

Tax Working Group Public Submissions Information Release

Release Document

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A Tax System to Support Future Generations

This submission looks at the challenges , risks and opportunities facing the tax system and therefore the nation.

It is clear that the greatest risks to the nation are posed by the Labour Party, latterly joined by the Greens, who, together , by corrupting the Social Welfare Safety Net System for electoral gains have greatly debilitated the moral fibre and productive capacity of a significant portion of the population.

The many people who, without genuine need , find it comfortable to be beneficiaries of (rather than contributors to) the social welfare system, in reality, take scarce resources from what is intended to be the safety net for the genuinely needy.

The very real problem of foreign ownership has been exacerbated because a large portion of the population have been suckered into not saving enough for retirement by political parties who pretend that “ The State can provide” . Clearly now the State anticipates struggling to provide , or at least, some political parties are raising angst on the issue , possibly correctly given that their policies debilitate the capacity of the country to financially meet anticipated future costs.

There is a very real risk that many middle income families will find that the prospects of inheritance and capital gains taxes will further disincentivise them from saving (if your tax working party achieves its fairly obvious objectives) and how much worse will the foreign ownership problem become when kiwis have less incentive to save than they have today ?

The objective of the tax system would be better focused surely on “strengthening the country” rather than the verbiage of “ to Support Future Generations” , when one admits that a great job has been done already in training people to take all they can get from “the system” .

Looking at the quality of the expenditure of tax revenue is surely at least as important as how tax might be collected.

Stephen Lace

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