth is unsustainable.

Thank you for accepting my submission.

Regards

Brian Barnaby
CPA (retired) JP