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<sup>1</sup>Submission for <http://bettertax.gov.au/>

# T-

Why Tax Minus?

Isn't "T -" used to indicate time?

It is not tax elimination, rather a simplification of tax with the basic objective of tax being invisible but more relevant in the context of the future and how it affects the Australian lifestyle.

"T -" is used to represent time. Likewise this submission looks at how costly time is and how the solution of Cloud technology can return time back whilst collecting more tax revenue with far less cost.

## What does Tax look like in 2050?

Meet Greg, born in 2029. It's his 21st birthday and his friends are gathering in his rented apartment for a party.

Sitting out on the veranda, he receives a buzz from his smartwatch creating a tall holographic screen with the text "From: ATO, G'day Greg, Your monthly Tax refund comes to 28,000 EMU (Electronic Money Units) as calculated by our department. Tap "Yes" to accept or "No" if you refuse and want to launch an investigation."

Greg is concerned about the ATO miscalculating his tax by about 1000 EMUs. Just as he is about to tap "No", his dad grabs his hand and imparts a short 2 minute lesson.

"Son, I'm going to give you some advice. Back in my days, we use to spend 10 whole days filling out tax forms for personal incomes. We'd hire accountants and bleed out selves with time just to pay the quarterly tax. Your time is worth more than 1K EMU especially when EMU is almost never wrong?

Back then it was called the Australian Dollar. Tax was so high at 30% we were choking. You're only paying a fraction of that.

You've never lived through the hell of a yearly tax return form. You're born ten years after the biggest financial revolution where Cash disappeared and we were liberated.

It's your 21st. It's only a few units you're challenging right. It's your choice but is it really worth a few dollars? Live your life to the max, and by the way you still haven't introduced us to Belle."

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# Introduction

Australia is the most financially innovative nation in the world. Our Financial system is the most robust. So it's only fitting for Australia to take the lead in the next generation of Financial systems.

The first task to tackle is Tax. Why Tax?

Current company tax is 30%, Singapore's corporate tax rate is 25%. This means large corporations complete deals in Singapore rather than Australia. Unfortunately there aren't many ways around this problem. Going into a price-war without strategy or innovation is going to significantly damage the Australian economy and will further reduce tax revenue.

We need to look at simplifying the multitude of complex tax laws, reduce administration of tax compliance both from the ATO and public all the while increasing Tax Revenue. If Australia is capable of reducing corporate tax to 20% whilst reducing the cost of collection of tax, then tax revenue will flood through the gates of the ATO.

Is this possible? Yes, but to get there we need to look at a few root causes to how innovation fulfills the role of the solution.

First of all, why do we have so many tax complex laws in the first place?

The answer: **The Cash Economy.**

A necessary evil, it provides liquidity for the economy but it is poorly regulated, highly un-transparent and holds a lot of problems. Immediately killing the cash economy would produce disastrous downstream effects such as Farmers and small business operators.

In this submission I'll be drafting a migration plan, where two financial systems are running in parallel and over time business migrate from the old financial system of AUD to using two systems then finally completely dependent on the new tax system with no cash but Electronic Money Units.

If we look at say Network Systems, Train Systems, Aircraft Systems ...etc. There is a dashboard or a large map on a screen that provides Engineers with real-time information so that in the event of a disaster they have a visual map and can quickly mitigate that risk.

However we don't have that for our Financial System. We largely go off estimates and statistics. This is because we have Cash, a highly liquid and non transparent system. But now

with Cloud technology we can now move to the next generation of liquid Financial Systems that will solve a lot of the current issues ordinary Australians and Businesses face.

This submission will focus on EMU(Electronic Money Unit) system, Auto-Tax, Economic Pilot cockpit and reduction of tax from savings.

Ultimately the new system is capable of generating more tax revenue with lower Corporate and Income tax.

## The Vision

Looking into the future of what Taxation looks like for a more advanced networked civilisation. I personally envisage most consumers and business would spend less than 5 minutes per month signing off their tax that is automatically calculated for a monthly tax return.

The ATO would be transformed into an organisation that focuses on statistics and forecasts rather than enforcement, tax collection and legal proceedings. Tax flows automatically.

The ease of collecting tax is handled by the EMU cloud system where every account is transparent to the Government.

And lastly, Cash is no longer King.

## The Goals

Envisage a tax system that is efficient, transparent, cheap-to-run, automated and invisible.

### Efficiency, transparent and cheap-to-run

This goal refers to the technological innovation that brings efficiency and transparency of financial systems.

The reason so many tax laws exist is because the Cash Economy is not a transparent system. It's very liquid but not transparent.

Due to its murky nature, Tax collection is expensive and involves tax-laws as a preventative measure.

However if the ATO can visually map every trust account and have software to trace every transaction to map every related account in a flow chart diagram, it's easy to envisage that they'll be able to quickly tax the entity.

Transparency along with automation directly translate to a massive reduction of cost required to collect tax.

## Automation

The goal of Automation effectively is, a tax law that is programmable code that collects tax at every transaction for GST. For company profit tax a clearing house account separates costs versus profit and from the profit a tax amount is calculated and deducted automatically without forcing the tax payer to look for funds.

Automation will provide Australians a much higher standard of living. If we are the first in the world to implement this, we will become leaders in this field and show the world how it is done.

For the ATO, automation equates to lower overhead cost in administering the Australian tax system.

## Invisibility:

The Goal of EMU and Auto-tax is not about making tax easy. Rather it is to make tax invisible.

When taxpayers complain they pay too much tax, it is always assumed they're paying too much physical tax.

But the reality is, they hate paying **TIME** for tax.

Hence the objective is not to make tax appear to the consumer or small business. What I mean is, the consumer and small business won't need to complete a tax form per year and every month a tax return is automatically submitted by the system so that all they see is positive cash coming into their account.

If we eliminate the time out of the equation for calculating tax, then Australians can focus on their passion and not frustration.

## Sub-Goals:

- Increase the number of small profitable innovative businesses.
- Increase Population size by creating liquid assets and allowing families to work in more affordable areas.
- Increased population allows for higher savings from economies of scale.
- Increase Tax revenue would fund more Government Humanitarian programs and Infrastructure projects such as High Speed Rail and Food Logistics Rail.

## Why Tax reduction will increase Tax revenue

Under the old economic model, a corporate tax of 30% is the optimal level of tax to raise revenue. But there are a few assumptions, firstly 30% is an empirical figure based on studies of past economies.

It's hard to justify that figure in the technologically savvy age; significantly larger volume of funds flow a lot more freely than historical economies. Also there are huge volumes of liquidity and funds traded on a daily basis. The cost of wages have gone up and the cost of efficiency has fallen.

In addition companies not only pay the 30% corporate tax rate but there are additional taxes such as GST, Payroll Tax, Fringe Benefits Tax...etc. Hence the actual tax rate is higher than 30% but it's difficult to put a true average figure because it depends on the business and every business has an aim to reduce tax as much as possible to improve profitability.

Again a symptom of supporting the Cash Economy.

This puts the ATO in a difficult position. The ATO wants more tax and hence more profitability.

So the only solution available is to decrease the cost of Tax from all Government departments whilst simplifying and reducing tax to a rate that does not encourage companies to minimise tax.

In other words, let's have an effective tax system whereby businesses owners believe it is not worth their time to minimise tax, but rather they prefer forgo minimisation to enjoy the weekend with their families.

If the overall corporate tax rate including other taxes factored in, boiled down to say 20% corporate tax. We'll end up in a price-war with Singapore and other nations to attract businesses. We need to be ready to lower the tax even further whilst generating more revenue.

Is this possible?

With EMU, the answer is Yes.

## Tax Reduction: Early Detection of non-Compliance and Tax & Forget

This submission will outline a generic monthly clearing house for tax. That is, tax is paid monthly.



The purpose of having tax paid monthly and automatically is to ensure that any non-compliance matters are dealt with as soon as possible, rather than the current scenario where owed tax dollars snow-ball into a legal issue.

Tax and Forget, is a new culture for the ATO. Whereby tax is paid, if there are errors with a total of less than an acceptable amount per entity, the ATO will forgo investigation and simply write off the error. Rather than chasing non-compliance through the court.

This is a protection mechanism for small to medium businesses to continue trading without distraction or changes in leadership within the ATO. This also allows the ATO to focus on the bigger players in the market that can affect the entire financial system.

In the event that a company is not paying the tax past the acceptable amount, then it is likely involved in criminal activity or illegal tax minimisation. This will get picked up by EMU's smart analytics.



## Migration: Two Financial Systems, 1 Australian Economy

This may seem like a poorly made idea to have two tax systems running within a country. A fine example is the Hong Kong and China, despite being the same country both benefit greatly from each others differing economy and financial systems.

Hong Kong's tax laws are significantly well regulated compared to the China Economy, along with different currency rates that are not pegged to each other. The two work well to service the rest of the global economy, not just the chinese economy.

Hence we know a double economy works very well.

### ***Is it a double standard?***

It's true, it is a double standard with a strong bias for supporting Australians and Australian companies.

However this is how good IT systems are upgraded.

Two working systems may seem more expensive but have been proven to be cheaper in the long run because there are fall-back procedures that protect both systems from extensive financial loss.

In other words, in a perfect world where problems don't exist, then a parallel migration scheme is expensive. In the real world it is the gold standard.

The benefits are risk mitigation, faster migration and more robust financial system.

It will give Australian Renewable Energy Companies a massive advantage to compete against incumbents.

So how does the migration look like?

1. All Customers are allocated an EMU account
2. New small Businesses purely operate in the EMU environment with no cash holdings from the old financial system.

Assuming the corporate tax rate is 20%, lower than Singapore's rate, companies will on the first day be paying tax for every transaction made.

3. Existing small businesses are provided EMU business accounts. They operate both the old and the EMU financial system. The Old remains the same. If the business sells the product

whereby the transaction is made on EMU, then tax is automatically deducted. For the purpose of simplicity, depreciation and imputation credits are not discounted yet.

4. Medium size business are also allocated EMU business accounts and operate much the same way as small businesses. Again they operate in the EMU system.

The EMU system via the existing 4 banks will allow the Medium or small business to open multiple accounts depending on the scope or requirement for their business.

5. Most Large businesses would have already opened EMU business accounts. Since tax rate is 20%, it is expected most of the deals are completed under this environment which means that tax is already collected by ATO.

6. By now all businesses would have both an EMU account as well as old accounts. Since the tax rate is lower, it is likely the businesses will move their assets to be priced under EMU rather than in dollars. Under step 6, the Government will unpeg the conversion from Dollar to EMU thereby making it into its own currency.

This will allow the market to value the Cash Economy within Australia. There will be instances where cash is needed, but largely it won't be used.

To curb criminal activity, all EMU conversions to any other currency are highly monitored. Any one account with excessive conversions will trigger an alert to the Federal police for further investigation in the event of laundered money.

However in all honesty, criminals will simply end up using a different currency to trade in Australia, like Bit-coin or USD.

## EMU (Electronic Money Unit)

*In this submission, for the interest of time and resources, EMU will only be briefly explained. If you'd like more information contact me privately.*

The EMU system is basically a virtualised smart cloud that facilitates the funds transfer between two accounts. Much like cash, it is a liquid funds facility that allows instantaneous transfers between accounts regardless of different banking systems.

The reason EMU is highlighted in this submission is because without appropriate infrastructure, tax reform is impossible. That is, Cash will still be king.

EMU facilitates this transaction because all transactions are calculated via its servers. This means that Smart Software could be added on-top to perform more accurate analysis.

Current dollar values are often rounded to the nearest 5 or 10 cents per transaction. Under EMU, scientists are able to study the bandwidth and volume of the financial transaction without large statistical errors from the dollar.

Since EMU has records of every account spread across different banks, it is thereby fundamentally a lot more transparent so to catch individuals with aggressive tax-minimisation schemes within minutes rather than years.

If we look at existing banking infrastructure, we can see internal bank transfers from one account to another following the same principle of the Electronic Money Unit system. In other words we're simply expanding the existing banking infrastructure to incorporate all banks and taking some of the responsibility from banks so that Government Agencies have more tools to investigate criminal activity.

Diagram 1 shows the existing system versus the future state of how EMU looks like.

The Current System all account information is held within the Bank's infrastructure. Each bank has their own database and code that holds the account information. For each government department to obtain records of account information they would go through the compliance executives of the associated bank, then the executives will request the data from IT which is then translated into a format for Government departments to read.

Most of the time Government departments want more information. This process takes weeks for each request.

There have been suggestions on allowing Government departments access directly into existing bank infrastructure, but it's a highly **naïve** step. As mentioned previously, every bank has a different infrastructure on how they securely store information and as such you need experts. Then there is firewall security issues which is a massive bag of molten hurt.

Hence the solution as outlined in the diagram, is to have a single unified cloud solution that manages every transactions. Settlement of transfers between each bank can be managed the same way or it may be up for discussion.

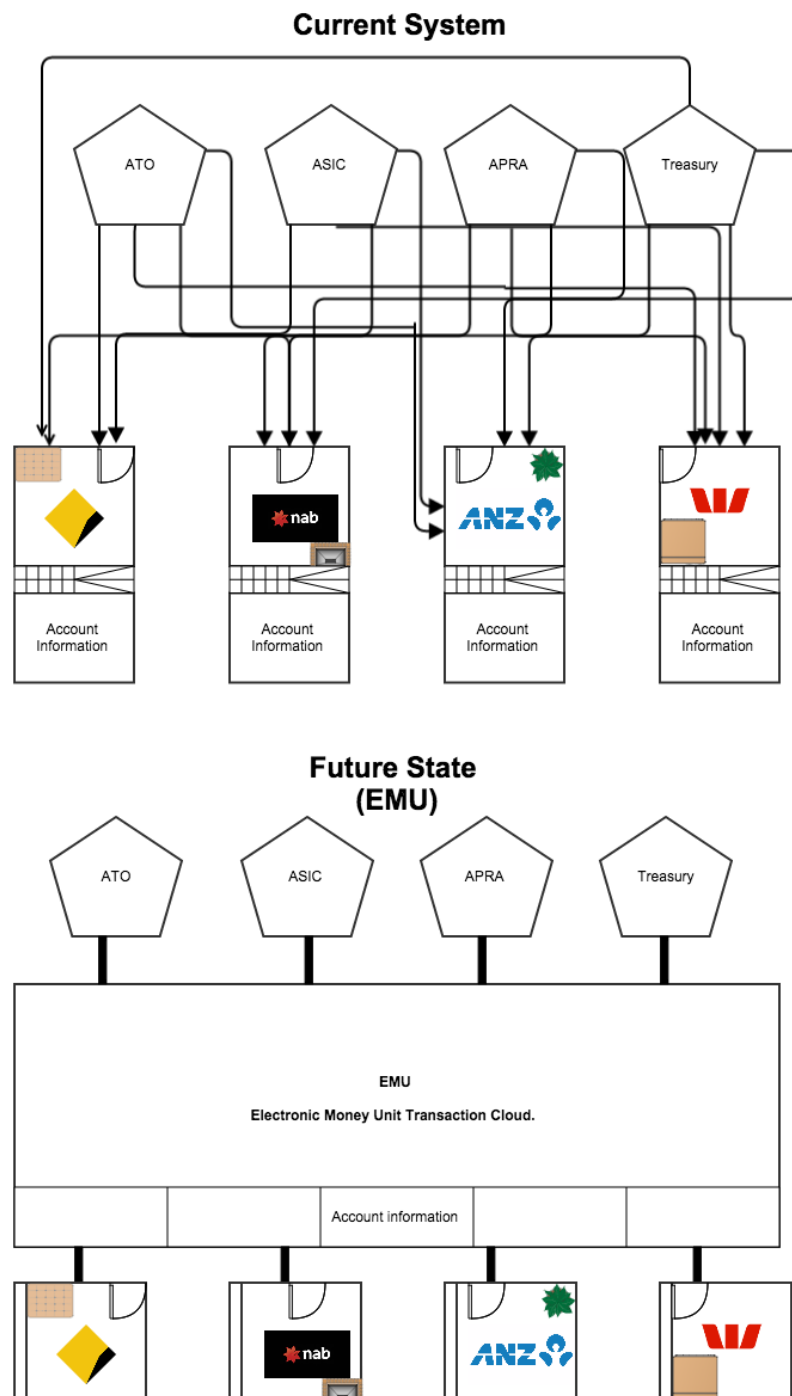


Diagram 1

## EMU solutions

1. Catch Phoenixing
  - a. When a business immediately makes money without investment. It is likely to be using equipment/assets from a previous business
  - b. The ATO is capable of noticing this by way of looking at cash flows of the business and see if they fit the model of a new company
2. Protection of Employment salaries & super
  - a. A flexible lock in system (Outside the scope of the Tax Submission)

## Government allocation of revenue

As outlined in the description of EMU, this is a smart cloud based technology that allows fast filters, distribution and automation of tasks that are normally done manually by an accountant.

Each payroll officer or accountant costs at least \$100K AUD, per department when factoring the cost of equipment, rent, salary...etc. Therefore we can see immediate savings as soon as EMU is implemented.

If the head of a Government department needs to upsize or downsize a particular section, a module within EMU will forecast the expected costs based on expected positions, rent, salary...etc

Once signed off, the system will automatically allocate funds without the necessary paperwork so that Human Resources can hire or make amendments to the roster sooner. By reducing the friction and time, this in turn leads to greater savings.

## Taxpayer allocation of tax revenue

Joe Hockey and every other treasurer has always had the problem of tax allocation to particular departments. The key reason is, we live in a free society and everybody's important opinion differs.

Most of us have a gripe on how tax revenue is mishandled and sent to the wrong department.

We can solve this simply by making tax payers involved in the allocation process.

We can involve the Australian public in where tax should be allocated. Every year a small percentage (say 5%) of the tax each person pays is allocated to the department of their choice along with encouraging messages as a positive motivator.

This gives the incentive to Government departments to look after their stakeholders being the Australian public and if they do well, they'll get a bonus.

**1st Example:** John yesterday had an incident where his neighbour's home was taken over by drunk teenagers that partied the whole night and woke the entire neighbourhood.

The police arrived and unfortunately one of the policeman was hit in the face with a glass bottle from a teen that had taken ICE an hour earlier.

John having witness the difficulty the police face every day, is appreciative. As such he allocates the 5% tax to the NSW police force with the message. "Keep up the good work mate! Nice to know you always have our backs".

**2nd Example:**

Sonya and Kevin are worried their son Aaron is stuck overseas. With the work of the embassy, Aaron is flown back to Australia safe and sound.

Sonya, Kevin and Aaron all allocate their 5% tax to the Australian Embassy group for the next 5 years.

**3rd Example:**

Felicity is an environmentalist. She drinks organic coffee every day and has a successful career as a Financial Analyst working for an investment firm. She regrets being unable to participate in protecting the environment full time, but at the same time she knows that to protect the environment you need money.

Hence for the next 6 years Felicity allocates her 5% to Government programs and CSIRO to protect native species and world heritage areas.

## Auto-Tax

The goal is to make Tax Invisible.

Making tax invisible is not making it non-existent, tax still exists but it is not in our face.

To do this we'll require the EMU cloud based solution to be flexible to facilitate automated tax collection. Consumers and businesses have the option to view taxes collected but I suspect that most of the time they're simply satisfied that the ATO isn't chasing them.

Of course the main benefit for the ATO is easy Cash Flow.

Currently we don't know what the cost per dollar ratio is to collect tax, in particular for bankruptcy or criminal cases. One would expect a lot of expense.

Under Auto-tax, the ATO would provide say a Monthly or Quarterly clearing house much like a Margin loan account. I'll examine this solution later in the submission.

The ATO would undergo a smart transformation whereby less staff are required for enforcement and more qualified staff work with Treasury on forecast models and schemes that would drive the economy and allow the ATO to collect more Tax by reducing tax.

With the EMU real-time monitoring system, the ATO can quickly determine if certain tax-laws are ineffective or hindering productivity in the economy.

Under this topic, Auto-Tax simplifies the complexity of tax. Rather than expecting business owners or individuals to add values into the system to calculate the appropriate tax instead Auto tax deducts tax straight away.

To analyse this topic, the component is split into two sections. Straight forward Auto-tax and monthly clearing.

The straight forward auto-tax are basic taxes that are less dependent on the performance or variable cost component in a company. For example GST.

By deducting GST immediately the compliance cost for a business is reduced. A business owner would simply look at the received funds without having to calculate or worry about GST.

In relation to monthly clearing, this is targeted to more complex tax. For example company tax which is a straight 30% on Profits. The calculation of profits is a difficult matter as this differs per company.

However a simple template can be created for businesses to align their finances to a set profitable standard.

To do this we need to first separate the costs versus the profits into two buckets. The reason profit is in the bucket is purely for simplicity. If the Post tax profit is added to the Cost bucket, this will cause problems for both business owners and ATO as they'll argue on what the true profit is.

In a given month, once the tax is calculated the ATO would sign off and that is the end. It is not revisited months later unless there is significant fraud and requires legal representative.

The purpose is to quickly remedy non-compliance which will save the business a lot of time and money and allowing them to focus on their business rather than deal with Tax agents.

The clearing account is designed similarly to a Margin Loan. The position you take in the Margin loan with the portfolio and its worth will determine how much interest an investor pays.

Different cash flows may have different tax rates, likewise with a Margin loan with a portfolio of stock.



Likewise the profits generated in a given year will be treated as a portfolio of shares. The tax is calculated from how large the portfolio of profits. The larger the profits the higher the amount of tax. As profit from a business feeds into this clearing account, so will the percentage.

When a business owner sees this amount, they may be given the option to pay the tax now with a provided incentive of a 1% discount for example. Or pay the full amount at the end of the Financial Year. However the default option is to take the standard template.

## Current Issues with the Cash Economy

Without explaining into too much detail, there are a lot of reasons to move off the Cash Economy.

- Theft
- Court documentation of evidence is highly expensive
- Difficulty of enforcing trust arrangement
- Micro-Business error
- Investigations marred by human error and dependency of banking institution
- Microbusiness tax evasion
- efficiency of data retrieval
- Illegal arms and drugs
- Long investigations of financial crime and insider trading.

## Economic Pilot Cockpit

Currently the economy can be described as manual and full of levers. Such as adjusting the cash rate, regulation and deregulation, tax breaks...etc.

All these levers are expensive and take time to take effect. By the time it does take effect, there could still be collateral damage.

The Economic cockpit allows the Treasury to be the pilot during difficult financial weather. Allowing the Treasury to fly Australia out of a storm is clearly innovation. The topics covered in this section is only limited to my knowledge, I'm sure there are more open designs or better methods or tools to enhance the Australian economy.

## Tax Imputation for products to upgrade Australian Technology

Tax Imputation is currently only available for publicly listed Stocks on the ASX, to avoid double taxing for investors. The same can be applied to products that modernises Australia and improves efficiency for investment by businesses.

For example: An Australian farmer sees Japanese Farmers using robotics to pick strawberries and he wants the same technology in his farm. (Yes this technology does exist, google to find out more)

Hence he invests with a University and Japanese company to develop robotics for Australian Farms to pick strawberries within a glass house. Ultimately the strawberries are taxed and priced in when the customer purchases the strawberry and taxed inclusive for purchasing this technology.

The key difference is, customers will get a tax-credit if they purchase strawberries that have Tax Imputation because the farmer invested in robotic technology.

Whilst the farmer may sell fresher night picked strawberries at a lower price because of robotics, the tax imputation will give customers an extra incentive to choose these strawberries over hand picked strawberries.

By doing this, we're encouraging all farmers to modernise and we're promoting the robotics research facility in the university and industry.

Tax imputation for products is different to dividends, in that we're not receiving the profit from the farmer.

You might wonder, why don't we give discounts immediately instead?

The Products Tax Imputation tool has a different effect to the economy. Namely Imputation credits are refunded at the end of the tax period rather than immediately hence the ATO is able to earn the small interest.

Secondly a Tax discount has the unwanted effect of a price-war which dramatically reduces tax revenue because Tax is calculated on a percentage basis.

Thirdly the current system of discounts gives the incentive for consumers to purchase immediately with their saved cash. Using Tax imputation credits that are held for a month, consumers are able to collect more savings and give more thought on what they want to spend the tax credits on. The goal is that they invest money in themselves rather than wasting it on micro-garbage.

This will dramatically improve the spending culture of Australia.

## Tax reduction for Consumer Products during tax campaigns

A Tax Campaign is a scheme whereby the ATO schedules a particular month or week whereby tax is heavily reduced or nil. Thereby allowing businesses to offer discounts to customers whilst retaining the profit.

The objective is, the ATO can pick up more tax earlier and allow them or treasury to fund programs sooner. Also by holding additional funds the ATO can earn additional interest.

To avoid saturation of effectiveness, only use this scheme once a year. One would envisage the outcome would be similar to the leadup to the Christmas holidays.

For example: If the ATO selects June to be the month where tax is reduced by half for all computers.

During the month of June retailers like Harvey Norman and JB Hi Fi would heavily advertise to attract customers to purchase computers with additional discount. This would spur more business to upgrade their systems on a yearly basis and in turn benefit the economy with faster and more efficient systems.

The Tax benefit to the ATO is they will collect most of this tax in this short time span which allows them to be efficient in processing receipts. Again this is done automatically by the EMU system.

Other examples:

- Renewable Sources Month
  - Recycled furniture
  - Solar panels
- Renovation Month
- Software Month
- Garden Fortnight
  - All plants tax free for a fortnight
- Responsible Drinking Month
  - Week 1 : Beer
  - Week 2: Wine & Sake
  - Week 3 Whisky
  - Week 4 : Other Spirits
- Entertainment Week
- Robotics Month
- Australian Manufacturing Week
- Australian Produce Week
- Sports Week
  - All sports gear reduced tax

Along with tax reduction months or weeks for specific items, it's likely going to create a theme or event which again spurs consumer spending and will likely generate more tax revenue.

## Business Tax and Clearing house

The current system functions by asking a business to make quarterly payments of tax. This involves large amounts of calculations and verifications.

Under EMU, it functions the following way.

1. GST paid to ATO immediately
2. The remainder is divided into two buckets.
  - a. Cost
  - b. Profit
3. Under Profit it is again divided into two buckets
  - a. Post Tax profit
  - b. Tax
4. At the end of every month, funds are cleared
  - a. Funds in Post Tax Profit bucket are transferred to business account automatically
  - b. Tax is recalculated for depreciation or tax imputations

Every time a purchase is made, the transaction falls into those buckets. When a product is paid GST is immediately deducted from the transaction. The remainder first fills up the Cost Bucket then the rest fills up the Profit bucket.

The Cost Bucket is setup by an accountant or bank that is programmed within the EMU based on company structure. Such as staff wages, rent, bills, insurance...etc.

The funds in the Profit Bucket can be transferred to the business savings account at any time. But each time a purchase is made the Profit bucket locks down the Tax amount of the profit. This is to simplify transactions.

At the end of every month, post-tax funds are automatically transferred to the business account. The Tax is collected by the ATO, however if the business is depreciating or are claiming tax-credits from products or stocks then there could be a higher tax return.

EMU should be able to calculate this automatically and provide a monthly tax refund.

## Conclusion

As outlined in the details above, the true Financial revolution of reducing tax whilst increasing tax revenue is dependent on technology.

Specifically cloud based technology which I've named as EMU cloud system. Also to have two financial systems running in parallel is a way to mitigate risks. Hong Kong and China is a good example of parallel systems running together.

Looking at the concerns of the EMU system:

- Corporate Tax rate reduction leads to lower Tax revenue
  - Singapore has a lower tax and are taking away our tax revenue
  - EMU cloud solution ensures lower cost of tax for us to reduce tax
- Regular Taxing stresses Australians
  - EMU's automated tax system ensures tax invisibility
  - Lower tax
  - Issues are dealt with sooner and cheaper
- Two tax systems running in parallel is too risky
  - Hong Kong and China. It's running well for almost 2 decades
- Tax Imputation and Refunds not tested to work
  - We'll be the first and leader in the world to show it does work.
- EMU cloud solution is too risky
  - Currently all internal bank transfers are cloud based
  - This is already proven to work.
  - EMU is simply expanding what is already working within a bank.
- Cost of implementing tricky tax initiatives would skyrocket
  - Not so, implementing it is as simple as writing this submission
  - Cost is significantly reduced as all calculations are handled via the Cloud server
  - Administration cost reduced as there is no manual calculation

Due to the limitations of this submission such as time and maximum length set to 20 pages, the submission is limited to only describing the basics on how this system could work.

Realistically some of the prescribed solutions may not work or they can work brilliantly well. Until they're tried and tested in the public it's hard to know for sure.