



15th September 2011

Tax Forum
Treasury
Langton Crescent
PARKES ACT 2600
(via e-mail: taxforum@treasury.gov.au)

Dear Sir/Madam

Tax Forum Submission – Port Macquarie Chamber of Commerce

The Port Macquarie Chamber of Commerce recently hosted a meeting to give businesses the opportunity to discuss the proposed review of the tax system and provide their views to our Federal MP, Rob Oakeshott. Also joining the discussions were Robert Jeremenko and Deepti Paton from the Tax Institute.

Several key themes emerged during the event:

- There was unanimous agreement that the existing tax system is too complicated and that the overarching aim of the Henry Review to make the system simpler was a good thing. It simply does not make sense that 90% of government revenue is raised by only 10 taxes, while the remaining 10% of revenue comes from 115 different taxes.
- The review on the tax system should look at the system as a whole. GST is an integral part of the system and should definitely be included. New taxes such as the MRRT and the Carbon Tax should also be examined in the context of their impact on company tax rates and personal tax thresholds.
- A number of taxes were identified as unpopular and actually provided disincentives to businesses. These were mostly state taxes such as stamp duty and payroll tax – and getting rid of those would be of significant benefit to business.
- The forum felt that successive state governments had reneged on promises to eliminate unnecessary taxes since the introduction of GST; and there was a strong feeling that if any new taxes were to be introduced, or if there was to be an increase in other existing taxes, then there would have to be some guarantee that the taxes identified as being redundant would actually be abolished as promised.

I urge you to consider the views of small business during the National Tax Forum on 4 and 5 October and ensure that the forum results in a tangible plan of action to simplify our tax system for the benefit of business in Australia and our nation as a whole.

Yours sincerely

Robert Turner
President

Copy to: Mr Rob Oakeshott MP, Federal Member for Lyne