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**Re: Retirement Income Review**

Dear Treasury,

Please accept my submission to your retirement income review. I'm simply a private citizen soon representing myself.

ONE

A key part of retirement income in Australia is the compulsory superannuation system. However, while our income tax rate uses a (relatively) fair progressive scale, the tax on super contributions and super account incomes is flat and grossly advantages the richer at the expense of the poorer.

While I've done well enough out of this system myself and the flat tax rate has personally advantaged me, I'm not interested in essentially stealing from my fellow Australians.

The solution of course is both clear and obvious. Change the tax rate from a flat 15% to a 15% reduction in the income tax rate for each person for each year.

This would mean that someone on the highest marginal tax rate would pay tax on their super of 30% while someone below the tax-free threshold would pay nothing.

Just as simple as the current system, yet much fairer all 'round, and moreover would help the government bring in extra income to fund their budget.

TWO

Since homes are exempt from the various assets tests for pensions, particularly the age pension, it would also make sense to exempt profits from downsizing for a retiree. The lack of this exemption means a lot of retirees refuse to downsize, sitting in large houses they are unable to maintain, costing extra in bills, and driving up the price of housing for young families.

If they were allowed to downsize with no penalty, it would allow them to have a better quality of life while freeing up housing for those who need it more.

The current situation is of no benefit to anyone, least of all the government budget who reap no benefit from a reduction in aged pension benefits in either scenario.

Thanks for your time.

Regards,

John Yasmineh