

To Whom it may concern:

Australian Government Tax Discussion Paper.

I welcome the opportunity to make a submission on the above.

I wish to highlight the inequalities encapsulated in the current taxation system which penalizes single income households relative to double income households.

This is an unfair system with an overreach of controlling parental choices. There is no avoidance of the fact that family is the most stabilizing unit in society. This is also upheld by the United Nations which also recognizes the importance of the family unit, therefore an improved taxation policy is called for that will undergird and strengthen family as a whole.

Those parents choosing to nurture their children at home and not in external child care facilities, and those who (through tyranny of distance) are unable to access employment centres, or those with unequal opportunities should not be disadvantaged in the ability to maximize their household incomes. A fairer tax system would ensure that parents are able to make decisions for their respective units without governmental intrusion.

Though numerous studies have shown that the care of full time parenting in the family home is the best for youngsters especially for the first twelve months of bonding, this is by no means condemnation of those parents who through necessity have to place their children into care whilst working, **BUT** to stress the fact that different family structures with similar incomes pay quite different sums of net tax as exemplified by Senator Canavan in his submission:

- A single income family on \$80,000 pays around \$6,000 more net tax every year than a double income family on the same income.
- A double income family could earn up to \$172,000 a year before they pay the same average tax rate as a single income family on just \$86,000 a year.

With a tax system focusing mainly on the individual, there is a gross inequity here as since the year 2007 the average single middle income family has seen it's situation deteriorate somewhere, I am led to believe, in the region of between \$1,000 and \$4,000 per year.

It would be encouraging to see a policy, as suggested in Senator Canavan's submission, which provides families with two tax free thresholds so that no family pays income tax until income rises above \$36,400. This provides much needed tax relief to millions of parents. Such a system would also engender greater fiscal choice for parents along side the possibility of increased participation in the work force at a later date.

More financially strengthened families in the care of parents leads to a more stabilized society leading to a stronger Nation.

I wish you success in your deliberations and thank you for your considerations.