1.  Thank you for the opportunity to make this pre-Budget submission for the 2020-21 Budget.

2.  All aspects of this submission relate to taxation.

3.  It is informed by my current occupation as a rideshare driver with Uber.

SMALL BUSINESS TAX OFFSET

4.  It is important that the small business tax offset remain in its same essential form and that the Government not accept the Board of Taxation’s preferred approach of replacing it with some other kind of small business concession.

5.  The current offset is administratively simple and easy to claim and provides a benefit of some value to those carrying on a small business.

6.  The general lack of knowledge about the offset as identified by the Board of Taxation is better remedied by publicity campaigns by the Australian Taxation Office. These might include text messages to key people advising them of the amount of offset allowed.

7.  The current limit of tax benefit of $1,000 should be removed. If this is not feasible, the limit should increase proportionally to the percentage increase in the tax discount provided. So if the tax discount doubles from 8% to 16%, the tax offset limit should also double to $2,000.

INSTANT ASSET WRITEOFF

8.  The instant asset writeoff should become an ongoing feature of the tax system and not be subject to ad hoc annual extensions.

9.  This change would assist with greater certainty   in the tax treatment of purchases of depreciating assets including cars by rideshare drivers.

TRADING STOCK EXEMPTION

10.  The present exemptions for having to account for trading stock should remain.

11.  The Government should not accept the Board of Taxation’s recommendation relating to trading stock.

12.  The Board’s preferred approach would require rideshare drivers in many cases to account under the trading stock provisions for small amounts of bottled water and mints for passengers.

13.  This would result in greater compliance costs and unnecessary complexity.

FRINGE BENEFITS TAX EXEMPTIONS

14.  At present, some fringe benefits tax exemptions relating to employee travel (such as when the employer pays for an unwell employee to return home by taxi) don’t extend to equivalent travel in rideshare vehicles.

15.  This discrimination against rideshare and in favour of taxis cannot be justified given that rideshare is now legal and regulated throughout Australia.

16.  The Government should ensure that rideshare travel receives the same fringe benefits tax exemptions as travel by taxi receives.