

Tax submission.

Superannuation.

In order to fairly treat self-funded retirees who place no burden whatsoever on the welfare system it is far more appropriate to apply tax to the estates of people who are deceased than to tax superannuation income streams while they are alive.

Rather than run the risk of self-funded retirees falling into the welfare system, it is a better plan to keep them well encouraged to stay away from welfare.

A couple in retirement will cost the government about \$50,000 per annum for welfare payments and health system support. There are added costs such as pensioner concessions and transport subsidies as well.

The small amount of tax that would be collected by taxing income streams over some arbitrary limit would not be worth the trouble especially if compliance costs to the economy were taken into account.

The fairest way is to tax superannuants upon their demise, in the case of a partnership, upon the demise of the last surviving partner. This obviates all the stresses of selling things like joint assets that include the family home and so on.

A tax of 20-25% would not be an unreasonable amount to tax an estate upon the demise of both partners. There might be justification for a tax free threshold but that is a nuts and bolts issue that might have to be tested in the voter market place.

This is a simple suggestion and apart from some protections that should be built in to prevent the wealthy from circumvention, it would be extremely simple to administer and would lead to a fairer result.

Again, taxing income streams of those in retirement is an ill thought out notion. It is divisive, it has little economic merit, it has the potential to make self-funded retirees welfare dependent into the future.

In short, death duties on superannuation balances left behind once both partners have passed on is a simple, effective and politically acceptable means of redressing any perceived advantage that might have accrued to self-funded retirees in the lead up to and during retirement.

There is no need to stress retirees who place no burden upon the welfare and health systems in order to satisfy some class-based agenda that sees self-funded retirees as a privileged upper class.

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