Don’t tax superannuation for over 60s

Superannuation should not be taxed over 60.  People who rely on super as their main income either in retirement or semi-retirement are already saving the country a huge tax impost by not depending on pension payments.  Taxing super that is received as a pension will only reduce their super savings and most likely cause them to turn to the pension sooner or to supplement their income in old age.

I have been working since I was 16.  I have never received unemployment or other welfare benefits.  I have been in a super scheme since age 28 and I’m now 55.  I expect to rely on my super in retirement and receive some old age benefits like health and public transport concessions but don’t intend to rely at all on an old age pension for income.

Scrap negative gearing

Negative gearing is a scam.  It encourages people to borrow beyond their usually affordable means. Many make exorbitant tax claims and false claims through the scheme.  For example maintenance and improvements to their primary residence written off via negative gearing tax against investment properties.

It inflates the property market.  Investors pay way above true value knowing they will write off much of their costs through negative gearing tax.

This is another way in which people live beyond their means, on credit so to speak, often on interest only loans.

Scrap negative gearing, wean those who are ‘on it’ now ‘off it’.

I know people who have a property portfolio of many rental properties, have super as well and are saving a fortune on tax.  If negative gearing was to stay it should be limited to **one** investment property only – for a retirement benefit or similar.

Everyone should be encouraged to work hard, save and invest.  If they can buy an investment property any income derived should be subject to tax the same as every other type of investment or savings.

Scrap the first home buyers scheme

This is also a huge wasteful cost to the tax payer.  It too overinflates the property market.  First home buyers are relying on money they never had or saved to boost their expectations.  Once again people should work, save and borrow to buy a home in accordance with their means.

Yes deflating the property market will have some effects on those who have benefitted previously.  They may have to adjust like most.  Perhaps some real estate agents will have to trade their Mercedes for a Toyota or similar and work harder for their income.

Regards,

Allan Marriner