

Australian Tax

In 1996 and 2010, Jim Killaly, Australian Taxation Office Deputy Commissioner for international matters and large companies said that 90% of large Australian companies are foreign-owned and since 1953 have paid little or no income tax.⁷² Foreign-owned companies use infrastructure paid for by Australian taxpayers and undercut Australian companies paying 30% income tax. On January 19th 2015 federal Treasurer Joe Hockey reportedly told Fairfax radio that Australians paid nearly half their income in tax, quoting him as saying: “When Australians spend the first six months of the year working for the government with tax rates nearly 50 cents in the dollar it is a disincentive,” he said. “You’re working July, August, September, October, November, December just for the government and then you start working for yourself and your own household income after that for another six months - it is a disincentive⁷³.”

Every week, Australians work Monday to mid-morning Thursday paying for government.

Taxes though are only part of the story because Australian Bureau of Statistics data from the late 1990s/early 2000s revealed that an Australian earning the average weekly income paid 68% of income in taxes, rates, fees, levies, charges, special levies, ... to government. Each week we work from Monday to mid-morning Thursday paying government and what’s left is for food, housing, transport, education, water, sewerage, holidays, ... with a little remaining for retirement. The biggest purchase of people’s lives is not their home, it’s government. Taxes are almost half the price of a house, making the tax rate effectively approaching 100%.⁷⁴ Taxes account for half the price of a loaf of bread – making the tax rate effectively 100%. Depending on prices and location, taxes account for around 70% of the price of petrol, making the tax rate 230%. That hits someone waking in the morning, making a sandwich for lunch and driving to work before starting work. A person on average income who does one overtime shift a week has a marginal income tax rate of 37% and then pays other taxes and rates on top including GST on most purchases – including fresh food because GST is paid on transport and other parts of the fresh-food chain.

It’s well known that tax decreases what is taxed – so, why do we tax employment with crippling payroll taxes and a host of other taxes? Yet when profit is so easily fiddled why do we tax profit? Think about the loan people take for a home – if half the cost of the home is tax, homebuyers pay for a loan to pay tax and that becomes crippling with initial years of interest repayments paying tiny amounts off the loan principal. Australia’s complex tax system makes it easy for political parties to make vote-buying promises that pile on debt and avoid accountability. Our tax system is highly complex and inefficient with some taxes costing more to collect than the revenue they raise and responsible for Australia having the world’s highest manufacturing costs.

The core issues are tax and our constitution.

Not content with that destruction, the ALP-Greens want to impose a CO₂ tax to transfer billions of dollars to the UN for its revenue while admitting they want UN control of our people, property, resources and sovereignty.

72 Appendix 14, pages 93-104 <http://www.climate.conscious.com.au/CSIROh!.html>

73 <http://bit.ly/1zfKyxY>

74 <http://www.dailytelegraph.com.au/news/nsw/nearly-half-the-cost-of-a-new-house-is-gobbled-up-by-a-range-of-hidden-taxes-and-can-add-up-to-250k-per-property/story-fni0cx12-1226828067955>

Positive Solutions for the federal government and for Australia

Instead of adding an ALP-Greens CO₂ tax to our heavy, messy, destructive tax system Derek Smith and John McRobert have developed a highly efficient tax system that has been economically modeled and proven.⁷⁵ It is a Two Cent Tax that taxes every sale of goods and services at 2% and *removes all taxes* except alcohol and tobacco excise and petrol excise. The GST and income tax would end. The 2 Cent Tax captures foreign-sourced goods and makes Australian companies competitive. After January's Queensland election, sale of profitable income-earning public assets are off all government agenda yet *the 2-Cent spending tax would pay off all state and federal government loans within three years by ensuring foreign companies and speculators currently avoiding tax pay their share. It would restore accountability to government and force management of budgets and restore power to the people. Taxing speculators would divert funds to wealth-creating investment, economic growth would rise sharply and produce more jobs with prosperity for all and the spending power of money would increase by 40% enabling people, governments and businesses to buy 40% more goods and services with their money. The 2-Cent tax succeeds because it's fair, highly efficient, practical, productive and taxes foreign-owned companies and speculators currently avoiding tax.* Australia would be more economically stable and attractive to local and foreign investment. If you are interested in quickly ending the ALP-Greens debt burden, balancing federal and state budgets and restoring Australian competitiveness, prosperity, livelihoods and security I would be pleased to introduce you to Derek Smith.

Our greatest resources are human creativity, initiative and resourcefulness magnified exponentially by connecting, sharing and building on each others' ideas enabling the whole to be greater than the sum of the parts. Human initiative determines all other resources and combines them to build amazing ideas and prosperity – it creates wealth out of an idea. It requires people to be free from UN global control.

Democracy requires openly making *informed* decisions between genuine alternatives. Having foreign agenda covertly buried in the bureaucracy and pushed by both parties is not being informed. Instead, it is a bi-partisan agreement preventing voters from making any decision, much less an informed decision. It's not democracy. Instead, this is the ultimate delusion because having two parties gives the appearance of democracy yet is a dictatorship by foreign agencies. A fundamental human right is access to genuine information yet in Australia both parties breach and prevent this on climate and on implementation of UN Agenda 21. Misleading people with leadership antics and red-herrings is not a democracy. With the ALP-Greens desiring to control Australians on behalf of an unelected foreign body, why can't the Liberals present Australians with the opposite – Australian control – and thereby give voters choice?

Interpretation of our national constitution needs to be restored to align with its intent – competitive federalism - with limited federal authority and with states responsible for all but four areas. Secondly, instead of governments continuing to borrow funds, we need to return to the proven Aussie system of a government-run publicly-owned central bank responsible for issuing money and public banking. These are proven concepts used by American President Abraham Lincoln that launched America in the late nineteenth century and responsible for developing Australia and much of our current water, rail and other infrastructure at a time when Australia had barely five million people

75 <http://like2percenttax.com.au/home/>