

J O'Connell
132 Bogalara Road
Old Toongabbie 2146

18th April 2015

GST is a regressive tax placing an unfair burden on pensioners and others on low or no income. The current rate is in fact a 10% increase on the price of most goods. Further it is inefficient in its current form with the system of GST credits and the turnover limit of \$75000 which allows GST to be retained and not forwarded to the tax office. GST should be forwarded on a monthly basis. It is impractical to cancel this tax. However, for reasons stated above it needs to remain at the current level and not expanded to food etc.

Bracket creep needs to be corrected by annual adjustments related to the cost of living.

We face a revenue problem due to all the current tax minimisation schemes. These need to be removed. Negative gearing over say a two year period. Imputed credits removed in 2017 financial year. Fringe benefits in one year. Benefits then to be included as part of salary. All trusts to be taxed at 30% and distributions at 15%. This would encourage individuals and businesses to pay their fair share of tax. Capital gains tax to be placed on all homes with a tax free threshold of say \$300,000 indexed by CPI. This would place downward pressure on house prices.

Superannuation definitely needs to be taxed at the contributors marginal tax rate and only after tax contributions allowed. These funds would then be tax free when converted to pension phase. However lump sum withdrawals would need to be taxed to discourage pension funds being used for other purposes.

Existing Superannuants need to be treated differently as some have after tax contributions on which tax has been paid at their marginal tax rate. Other amounts have not had tax deducted.