

## **Tax Working Group Public Submissions Information Release**

### **Release Document**

**September 2018**

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# Future of Tax Submission

Scott Creighton

[1]

I find the tax system of New Zealand to be very unfair. It places the tax burden squarely on the back of the wage earner (PAYE). There are no tax deductions for tax payers on PAYE, but there are a multitude of deductions for small businesses, large businesses and the wealthy on their investments. Multinational corporates are well known for not paying any income tax at all. I propose law changes to reduce the amount of these unfair tax loopholes. Give some deductions to the wage earners like for dependants and mortgage payments so the wage earner is free to keep and spend more of what they earn. The general economy would benefit as the PAYE crowd has less of the tendency to hoard what little "wealth" they have, putting more money in circulation. Good for the economy! If the small businesses, large businesses the wealthy and especially multinational corporates paid their fair share, there would be enough money to fund health care, transportation and other badly need upgrades to the nation's infrastructure without taxing the PAYE crowd to death.

I would like to see the suspension of GST. Here is a tax that is squarely aimed at the PAYE crowd. Businesses get out of paying it by only going through the motions of filling out much paperwork to claim it back. The PAYE crowd has no such option. Business people I talk to aren't happy about all of the time wasted to claim the tax back – time which they feel that they are not properly compensated for. GST is also unfair as it is "double dipping" – paying a tax on other taxes paid. Please GET RID OF IT!

Maybe the best tax system to use would be the Tobin transaction tax system. Take a small percentage of each exchange made at the banking level and allow no loopholes. Everybody pays their fair share and society benefits.

Reduce the high duties on tobacco and alcohol or redirect them directly to the DHBs. The excuse for the high duties on tobacco and alcohol are to compensate the health system for complications caused by these lifestyle choices. I propose that instead of putting these duties into the general fund, pay them directly to the health system. I would think that the health system would then have sufficient funding. Instead of going into the unaccountable general fund where who knows what the money is being spent on. The high duties have also made tobacco and alcohol an almost black market commodity that endangers the lives of store owners.

In conclusion, I do not mind paying my fair share of taxes, I just mind subsidising those that are much better off financially than I am. This is not petty jealousy, I just want a fair go.