

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

### **Release Document**

**August 2018**

**[taxworkinggroup.govt.nz/key-documents](http://taxworkinggroup.govt.nz/key-documents)**

Key to sections of the Official Information Act 1982 under which information has been withheld.

Certain information in this document has been withheld under one or more of the following sections of the Official Information Act, as applicable:

- [1] 9(2)(a) - to protect the privacy of natural persons, including deceased people;
- [2] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage;

Where information has been withheld, a numbered reference to the applicable section of the Official Information Act has been made, as listed above. For example, a [1] appearing where information has been withheld in a release document refers to section 9(2)(a).

In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) of the Official Information Act.

### **Submissions Included**

Michael Norris

Mekla Sirisomphone

Michael Mckee

Alan Brown

Linzee Nessia

Debbie Stevens

Selwyn Mosley

Sean Gallen

Joan Ping

John Amiria

Charles Whitburn

Qixiang Yang

Brett Cottle

Stewart Hawkins

Jack Butland

Regan Hawkins

Lynn Murray

Andrew Riches

Arwen Heyworth

Rex Nicholls

Gabrielle Askin

Lisa Cowe

Soraya Bradley & Michael Kay

Beatrice Hodgkiss

William J Jordan

Desmond W Godfrey

Roger T Turner

Barry Parkin

Carmel Claridge

David Farlow

Neil Buckner	Greg Powell
Paul Kingston	Tracey McLeod
Philip Keene	Jeremy Busck
Russell Braham	John Laing
Mihail Horvat	Terence Little
Adrian Cook	Luis Cannon
Stephen Holland	John Cooney
Adam Taylor	Tom Ireland
Dr Graham Cliff	Carl Forster
Mark White-Robinson	Phil McKenzie
Elizabeth Abernethy	Barbara Delaney
Lex Allan	Brent Jamieson
Darryl Green	John B Leech
Nic Bonaventure	Callum Wilson
Elaine Naidu-Franz	Dianna Dawson
Reynold Macpherson (Rotorua District Residents & Ratepayers)	Wilson Penman
Kokila Patel	Dr Rui Mendel
Tom Dobbe	Mark Stockdale
Allan Cressey	Ingrid Blyth
Bee Choo Tee	Tim Holland
John Herbert	Brittany Fowler
Ken Orr	Allan Davidson
Sebastian Pinto	Colin Griffiths
Robert Tait	Stan Rinaldi
Barry Shaw	Mark Rountree
Martin Scott	Timothy Stubbs
Craig Jennings	Dr Jeremy Cooper
Kevin Harden	Steve Harvey
Jan van Zyl	Pete Simpson
Bill Rigby	Mike Jones
David Houston	Taupaki N Larsen
Johannes Bronkhorst	John McGirr
Camillo Silveira	David Wyatt
Sally McIntyre	James Turner
Keith Williams	Alex Kelly
George Walker	Toni Field
Ann Fullerton	Faye Storer
Fiona Mackenzie	Jason Eager
Stephan Hokke	Geoff Hobson
	Richard Burton

Trevor Fawdray  
Olivia Murphy  
David Harlock  
Greg Mawson  
Richard Satherley  
Luke Canton  
Mike Angland  
Harry Dennis  
David Lyon  
Sally Perfect  
Daniel Bernie  
James Airey  
Graham Dixon  
Malcolm Ward  
Angela Banks  
Dr Andrew Reid  
James Grigg  
John Milne  
David Botting  
Tyler Horn  
Dixon Tan  
Maurice New  
Bronwyn Keown  
Rowena Kaleopa  
Alexey Maksimov  
John Barr  
Murray Grainger  
Kevin Vujcich  
Allan Sims  
Terry Gill  
Gareth Hunt  
Louis Jensen  
Jack Schoen  
Belinda Fellowes  
Rob Duthie  
Charlie Reed  
Sally Hitchcox  
David Winefield  
Calle Kabo  
Alan MvLoughlin

Noel Reid  
David Orpwood  
Vaughan Giles  
Jane Weikart  
Maurie Garton  
David Steward  
Stella Anderson  
C Davis  
Peony Au  
Daphne Burrows  
Ross Wilson  
Geoff White  
Blair Wingfield  
Kenneth John McIntyre  
Grant McLeod  
Aotea Toko  
Daniel Lavelle  
Wendy Dazeley  
Jay Sharma  
Ian McLeod  
Steven Gilberd

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**From:** michael Norris [1]  
**Sent:** Monday, 18 June 2018 3:29 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

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I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

I. Believe any capital gains tax should take into account the effect it may have on people to build a retirement fund by those who are not in kiwi savers, also the ability of people who help charities. Charities are an important part of our society and should not be hindered in any way.



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**From:** Mekla Sirisomphone [1]  
**Sent:** Tuesday, 29 May 2018 10:43 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

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I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

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Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Michael Mckee [1]  
**Sent:** Monday, 28 May 2018 1:38 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Whilst Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld by you all.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **WFF - Working for Families**

NB: - I should like to see the Working For Families benefit being rescinded. To offset this I should like to see the Tax tables altered so that those people pay the same tax as if their had got it back from WFF.

In short I would like them to pay no tax if that is the case.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase.

## **Taxation rates of Trusts**

I respectfully submit that all Trusts should be taxed at 25%

It is wrong to allow Tax-vehicles for some to reduce tax when PAYE employees cannot do the same with their income.

## **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors. - Racism like this has no place in New Zealand.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

or - tax charities as companies.

## **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

## **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

If this is to continue I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving or they not be taxed on retirement funding interest at all.

Kiwisaver should not be taxed at source on retirement, retirement income from Kiwisaver should be untaxed.

## **Sovereign Wealth Fund.**

If Individual accounts are set up in the future in a sovereign Wealth Plan, they should be tax free, both the earnings and the retirement income.

## **Benefits - Tax Free**

I think any benefits should not be taxed, they are not the income of the beneficiary (person), but (OPM) other peoples Money.

The benefit is taken from already taxed money of taxpayers and shouldn't be taxed, it is not income, the beneficiary (person) has done nothing of value to recieve it.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

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Beyond the points made above, I endorse the "Least Tax & Smallest Government" Philosophy.

Yours sincerely,

Michael Mckee

[1]

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**From:** Alan Brown [1]  
**Sent:** Sunday, 20 May 2018 2:04 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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### **OCED Comaprisions**

To ensure truely reflective comparisions of government tax take/ revenue and expenditure OCED comparisions to deduct from comparartive national data the percentage of tax used for payment of government debt interest payments to be deducted. It would be disengenous to ignore the fact that most countries in the OCED spend more on this , for example countries like Italy,Greece and Japan spend large amounts of tax on interest payments. To suggest that we simply look at the overall figures is an over-simplification.

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Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Linzee Nessia [1]  
**Sent:** Saturday, 12 May 2018 2:29 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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Yours sincerely,

---

**From:** Debbie Stevens [1]  
**Sent:** Friday, 11 May 2018 4:13 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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Yours sincerely,

---

**From:** Selwyn Mosley [1]  
**Sent:** Wednesday, 9 May 2018 3:22 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Sean Gallen [1]  
**Sent:** Sunday, 6 May 2018 8:39 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Joan Ping [1]  
**Sent:** Saturday, 5 May 2018 9:59 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** John Amiria [1]  
**Sent:** Saturday, 5 May 2018 9:57 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper. As you will possibly recognise, this submission has been made with the assistance of the Taxpayers Union. Please do NOT dismiss my submission because of this, I have read their suggestions carefully and concur with them 100% - hence I have made this submission with their help since they have said better than I what I want to say.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

## **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

## **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

## **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

## **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

## **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,



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**From:** Charles Whitburn [1]  
**Sent:** Saturday, 5 May 2018 9:56 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael Cullen has said that this Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate to 22.5%. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments. Properties would be held for longer. This tax is not necessary and is a tax based on envy. One of the beauties of New Zealand is that we don't have a CGT. Lets be better than Australia and not have a CGT.

I submit that the Government should not implement such a tax. If necessary, introduce a ten year brightline test and dispense of the complicated builder/developer/trader exemptions, as ten years is a long time to hold property.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I strongly oppose varying GST for different products.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

CHARLES WHITBURN

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**From:** qixiang yang [1]  
**Sent:** Saturday, 5 May 2018 9:57 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

亲爱的迈克尔爵士和税务工作组成员,

这是关于新西兰税收未来的提交文件，特别提到了工作组背景文件中提出的提案和问题。

迈克尔爵士曾经表示，税务工作组并不是想如何为政府增加收入。我认为应该坚持这个承诺。

### **收入中立**

如果工作组建议新增税收和增加税收，我认为工作组应该确定可以减轻负担以补偿纳税人的其他领域。

### **支架蠕变/财政阻力**

通货膨胀促使纳税人进入更高税率的税收政策是一种不诚实的政策，它允许政治家们更加努力地对新西兰人征税，而从未有过竞选活动。

我认为工作组建议立法规定年度所得税门槛调整，以调整平均收入或最低限度的通货膨胀。我注意到许多政府福利和权益都被编入索引 - 所得税门槛应该没有什么不同。

### **公司税**

新西兰是OECD公司税率最高的国家之一。其结果是低投资，低生产力的经济。

我认为，如果政府有兴趣鼓励我们的生产部门加大投资和增长，它应该降低标题业务比率。这比背景文件提出的仅仅为小企业降低利率提出的建议更可取，因为它建立了一个两层的商业税制，并伴随着相关的复杂性和激励措施，以保持小企业。

### **资本的支出**

政府必须致力于提高新西兰的生产力并使收入有更大的增长。

我认为工作组建议允许企业在资本购买的第一年内完全支付资本。这将增加企业投资资本的动机（加速生产率增长）和提高工资（生产率增长是决定收入增长的最相关因素）。

### **毛利当局和慈善机构**

新西兰的公司税制不应该包括给某些群体带来竞争优势的漏洞。

我认为应该取消毛利管理当局17.5%的**所得税税率** - 这样毛利管理局就不会比非毛利人的竞争对手获得现金流量优势。

我认为，慈善机构拥有的公司只能获得实际分配给母公司的利润的慈善税减免，或者专门用于父母的慈善目的。

## 资产增值税

资本收益税会阻碍投资，抑制工资增长并扭曲经济。这也会造成“锁定”效应，这意味着投资者不愿意将资本从非生产性投资中转移出去。

我认为政府不应该执行这样的税收。

## 储蓄税

我们不应该让税收制度阻止储蓄。储蓄者（即那些拥有退休基金和投资计划的人）目前对“利息”征税，实际上，这部分利益部分地反映了通货膨胀的影响。

我认为我们应该允许纳税人从通过长期储蓄获得的应税收入中扣除通货膨胀。

## 环境税

我认为任何建议的环境税都应该附带建议，使其收入中性。

我认为，任何水税都应该以与水权定价类似的方式运作，并保持部门中立 - 政治家应避免针对特定行业或用水。

作为推荐特定环境税的一种替代方法，我认为工作组为未来拟议的环境税制定了一个客观框架，以供衡量。

## 生活税

我认为工作组建议不要扩大行为税，而是要概述它们对我们最脆弱的社区造成的倒退财务损失。

具体来说：我反对对食品实行糖税，脂肪税或任何其他形式的附加税。我反对不同产品的消费税。我反对增加烟草消费。

除了上述观点之外，我赞同 [新西兰纳税人联盟](#) 提出的 [更广泛的意见](#)。

关于我们

既然中央政府和地方政府争夺税费，我们一直无法呼吸，而且我们增加了各种税收

着名的名字。我们真的无法生存.....

此致，

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**From:** Brett Cottle [1]  
**Sent:** Saturday, 5 May 2018 9:56 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

I agree with all the below points from the TPU and have one point to add...I'm a struggling 1st home owner in Auckland and the last thing I need is more tax. How come the middle class always lose?

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Stewart Hawkins [1]  
**Sent:** Saturday, 5 May 2018 9:56 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different. I believe FAILURE to prevent bracket creep will continue a dishonest course from all parties.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments. The FIF tax is ALREADY discouraging individuals from diversifying their investments beyond the limited and vulnerable markets of NZ and Australia.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,



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**From:** Jack Butland [1]  
**Sent:** Saturday, 5 May 2018 9:57 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Wealth taxes**

I submit that taxes on assets and wealth are unfair and disincentivise individual effort and hard work to provide for one's own future self-sufficiency. They would also be distortionary if applied selectively on certain assets. Tax on investments should be limited to the income derived from it. In the same context, I also submit that the fair dividend rate method of taxing overseas investments is also unfair and distortionary.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Jack Butland

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**From:** Regan Hawkins [1]  
**Sent:** Saturday, 5 May 2018 9:57 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Finally please don't lose sight of the efforts and contributions of the hard working PAYE earners who have very little tax deductibility and are called on again and again for more and more to keep the country moving. Those of us living in Auckland are looking at skyrocketing costs in fuel taxes and the inevitable inflation as business passes on the impact of higher minimum wage (those of us PAYERS on middle incomes aren't being offered pay rises just inflation).

Yours sincerely,

Regan Hawkins

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**From:** Lynn Murray [1]  
**Sent:** Saturday, 5 May 2018 9:56 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Andrew Riches [1]  
**Sent:** Saturday, 5 May 2018 9:56 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

**Dear Tax working group,**

As the sole bread winner of a young family which does not receive working for families tax credits, I wish to raise some issues for the working group to take into account when considering the structure of the tax system going forward. In particular I submit keeping personal income taxes modest, a broad tax base and recognising that lower and broader taxes are fairer when considering the broad array of family structures and life stages across New Zealand:

### **1. Total household tax take**

While at various times the concept has been floated of taxing a household rather than individual tax rate, this is problematic as it disadvantages single persons. However I would urge the working group to keep in mind the effect on households should personal tax be increased. In particular two persons earning \$60,000 each pay significantly less tax than one earner of \$120,000 despite the household as a whole earning the same amount. This creates an incentive for one partner to return to work rather than the breadwinner pursuing promotions, further training or pay rises and may place stress on the family as a whole. Maintaining a tax system, that does not significantly increase tax rates as income will minimise the tax imbalance between two earners vs one higher earner. Ultimately a family should be free to choose how its structures its earnings, whether from one or two earners (or more) and not be penalised by the tax system due to one person taking on much of this burden.&nb sp;

### **2. Shifting tax onto Capital rather than Income**

There is no logical reason for the tax take to be based on income tax rather than capital other than ease of access. There is no reason a person working hard and earning \$80,000 per annum should be taxed whereas a person who has been able to purchase capital which increases in value should not be taxed at all on this capital increase which amounts to income. Income tax should be reduced and capital taxed to compensate.

I do not propose at all that capital gains tax should be used to increase total tax revenue, but shifting tax pressure from income earners onto property increases should gradually extend the tax base while maintaining revenue and taking pressure off workers. This would advantage younger people who have limited or no capital such as shares or land but are attempted to enter this market. By lowering tax on income and shifting this burden onto land and capital, it would be easier for young people to save to own their own home, pay off student loans or place funds in kiwisaver to enable themselves to better their own long term position. This could occur without the pressure on government to subsidise home ownership.

### **3. Ability to Pay tax is related to state in life not total annual income**

I do not propose tax should be related to age or status but one matter for the working group to consider if it is proposing personal tax increases is that ability to pay tax is not linked strictly to income but on life stage. For instance using the earlier example, a couple in their 50s may each work 30 hours per week and earn \$60,000 each without children at home, student loans, debt or a mortgage. Whereas a person in their 30s working 60 hours per week may be the sole income earner and may be a sole parent earning \$120,000 but will pay higher taxes despite having significantly less discretionary income (and quality of life) than the couple on \$120k without similar responsibilities. If the tax working group considers income tax rises they

will be exacerbating this inequality. A household should be free to structure their earning as best suits them without penalisation of the tax code.

#### **4. Evasion**

A significant number of people generally in trades undertake 'cashies' and thereby hide income. This disadvantages those who do not undertake tax evasion in this manner as we need to pay higher taxes to fund the system as a whole. The IRD should deploy more resources to audit persons significantly claiming expenses against income. The recent IRD computer upgrades should assist in this regard.

Similarly the government provides subsidies on first homes without follow up as to the use of the home, some purchase homes while living at home still, for rental properties while claiming government subsidies. This is effectively benefit fraud and should be targeted by auditors.

#### **5. Bracket Drag**

Tax revenue will always increase without necessarily an increase in real incomes or living standards due to steadily rising wages, steadily rising living costs and stagnant tax rates. Tax brackets need to increase inline with either income rates or inflation or a mix of the two. Failing this it will keep earners from reaping the rewards of increasing income even where there increases maintain pace with inflation. Income tax brackets should be pegged to inflation of income rises or a formula of the two.

#### **6. Superannuation**

When kiwisaver reached 10 years of age, this created a group of New Zealanders with ten years of personal savings, government subsidies and employer subsidies. The burden on tax payers of an increasing group of over 65s with universal superannuation needs to be addressed and will only increase the burden on tax payers regardless of any steps taken by the tax working group. The previous government missed an opportunity to begin lowering superannuation payments at this ten year mark but it is not too late. Superannuation payments should be progressively lowered as generations attain retirement age with kiwisaver subsidies. This should take effect immediately and steadily ease the burden on the tax payer so that funds can be used to either ease the increasing burden on tax payers or be used for social services for families and children rather than many who could support themselves over 65 through work or their own savings.

#### **Conclusion**

There are a number of issues facing New Zealand which require significant tax payer funding. However we need to bear in mind the total mix of tax and who is sharing the burden of it. There is a generation of young people who are increasingly shut out from the housing market or entering it with large mortgages while subsidising a retiring generation with significant property equity and without the corresponding costs of living of mortgages and child rearing. The future structure of the tax system needs to ensure fairness by keeping taxes low and shifting the burden to capital and allowing kiwisaver to take an increasing role in superannuation.

Yours faithfully

Andrew Riches

[1]

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**From:** Arwen Heyworth [1]  
**Sent:** Saturday, 5 May 2018 9:56 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

**As a Government employee working in the education sector, my salary has not kept up with inflation. Living costs have increased but my pay has remained the same for the last 4 years. I have a mortgage in Auckland and I am barely scraping by each month. If I have \$3 left to my name at the end of each pay fortnight, I consider myself lucky. Now Phil Goff wants to add additional unnecessary taxes in addition to a rates increase. In fact, Aucklanders may soon be paying more tax per litre of petrol, than actually paying for the petrol itself! Auckland Council is management heavy, all receiving fat bonuses and pay increases despite regularly falling short on set goals. They need to trim the fat in Council to find the additional funds, not go digging in my back pocket for more money! Especially when they are discussing REDUCING essential services like waste collection.**

**It frightens me to hear Sir Michael discussing capital gains taxes, taxing MY hard earned savings etc. There are other ways to raise funds, taxing the hard working portion of the population into poverty SHOULD NOT BE YOUR FIRST CHOICE!**

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

## **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Arwen Heyworth

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**From:** Rex Nicholls [1]  
**Sent:** Saturday, 5 May 2018 9:56 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

I am making this submission as an individual but using and adapting the Taxpayer Union submission. First, I wish to make three points of principle:

1. This Tax Working Group was not set up to raise more revenue for the Government and Sir Michael has said as much. The promise that there will be no increase in total tax take should be upheld. That is, where new taxes and tax hikes are recommended by the Working Group, the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.
2. Humans react to incentives and disincentives; that is a basic animal behaviour set into our genes. Tax on income is a disincentive on productivity. Why earn more money once you have enough to support your family if you only get to keep 2/3 of it...?
3. Taxes should be taken at source. Overseas companies should pay tax on the income they earn in NZ in a fair manner. There should be GST charged on all purchases, in an equal manner, be they at a shop in NZ or on-line. The system should be as simple as possible and fair.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is negative to taxpayer motivation. It also allows higher tax take without the same removal of tax elsewhere.

I ask that the Working Group recommend legislating annual income tax threshold adjustments indexed to the general CPI. Many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

I suggest it is better to tax unproductive capital.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of productive-capital purchases. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

As soon as Maori land claims have all been settled, which should occur soon after your Tax Working Group reports back and Government begins to implement new tax policy, the 17.5% income tax rate for Maori Commercial Authorities should be abolished to make them equal to normal businesses. This will allow Maori to consider themselves equals. They were once a very commenrcial people and Ngai Tahu prove they can be again once they re-gain that confidence.

All companies and money making ventures owned by charities including, religious bodies, should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically and transarently applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on commercial capital gains discourages investment. It stifles wage growth and distorts the economy. It also causes a 'lock-in' effect, meaning investors are discouraged from shifting capital out of unproductive investments into more productive ones, particularly in the area of property.

I recommend, however, that there needs to be a capital gains tax on unproductive assets. All houses, non-government land not including productive farms, and unproductive assets need a yearly capital tax applied. This would be tiny but would incentivise older people to move to smaller homes freeing up larger homes for families, etc. There is no shortage of rooms in NZ, just too many unused rooms in large houses. Personal effects are probably too hard to tax. In Denmark this leads to the rich investing in art etc, but this is a negligible cost against the rest of the population and they will already be paying a considerable amount of tax.

### **Taxes on savings**

The tax system should not discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water. Exported water is negligible and the income derived from wages and export earnings outweigh the 'jealousy' effect.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise. Already the tobacco tax covers far more than the cost of the health effects of tobacco.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Rex Nicholls

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**From:** Gabrielle Askin [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Gabrielle Askin

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**From:** Lisa Cowe [1]  
**Sent:** Saturday, 5 May 2018 9:56 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

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I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

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I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

### **What tax issues matter most to me:- what the government spend tax dollars on.**

1. My understanding is that some tax is used to pay bankruptcy administration costs. Four months into the bankruptcy against me the Official Assignee has incurred administration costs of more than \$13,000.00 They tell me that the public must pay that cost if there is no money in my estate. I expect that comes from

tax dollars collected? Our entire country's insolvency regime needs a complete overhaul. Some terrible corruption and violation of our legal and privacy rights go on behind closed doors not just in the OA's office but also the courts, made possible using public money. The IRD bankrupts many people every year via our court systems. His Honor Associate Judge Matthews reminded an IRD representative during a bankruptcy proceeding case last year that the integrity of the tax system is paramount above everything else.

2. The IRD clearing out a debtor's bank account entirely without giving prior notice of when they will take "recovery action". Yes this happened to me and I had to go to WINZ to get emergency rent money. The IRD's notice to the bank does not even have to include a valid bank account number. The IRD take such action without any consideration given to the effect it will have on the individual or their families. That's not a tax system I want for our country.

Yours sincerely,

Lisa Cowe

*Bankrupt under Duress*

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**From:** Soraya Bradley [1]  
**Sent:** Saturday, 5 May 2018 9:56 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

**Presently NZ has many opportunities**, if a clear clean way forward is enabled. With Britain leaving the EU, the commonwealth could become the "powerhouse".

Overwhelming taxation and regulations have caused startups, businesses and investment have flooded to London and ignored Paris and other European capitals. I propose NZ engage in a free speech, "low, but strict regulation" and reasonable taxation. Lets encourage start ups, innovations and free thinkers to start here.

Why the commonwealth could become the new superpower <https://www.youtube.com/watch?v=pN9Tn1QRBTc>

Why Macron will destroy the EU <https://www.youtube.com/watch?v=mScTjRlbgQ>

(NZ organic and food quality is not up to UK standards. Last year Russia dropped our beef due to contamination with a chemical often added to pork feed. We have the tracking technology to identify where this came from but no MPI effort bothered. We need to start now breaking apart failed MPI and reintroducing the high standards and infrastructure our imports and exports had previously. Sustainable permaculture advocated by "intergrity soils" removing pollutants of nitrogen fertiliser, roundup and restoring toilsil/humus and soil microbes and reducing dependance on irrigation are perfect commercial alternatives to organic and implementation of these measures now would lead to a higher demand for our exports and the specialised products demanding higher cost. It would address water quality issues where effective by rural contamination of nitrogen fertiliser. Rigour and high standard government testing vital, a strong brand - beef raised on organic pasture/ beef raised on organic silvopasture/ organic grass feed )

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers. The failure of government departments to meet goals/obligations results in more money and extension of the departments, in the marketplace - companies fail when they fail to meet obligations.

We need to set up a new mentality within government departments with a new set of obligations - with clear economic analysis to stem tide of fiscal irresponsibility. Additionally a surgeon may spend less than 25% of their time in surgery - 75% paperwork. That is an inefficient use of human resource - yet every layer of bureaucracy with the health system creates a new report/ health & safety the surgeon must complete. It is

vital we strip back these wasteful bureaucratic layers. The same can be said for teachers and many other productive vs bureaucratic/health and safety layers.

It seems fairly straightforward that electing members of the public to run a hospital - does not work and its very expensive. Board members are so entrenched now ... I say we get rid of elected boards and put surgeons, doctors and nurses back in charge of hospitals.

Under the governance of state run services with a yearly audit/warrant of fitness. Then hospitals only get access to full budget if they improve their ratings. Its no point throwing money at the health system till we fix the systems that enabled the problem. So overloaded with bureaucratic paperwork/ health and safety that they missed the building rotting around them.

"Banishing Bureaucracy, The Five Strategies for Reinventing Government, which details how to permanently change public administrations to increase their effectiveness, efficiency, and capacity for innovation. "

....

For example, this year my partner recieved a glossy full color survey to complete for government funded "sport NZ" ... he had at least three reminders to complete the intrusive 20 page Orwellian study, with a \$500 lucky dip reward - what is the cost to taxpayer of this department. Additionally our local Horowhenua council has employed at least one nutritionist full time - to advise on local health ... Meanwhile in another expensive bureaucratic layer - an advisory board to local council is trying to sell off local parks and community halls because of lack of funding .... all these layers of bureaucracy for national to local are removing the actual resources from the local community, which is the worst possible outcome for the health and well being of community and financial resources are being misapplied.

Why is the government spending funds on anti- smoking campaigns still, speeding campaigns ... Nannys and nudgers, government agents engaging in proganda about how individuals should spend their lives, smoking is just one example. It is an offense to individual liberty and personal responsibility and those funds could be far better spent elsewhere. How much per taxpayer is spent on advertising propaganda? \$50? \$100? Wouldn't people rather have that in their pocket?

.....

Liberal myth, government spending more and doing more is best. Conservative myth, govenment doing less and spending less is best. Business myth, running government like a business is best. People myth, hiring better people is best - its not the people its the system... Actual answer is to increase effectivness, adaptability, and capacity to innovate. Achieved by changing their purpose, incentives and accountability, power struncture and culture within department.

Presently NZ is too high in taxpayers and companies who are publically funded. For the country to flourish the portion of private companies, and taxpayers needs to increase as these are the ones who bring profit to the country. Presently (at least locally) there is a view to selling off capital/ natural resources to gain profit - this is a best a short term fix and longterm disaster. This model needs to be stopped.

## **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

Professor Mark Blythe discusses how the tax department is the favourite department in Sweden, because they make it transparent where taxes go and make it easy to meet obligations. In NZ we are blocked from understanding where taxes go. How much welfare goes to the poor and how much is spent on maintaining staff and offices? Would waste go down if departments were more transparent about spending and had a clear economic analysis of spending/results. Funding outcomes, not inputs.

[https://www.youtube.com/watch?v=Vnr7GN5T\\_tg](https://www.youtube.com/watch?v=Vnr7GN5T_tg)

I have pondered whether NZ would be best to implement 20% flat tax rate, income, company and gst. (First \$10,000 tax free personal) Close off loopholes and offsets for high income earners or overseas investors. Easy implementation, transparency and same across every class.

I have idea how to rework ACC/health which is not suited here but in terms of charging, I would simplify \$800 fee for a builder. \$600 for a plumber a set fee for each employee of each job. With a 10% discount for no serious workplace injuries in least 2 years. The billing for acc is confusing and tries to fleece based on profit, not on a good safety record .. it should not cost extra for profitable business, it should reward safety and it should be utterly easy for small business to factor cost of new staff.

(Additionally acc and health & safety are trying to manage for the average in so doing they have become obstructive for the competent and profoundly clever - have you seen Parkour or freerunning, it does not make sense to to and dumb these people down, for the help of the most clumsy. Health and safety was started so companies had to provide safe environments and not require undue risk taking for staff to cut costs. Nowadays the biggest bully in a company will be a workplace health and safety officer. We need to dial this back and encourage individual competence and freedom, realising accidents will always happen.

Its a similar thing I noticed in my teacher training, failure to allow kids to flourish in their own ways according to their strengths, the goal was to keep everyone average. )

## **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

## **Charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

Additionally charties should be obligated to provide a public breakdown of dollar distribution. I should know what percentage of my of donation reaches the end user and how much goes to sustain the charity or on advertising/proppanda. This way public will be able to support charities that are fulfilling their stated purpose and hopefully those that squander will fail.

I am sure greenpeace functions in such a way, where funding goes to advertising/campaigns and very little goes into research and development or supporting green causes on the ground.

## Capital gains tax

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax. Should the government - could the capital gains tax only apply to foreign investors/foreign companies and not to local people and local companies.

(We have seen this implemented in other countries and it most negatively effects family farms and working class families who inherit a home.)

I would suggest at most, should a productive farm or inherited farm be subdivided into lifestyle blocks or a subdivision, that a capital gains tax of some form may be applicable ...

## Taxes on savings

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

## Environmental taxes

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

Is water a commodity like oil or a right, like air. I have researched this extensively for a submission on Te Waikoropupū Springs and Associated Waterbodies. Without Iwi rights many of our natural resources would have already been sold to China and now we are still seeing individuals trying to profiteer off a natural resource in water exports and councils granting irrigation with no understanding. Implications are nitrogen application Farming and water in NZ is suffering the "tragedy of the commons" - an economic theory of a situation within a shared-resource system where individual users acting independently according to their own self-interest behave contrary to the common good of all users by depleting or spoiling that resource through their collective action.

The average annual rainfall in Takaka (where springs are) is 2019mm. My partner, a second generation farmer, suggested that the farmer unable to farm with this rainfall, displays a competence level is so low, they shouldn't be allowed to farm. To qualify - Michaels family have farmed in Manakau, Levin since 1980s. Their annual rainfall is 1141mm, Nitrogen/Urea fertiliser free and no irrigation farming at 1.4 stocking units. Cambridge/Waikato - dairy farm country annual rainfall average 1214mm per annum.

Farming is in a diastorous spot. **Flawed Farming Methods** -

In 2007 Richard Mulvaney, Saeed Khan, and Tim Ellsworth of the University of Illinois announced the disaster of Synthetic Nitrogen fertiliser. The Marrow Plots, the oldest experimental fields studying soil fertility est. in 1876. Synthetic Nitrogen fertiliser, used on the plot since 1967, had significantly reduced the organic soil matter and nitrogen - the opposite of what its thought to do.

A German grassland study (begun 2002) found as species diversity increases so does annual biomass - more than using fertiliser. Even when nitrogen rates increased to 200kg/ha, plant diversity trumped

biomass production. Biomass production kept doubling with pasture plots up to 60 species. As species increased so did soil carbon whereas soil carbon declined with monocultures.

Current farming practices include a problematic monoculture of rye and clover, this has transitioned to further problematic annuals that require yearly tilling and replanting - further increasing loss of carbon. There is an insistence of farmers (agricultural and horticultural) to grab surface water, then aquifers. For some reason - nz has not identified farming practices are requiring irrigation - where none should be needed.

Due to the synthetic nitrogen, there is a loss of carbon in soil. Therefore the soil no longer has any structure and the soil water holding capacity is significantly reduced. Precious topsoil is washed away in rain and the soil soaked with inorganic nitrogen provides plant and algae structure in the water the same "growth burst" as the do the plant on land - explaining the massive algae blooms. The plants may look fine but the edifice that supports them is crumbling. (This is particularly problematic with forestry.)

Nestle produces in three days what Fonterra produces in a year. China has built the worlds biggest dairy farm on the Russian border and since this time NZ milk prices have dropped. Fonterra has been satisfied to push farmers to intensification, increasing yield and reducing payouts for short term and unsustainable gain. Whether Fonterra will still exist in ten years time is questionable if milk powder to china is aim. Instead of innovation, A2/allergenic and grassfeed, grass finished, hormone and antibiotic free, permaculture, regenerative products into higher end markets is not pursued and lowering processing cost and increasing farmer payouts.

NZ Farmers today have been satisfied to haemorrhage their profits to fertiliser, irrigation companies and other associated chemicals & gadgets ... they have lost touch with the health of the land and with the desire of the consumer for low pollution organic produce. (The regenerative farming model mixes organic style land practices based on ancient prairie grazing with modern treatment of the cow. )

I submit that any taxes on water should operate only on irrigation, drip irrigation should be excluded. And commerical industries.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

Dr Christine Jones :

<https://www.youtube.com/watch?v=S3rhjqzVrRc&index=5&t=13s&list=PL4tNPdK4jtOxHIm1Hy5eQqHbEbBNqWxDW>

Soil Carbon Cowboys Movie : <https://vimeo.com/80518559>

The role of soil in watersheds [http://harvardforest.fas.harvard.edu/sites/harvardforest.fas.harvard.edu/files/grazing/Collins\\_Harvard%20Forest%20202.pdf](http://harvardforest.fas.harvard.edu/sites/harvardforest.fas.harvard.edu/files/grazing/Collins_Harvard%20Forest%20202.pdf)

## **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

I am an artist just outside Otaki, living with a second generation farmer. Between us, we have encountered bureaucratic bullying and with too much time have tried to think clearly about the structural changes both

coming from anti authoritarian, but opposing left/right view point. Our communiity is struggling with a corrupt council, that has numerous complaints, cost overruns and lack of transparency and individual blocking outside voices to protect their own interests- blocking competition as one only can in small conservative communities.

English common law works so well, because it is bottom up - but the last few years ignorance of economics and overload of self interested politicians and government funded "non profits" and companies have caused a more french "top down" attitude from all levels of governement. This has impeded individual freedom and grass roots actions. And may well be contributing to overuse of resources in farming... lets get back to a country where our independance and innovation is not blocked by overburdened tax and regulation.

Thank you fro taking the time to read this, it is longer and rambling and leaves out much. I come from

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Soraya Bradley & Michael Kay

---

**From:** Beatrice Hodgkiss [1]  
**Sent:** Saturday, 5 May 2018 9:56 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it. Those on fixed incomes will suffer most from increased tax rates. The proposed petrol tax is going to be devastating as it will impact on all aspects of life and services, not just petrol at the pump. I never go to Auckland and resent paying for transport in that region. Should be user pays. Have you considered a system as in Singapore?

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

## **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent. Sanitarium is a classic example of a large profitable organisation ripping of the tax system.

## **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

## **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

## **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

I suggest a reduction or removal of GST on 'fresh food' - not processed. Fruit, veg, raw meat, dairy produce

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Beatrice Hodgkiss

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**From:** William Jordan [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that after an initial adjustment of an increase in the threshold of each income step of say \$10,000... that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Trust Taxation**

I submit that Trust Taxation be set at the same level as Company Taxation in order to create a level playing field for income derived by Trust investment.

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifle wage growth and distort the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

Many capital gains are the result of inflation. Many capital gains produce no more purchasing power with the advent of time as a result of inflation.. Taxpayers should not be taxed on these gains which would result in the Taxpayer suffering a reduction in the "value" or purchasing power of their capital sum.

I submit that the Government should not implement such a tax.

### **Tourist Tax**

It has become abundantly clear that the provision of roading, accident compensation, medical services and infrastructure associated with tourism have become a burden on both central and local government. I therefore submit that a tax of say \$25 per day that the tourist spends in NZ, be collected at the boarder on departure. Also that an appropriate portion of this revenue be distributed to local governments.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

### **Water Taxes**

I submit that there be **no taxes** applied to water used by NZ citizens for whatever reason, with the exception of water used for export purposes, either as purewater or the water content of water containing products.

### **Exported Water Taxes**

In order for the Government to benefit from the export of a valuable NZ Crown resource which has originated from the natural precipitation of rainfall, I submit that in the case of NZ Citizens, or non NZ Citizens who are residents, or Companies/Trusts either NZ owned or foreign owned, that pure water exports, or the water content of products containing more than say 25% water be taxed at an amount of say 20 c per litre.

I further submit that this taxation revenue belongs to the Crown rather than to any other party.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

### **Deductions from Taxable Income**

Due to the inability of the Public Hospital Service to provide first class treatment to all of the population, private hospitals have been developed to fill the gap and also provide a better service. This must reduce the load on the Public Health sector and therefore the taxpayer. The private patients mainly fund this service by subscribing to Health Insurance Providers. I submit that both direct private hospital patient charges to private patients be deductible from taxable income, or if the costs are met by a Health Insurance Provider, that the Health Insurance annual premiums be made deductible from taxable Income. The private Health patient would not effectively be paying twice for the service.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

William J Jordan

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**From:** Desmond Godfrey [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

**My fear that with Sir Michael's appointment to this 'Working group' is nothing but political and will result in biased outcomes.**

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

## **Maori Authorities and charities**

**New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.**

**I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.**

**I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.**

## **Capital gains tax**

**A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.**

**I submit that the Government should not implement such a tax.**

## **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

## **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

## **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Des W Godfrey CA



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**From:** Roger Turner [1]  
**Sent:** Saturday, 5 May 2018 9:56 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

Reducing company tax is somewhat disingenuous as company tax is in reality a withholding tax, merely deferring tax until the profits are passed to the shareholders. If company tax is reduced, the liability for the tax foregone is simply passed on to the shareholders who then pay the tax that would have been paid by the company. The imputation credit regime was introduced as a fair way to prevent unfair tax liability on shareholders. Reductions in company tax without some corresponding reduction in shareholder tax liability has negated the fairness of this arrangement.

This unfairness is a disincentive to investing in productive businesses and encourages investment in unproductive housing with its many tax advantages.

I submit the Background Paper's proposal of just cutting rates just for smaller businesses, will create a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Financial Arrangement taxation**

The interest Accruals Regime on Financial Arrangements is a considerable complication and disincentive for non-commercial investors to invest in productive bonds and other fixed interest investments. It serves little purpose but if required at all the thresholds should be raised to at least \$10,000,000 capital and \$1,000,000 in interest.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

I submit that Churches should not have tax exempt status and should pay tax on income the same as other organisations.

### **Capital gains tax**

A tax on capital gains would be a further complication for investors in productive assets such as shares and a disincentive to saving. A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should reflect a fair value for the resource. For large commercial users, it would not be difficult to calculate a value for the water based on the area of catchment necessary to collect the amount of water used and apply a notional rental for the use of that catchment area of land.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Roger T. Turner

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**From:** Barry Parkin [1]  
**Sent:** Saturday, 5 May 2018 9:56 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld and stated front and centre.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small. This will undoubtedly lead to tax based restructuring of existing businesses to capture the benefit of the low "small business" tax rate.

### **Maori Authorities and charities**

New Zealand's company and business tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

## Capital gains tax

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments as they might be presented with a significant capital tax bill. Capital gains tax is also touted as a remedy for high real estate prices - if that was true countries such as Australia, Canada and the UK which have capital gains taxes should have lower relative property prices. This is not the case. The overwhelming cause of high real estate prices are low building rates due to land use regulatory hurdles, high building costs again in part due to regulations and the historically very low interest rates on mortgages. My view is that capital gains taxes will tend to "lock in" rental and holiday home properties into family trust structures for much longer than might be the case nowadays. Any sellers will be disadvantaged and have less money to put to other purposes eg starting a business.

Capital Gains tax media attention and political commentary has been focused on property - but the main thrust of property "flipping" has been reasonably well dealt with by the bright line test and an active investigation regime by the IRD. The exemption for the family home will undoubtedly encourage "investment" in upgrading family homes based on higher priced neighbourhoods. State school zoning also has significant impact on property prices and should arguably be abolished as it excludes less well off students from the better schools and shepherds the wealthy into premium state schools esp in Auckland.

Attention should also be focussed in public statements and in the final report on the capital gains tax impacts on assets other than property such as listed shares, private businesses, works of art and other long lasting assets (eg precious metals and classic cars) that can be sold for more their original cost. The impact of capital gains tax on Kiwisaver funds and savings in general will be to move more savings towards interest-bearing assets, long-term-hold "safe" equities and possibly also offshore for more sophisticated investors. I consider the Working Group should be fully transparent about the full impact of a capital gains tax system on all asset classes in its final report.

The capital gains tax exclusion for family homes may also be troublesome in its application for some property types eg family holiday homes and "lifestyle" farmlets or properties which are used for both residential and business purposes. Such a tax would encourage pigeonholing of property into multi-generational legal structures such as trusts or companies. There would be extended professional debate as to proper tax accounting for various types of property and other deadweight costs on the economy. It is also idle to simply wrap up the whole capital gains tax debate as a form of class warfare by "soaking the rich". The reality, as has been experienced in Australia and Canada, is that the current well off population will continue to be well off and the difficulty will be experienced by those aiming to increase their wealth and access lifestyle assets such as holiday homes. The tax will in effect lock out aspiring and younger people starting to grow wealth unless their parents can provide assets via family trusts and the like.

There is also a proposal to introduce an annual land tax as a form of wealth tax. NZ already has such an tax, commonly referred to as local authority rates, which are universally levied by Local Authorities on Capital Values of property with some relief provided by fixed value special levies and a Fixed Rate component. There is no moral or ethical justification for local bodies funding activities based on the value of a property where rates over different parts of a city, such as Auckland, can vary from \$1,500 for a basic house to \$10,000 for a basic house in a more expensive area. The rating structure is an historical relic that needs at some point to be restructured to a more user pays system.

In addition the value of a property is not a measure of household "wealth" as the amount of associated mortgage funding is excluded from the calculation and the number of working aged occupants is not taken into account. Such a tax would hit hard the asset rich, income poor citizens (eg pensioners) or aspiring couples who have borrowed heavily to acquire a property - for example to move into a prestigious school zone. If the family home was excluded from an annual Land Tax impost then the tax would be nothing more than a focussed impost on the rural community and tenants in rental property and another deadweight cost on commercial property occupants.

Capital gains taxes also tend to be sporadic due to the swings in the economy giving rise to varying levels of realisation of assets on which to levy the tax. If there is an inflation allowance to shelter some capital gains then that would also substantially reduce the potential tax take from this source.

I submit that the Government should not implement either a capital gains or land tax regime.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. The bad outcomes from using these products is invariably caused by prolonged and excessive consumption. Health education and more selective medical treatments would be more appropriate methods of fixing the problems. Regrettably people will make bad and somewhat addictive choices in a number of areas and trying to tax things out of existence simply doesn't work except at the margins. The effect is to impoverish users and open the door to illicit activity.

I oppose varying GST for different products which would create significant confusion and definitional issues in the retail trade - the UK and European retail trade would be a good source of material to the deadweight costs arising from such a proposal. I oppose the high level of tobacco excise. The significant growth in violent criminal activity arising from "high priced" cigarettes is self evident. There is also the less well known smuggling operations from the Pacific Islands and unofficial growing operations which are strongly incentivised by tobacco taxes.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Carmel Claridge [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Carmel Claridge

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**From:** David Farlow [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

Actually it would be much, much better if government expenditure were reduced significantly to allow taxation to be reduced. This would not only stimulate the economy, but give people greater freedom of choice. Taxed enough already.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

## **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

## **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

## **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

## **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

## **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,



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**From:** Neil Buckner [1]  
**Sent:** Saturday, 5 May 2018 9:56 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

Firstly I would support the government not increasing spending with carefree abandon.

This is by far the most efficient way to look after voters welfare.

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

## **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

## **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

## **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

## **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

## **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,



---

**From:** Paul Kingston [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

### **Tax and inefficiency**

I believe that government is inefficient, and overspends as a result. Taking more revenue off those people who earn and spend money will not solve NZ problems. Tax should be minimised and government reduced. Sure we all have wishlists of what we would like, but we should not keep expanding government to meet those, otherwise we will end up with a country like Greece and Portugal, where business could not afford to employ people, the governments paid higher salaries than the private sector, and the economies have turned to custard. Reduce taxes and reduce government is a key to all of our futures.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Philip Keene [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

### **A Degree of Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers. However, there must also be the balance with increased investment in New Zealand's infrastructure (e.g. public transport and roading) and minimum, necessary but targeted boosts in social spending. The commitment to reduce the government debt must also be upheld.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should trim out the headline business rate, relative to any new taxes that will affect businesses. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Tax loopholes**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent. I also submit that exemption of any religious organisations from paying tax should end, as these are not productive in terms of economic, social or metaphysical output.

### **Capital taxes**

I submit that the Government should not implement a capital gains tax as it has only been successfully implemented as a revenue gathering measure, with little other socio-economic effect from the experience of other countries. Instead, an outright tax on capital on assets should be considered specifically on non-depreciating assets with a minimum threshold. The company tax and personal income taxes should be decreased to compensate, with first focus on the lowest person income tax bracket as these are typically people who do not yet have significant (or any) capital. Owner-occupied homes should not be exempt as otherwise this may incentivise business from running more as a home office to avoid aspects of the tax. I suggest the only consideration is perhaps exempting registered Kiwisaver schemes.

A capital tax would disincentivise investment in non-productive housing investment and compel investment into productive capital, such as shares and funds, which have a higher net yield and boost investment in the private sector.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving. This would in turn be offset by the capital tax suggested above.

### **Lifestyle taxes**

I submit that the Working Group take caution on taxes that are to disincentivise unhealthy diets such as tax and fat. The experience of the consistent tobacco tax hikes is a prime example. Taxes on sugar and processed fats, as examples, may have merit at face value but may skew towards substitutes that are even worse (e.g, aspartame). Strict research and ongoing revisions over the years to such a set of taxes would be required.

Yours sincerely,

Philip Keene

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**From:** Russell Braham [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld. **Unfortunately however we know only too well that the so called Tax Working Groups "raison d'etre" is to dream up as many new taxes as their imaginations will allow. It's a clever ploy by the Government to devolve responsibility for the tax hikes that are to come because they (the Government) will only be implementing the recommendations of the TWG. We have already seen the PM renege on her promise of no new tax in this Parliament. This whole process of consultation is a complete sham; the decisions to recommend a raft of new taxes have already been made. I really don't know why I am wasting my time making this submission.**

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers. Wouldn't that be amazing....revenue neutrality but it will never happen for the reasons I have already indicated.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it. NZ must be one of the few "civilized" countries world wide to get away with this outrageous scam. Not only that taxing the first dollar of everyones income (even children!) is an absolute disgrace!

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different. I will go further and say that low income families should be taken out of the income tax loop completely as is the norm in societies that do more than just pay lip service to eradicating child poverty and actively encourage the work ethic.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small. The plan of course with a two tier system is to deliberately make it more complicated and expensive to administer....more non productive jobs for civil servants, less transparency and the propagation of tax hikes for all business disguised as tax incentives!

## **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

## **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors. I only very recently discovered this discriminatory approach; it's racist and quite deplorable.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent and not be siphoned off to line the pockets of individuals or promote pet projects.

## **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax; it's divisive and introduces unwelcome artificial skewing of the economy.

## **Taxes on savings**

We should not allow the tax system to discourage saving. Savers including children (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

## **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

Protection of the environment is a core responsibility of both National and local government if that responsibility is as we know not being properly discharged then either step down or learn to manage the public purse properly and stop wasting taxpayers money on empire building, junkets and ludicrous projects.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise. This is big brother saying we know what's best for the "populace" but experience should have told us tax hikes are not an effective tool and impact on the poorer members of our society. What's needed here is for Government to actually SPEND MONEY wisely on education but when was common sense ever likely to win the day.....regretfully sometime NEVER!

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Russell Braham

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**From:** Mihail Horvat [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

**And::**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

**Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

**Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

**Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

**Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Mihail Horvat

[1]

AND:: No New taxes ; No increased taxes; There is already enough existing taxes - live within these constraints. Stop inventing new taxes all the time. I cannot invent new income sources and have to live within my means - NZ govt should do the same. To save money - lead by example: reduce politicians' perks and pay in the first instance.

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**From:** Adrian Cook [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

Although I did not write the content in this letter, I agree with every element of it.

"I am favor of cutting taxes under any circumstances and for any excuse, for any reason, whenever it's possible." - Milton Friedman.

My question is: "How much tax is necessary to achieve the governments goals?" Why do we need money taken away from us to be returned as someone else sees fit? This can only be to achieve the goal of a population that is unreasonably reliant on the Government for their livelihood. This is not freedom, and it is not good for any kiwi now, or in the future.

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Adrian Cook

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**From:** Stephen Holland [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

I believe it is important that we encourage the productive use of wealth in New Zealand, and as such I believe a capital gains tax on residential land that makes land a poor investment and thus directs wealth towards investment in productive activities, is appropriate. It is important that this tax apply only to land (an artificially constrained commodity), especially residential land, and not to the improvements on the land, which are the outcome of human endeavour. My support for such a tax is in light of the Government's lack of will or ability to deal with the inhumane and misguided behaviour of local bodies, who through their various outdated and manifestly unfair and undemocratic planning policies have artificially constrained the natural, cost effective and humane growth of our towns and cities.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise. I support the removal of any form of existing behavioural tax.

I further submit that it is not the place of a select few to determine, outside of the realm of basic decency, how the majority of the population chose to live their lives. The concept of punitive taxation I believe is the true definition of evil. I would rather pay the full price of my choices in life, based on the manifested outcome, than be punished on the basis of the ideological, dogmatic and generally misplaced beliefs of others.

I believe this basic human decency should be extended to all citizens by opposing any form of behavioural tax.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Stephen Holland

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**From:** Adam Taylor [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This submission on New Zealand future tax regime, made with particular reference to the proposals and questions set out in the Tax Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld as a matter of Sir Michael's credibility.

### **Revenue neutrality**

Where new taxes and further tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers with a view to making sure all New Zealanders share the burden of tax, and not just the few. This is the basis of equity and equality.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a policy that allows politicians to tax New Zealanders further and harder, without ever having campaigned on it and obtained a mandate from the electorate.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. It is note-worthy that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy. Countries with low company tax rates see company-driven investment, profits for the community, and an increased overall company tax-take due to an increase in business activity.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

## **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors. This would be an equitable action.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

## **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

## **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

## **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

## **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise. Overseas experience shows these taxes are counterproductive and don't address behaviour as desired.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Adam Taylor

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**From:** Graham Cliff [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

To: Chair and Members of the Tax Working Group,

This is a submission on the future of taxation policy in New Zealand, with particular reference to the proposals and questions set out in the Working Group's 'Background Paper'.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government: I would urge that this sentiment be borne out as a solemn promise.

### **Revenue neutrality**

Where new taxes and tax increases are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be fairly and equitably reduced to compensate taxpayers, *pari passu*.

### **Bracket creep / fiscal drag**

The fact that inflation tends to elevate taxpayers into higher income tax brackets, appears to be exploited by politicians of all stripes as a devious means by which to tax New Zealanders more heavily; yet it is never cited as official policy.

I suggest that the Working Group recommend legislation whereby annual income tax threshold adjustments are indexed to changes in average earnings; or, at minimum, inflation. I note that many government benefits and entitlements are thus indexed and, by logical extension, income tax thresholds should be treated in the same way.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD: the result is a low-investment, low-productivity economy. The future prosperity of this nation lies in enhanced productivity, and not in higher levels of taxation, because productivity enables us to earn our way in the world, whereas taxation does not.

I submit that if the Government sincerely wishes to encourage greater investment and growth in our productive sector, it should cut the headline business rate; this is preferable to the Background Paper's proposal of cutting rates just for smaller businesses, thereby creating a two-tier business tax regime with the associated incentives for businesses to stay small. The Working Group will be mindful of the fact that the complexity of any taxation system is inversely proportional to its efficiency; in other words, the more that there are rules, then the greater is the effort by taxpayers to exploit loopholes therein.

### **Maori Authorities and charities**

New Zealand's company tax system should not include inequities that competitive advantages to certain, favoured, groups.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished, so that these organisations are not provided with a cash flow advantage over non-Maori competitors. The privilege

currently afforded to iwi authorities has no legal or moral basis in the Treaty of Waitangi or any other supposedly special status of tangata whenua. On the basis of moral universalism, there can be no ethical defence of race-based taxation laws.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent. I suggest that such claims of charitable status and beneficence should, in terms of taxation liability, be subject to the most rigorous and scrupulous examination.

### **Capital gains tax**

A tax on capital gains would most likely discourage investment, thus stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning that investors would likely be discouraged from shifting capital out of unproductive investments. Capital gains tax is, I claim, an 'envy' tax; the fact that other jurisdictions have introduced such taxation does not, of itself, necessarily justify its introduction here. I submit, therefore, that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving; on the contrary, saving ought to be regarded as a socially responsible (even patriotic) duty, and treated as such for purposes of taxation. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, is partially, and significantly, offset by the effects of inflation.

I earnestly submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I aver that any proposed environmental taxes should be based on objective evidence of their efficacy; that is, on a pragmatic, as opposed to ideological, foundation. Accordingly, I respectfully submit that the Working Group develop empirical parameters against which any proposed environmental taxes may be measured and justified.

On the specific matter of water use and its trading, there should be no special dispensation on the basis of race.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Dr Graham Cliff

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**From:** Mark White-Robinson [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld. **Further, it should be noted that New Zealanders make many future decisions on how to structure their lives based on the rules that the government sets. Any changes to those rules (of which tax is one such rule with a disproportionate effect) should not be taken lightly. Your decisions have the ability to significantly disrupt hardworking New Zealanders (who have acted prudently and within the rules and structures dictated by the government) lives and undermine plans that can be decades in preparation and execution. Tinkering to create a 'perfect' tax system (which is unobtainable) should be avoided given the significant costs and disruption it will give to hard working and prudent New Zealanders. Changes will undermine the stability of those people who work hard to keep New Zealand prosperous and stable.**

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers. As far as possible the tax burden on individuals should remain neutral and not be used to increase the burdens on one group.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it. Further it provides a perverse incentive to politicians to undermine the monetary system to increase tax (thus becoming an incredibly destructive tax increase)

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via saving or investing.

### **Taxes on accruals**

Taxes should only be levied on actual gains (in income or capital, noting that I submit that no capital gains tax be recommended). Any taxes on deemed gains or accruals is arbitrary - as no gain is actually made until a transaction occurs - and is merely the tax authority forcing what they believe the value of an asset is in place of the actual owner of the asset. Without an underlying income flow, taxes on accruals could also force sale on anyone subject to the tax in order to meet tax obligations. This is distortionary and unfair and would affect those who are asset rich / income poor significantly.

Further any such tax on an accrual will significantly complicate the tax system.

I submit all taxes should only be levied on actual income flows and not on accruals or accounting gains or losses.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise. Such taxes will needlessly complicate a simple tax system.

### **Simplicity**

Ordinary people and businesses must be able to understand and follow the tax rules without specialist help. Changes should not create complicated rules that force ordinary people to rely on specialist advice (particularly given the penalties for non-compliance with tax law are severe).

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Mark White-Robinson

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**From:** Elizabeth Abernethy [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

Please note this has been customised to fit my views.

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

## **Capital gains tax**

**I agree with Capital Gains tax**, for a short period of time. This will, in time, effectively stop the rich/non-New Zealanders from buying houses and renting, opening up opportunities for NZ first home buyers to secure a home in NZ.

I submit that instead of Capital Gains Tax, persons who are not NZ Citizens are not able to purchase land, houses, apartments, or any related living area/s that would take homes away from New Zealanders. This would result in a possible short-term financial change (downward), but would be securing the future of New Zealanders, and effectively make buying a home a possible prospect for many.

## **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

## **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

I submit that any companies/iwi owned water/springs should be taxed if NZ water is being sold to off-shore parties

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

## **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Elizabeth Abernethy



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**From:** Lex Allan [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors. Racial based taxation is grossly unfair and MUST BE ELIMINATED.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent. It should not be used for competitive advantage.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow savings up to a figure of \$40 to \$50,000 to be exempt from taxation. This would encourage young people in particular to save with greater intensity towards funding for their own home.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water except when being bottled or bulk sold for overseas markets.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. It is the responsibility of the purchaser or the parents or the so called "leaders" of the affected ethnicities to educate "their people" to start cooking healthy foods for themselves if the users don't have the ability to think for themselves. I oppose varying GST for different products.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

L. Allan

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**From:** Darryl Green [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. This is a crazy idea as there is no fixed retail price for items such as fruit and vegetables there is no possibly way to actually measure if any savings are being passed on to the consumer to encourage more healthy choices.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Darryl Green



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**From:** Nic Bonaventure [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **No mandate**

The leading party of the government coalition which set up this working group received less than 37% of the vote. This government has no moral mandate to make sweeping changes to the tax system. This government would have no political mandate if it weren't for MMP, which as a system is a disgrace. The reason you will ignore the issue of mandate is that you are rabid Socialists intent on wealth re-distribution at all costs and pandering to the United Nations. You have no interest in promoting self-sufficiency or individual liberty. You are mainly interested in boosting your voter base by providing 'free' and undeserved income and other benefits to those who haven't earned them.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

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I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

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I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

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I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

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I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Nic Bonaventure

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**From:** Elaine Naidu-Franz [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Elaine Naidu-Franz

---

**From:** Reynold Macpherson [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, on behalf of the Rotorua District Residents and Ratepayers (555 members and associates), with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. We submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, we submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

We submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. We note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

We submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

We submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

We submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

We submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

We submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

We submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

We submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

We submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

We submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: We oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. We oppose varying GST for different products. We oppose increases to tobacco excise.

Beyond the points made above, we endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Reynold Macpherson

Secretary, Rotorua District Residents and Ratepayers



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**From:** Kokila Patel [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments. Capital Gains tax operate in Australia, and has little impact on dampening house price inflation.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation. These savings should not be taxed at all, as they unfairly disadvantage the elderly, and children who have relatively small bank accounts. We should be encouraging good savings habits with our children, as they are our future tax payers.

I submit, that there should be no RWT on savings for the elderly (over 65) or children (under 18)

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco and petrol excises. These taxes are regressive, and disproportionately impact lower income New Zealanders. Further, any tax should demonstrate a change in behavior, which these will not.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Kokila Patel

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**From:** Tom Dobbe [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Sir Michael Cullen and your Fellow Members,

A general comment: New Zealanders already pay a substantial amount in tax. Governments need to become more disciplined in their spending, honest in admitting any increase in what is taken from an individual is a tax and **stop under estimating the power of a good education coupled with the power of Public opinion.**

The summary of my submissions are:

1. Stop the tax creep that insidiously erodes the take home pay of wage earners.
2. Reduce company tax rates and make them the same for large or small companies
3. Close the loop hole that allows Charitable Businesses tax exemptions even when the funds are not directly used to benefit the charity.
4. I am opposed to a capital Gains tax
5. Maori Authorities should be taxed at the same rate as all companies.
6. Any environmental tax proposals should be sector neutral
7. GST should remain structured as it is.

Expanding on the summary:

1. Our society used to function well on a good days work for a good days pay, this needs to be encouraged. An increasing trend world wide is more people voting for Governments that distribute more in the way of benefits. This is mistaken ideology and leads to dependency and dissatisfaction. All of which erodes the ethos of the individual entrepreneur or work ethic so important to a balanced life. The benefit from a good take home pay is immeasurable, it allows the growth in Self esteem, allows choice and a chance to adopt a healthy life style. We will live longer and this will become extremely important. It is dishonest of any Government to continue what is known as “Bracket Creep” eroding what is rightfully an individuals take home pay without asking the tax payers of New Zealanders if they agree. Other Nations have done this very successfully. By being honest it will stop any future Government making false “play” from tax cuts.
2. We need to encourage industry, new investment that is determined by the market place not Government directed or influenced, to identify and expand new opportunities and provide work for any age group that is fit and able. Not having work available at a good rate of pay, balanced with encouragement to work, will eventually destroy the fabric on which our society is built. Increasing productivity is essential.

3. Some of these organisations are huge businesses competing on an unlevelled playing field with full tax paying companies. They are able to accumulate huge assets with only a small proportion going back to the people they claim to represent.
4. Keep the tax system simple. Even exempting the home from Capital Gains tax has not been proved overseas to benefit anyone; it certainly has not reduced house prices long term. People need to be encouraged to invest in productive assets that will benefit New Zealand.
5. NZ has made enormous settlements to Maori and indeed many Tribes now own some of our biggest companies. I believe New Zealanders have been very fair in their acceptance of this directional payment but from now on we need to all pull our weight equally.
6. Politicians should not be given the chance to ideologically favour certain entities within a sector. Farmers are making huge personal investments on their land to improve the environment, let the marketing company make this call, as today's consumer is very discerning. Individuals with their choice of vehicles, recycling and reduction of wastage are starting to make an impact. Individuals are collecting like minded people to gather and clear the ocean of plastic, funded philanthropically. The advent of electric vehicles is exciting. People understand the advantages over fossil fuelled motors. It took five years in America to change from horse drawn vehicles to the motor car as new opportunities were appreciated. This will not be so dramatic but as technology improves, volumes will increase and the price will drop.
7. A simple tax on the consumer that has proved effective over time. As much as I hate paying a tax on a tax, for example GST on rates, the system we have is easy to administer and should not be tinkered with.

**Do not underestimate education and the power of public opinion.**

We are seeing this with health and the willingness to reduce sugar, increase exercise and take control of ones destiny.

How many cars do you see on the road today with a bike carrier on the back?

10 years ago you would count them on one hand.

Taxes are expensive to operate and implement and there is a reluctance to remove any imposed tax take.

Thank you for your time.

Yours sincerely,

Tom.

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**From:** Allan Cressey [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

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I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Allan Cressey

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**From:** Bee Choo Tee [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

In principle, I support the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

In addition, I also put forward the following submissions:

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

In addition, there is a lot of media reports that specifically, capital gains tax is aimed at residential property investors (family home is exempt). It is grossly unfair to single out one type of business on which to apply this tax. What about art collectors, antique buyers, stock/ share investors, businesses that are sold with a capital gain?

I submit that the Government should not implement such a tax.

### **Ring-fencing of losses on residential property investments**

The intention to disallow losses on residential property investments to be claimed against income from other sources in the year in which the loss was sustained goes against the tenet of a fair taxation system.

A taxpayer who has more than one job pays tax on their net taxable income from all the jobs combined. For instance, if their primary job pays \$50,000 per year and their secondary job pays \$10,000 per year, income tax is calculated on the total of \$60,000.

If the same taxpayer ran a part-time business (instead of having a secondary job) that returns a net profit of \$10,000 that year, the same rules apply - add both together and the taxable income is \$60,000. If instead of making a profit, the part-time business made a net loss of \$10,000 in that particular year, this loss can be deducted from the primary job income, reducing their taxable income to \$40,000.

Irrespective of the product or service that the part-time business provides (be it retailing, importing, wholesaling, coaching, consulting, training or renting out residential houses to tenants), under current New Zealand tax laws, the exact same rules apply in each and every case.

So, the current ability for residential landlords to deduct their losses in the business of providing rental housing against income from other sources is not some unique tax perk that only applies to landlords. This

"loss offset" is available to each and every taxpayer.

Ring-fencing of residential rental losses is actually instituting a special tax law that would only apply to landlords and to nobody else. It is grossly inequitable to single out and penalise landlords in this way.

The ramifications of implementing this ring-fencing would be:

- landlords cutting back on spending on repairs and maintenance on their rental stock and putting this money into improving their own homes (landlords are more likely to own their own homes too)
- reduction in the quality of rental houses over time
- landlords who cannot cope financially quitting the residential rental business altogether contributing to reduction in rental stock (the likelihood of these houses being bought by owner occupiers increase when landlords find the business unattractive)
- rents increase as rental stock decrease (statistically, there are fewer occupants in owner occupied homes than there are in rental houses)
- renters face higher costs and lower quality rental houses

I submit that the ring-fencing of losses on residential property investment will have the opposite effect of what the Government intends to achieve and should not be implemented.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

In addition, there is a lot of media reports that specifically, capital gains tax is aimed at residential property investors (family home is exempt). It is unfair to single out one type of business on which to apply this tax. What about art collectors, antique buyers, stock/ share investors, businesses that are sold with a capital gain?

I submit that the Government should not implement such a tax.

### **Ring-fencing of losses on residential property investments**

The intention to disallow losses on residential property investments to be claimed against income from other sources in the year in which the loss was sustained goes against the tenet of a fair taxation system.

A taxpayer who has more than one job pays tax on their net taxable income from all the jobs combined. For instance, if their primary job pays \$50,000 per year and their secondary job pays \$10,000 per year, income tax is calculated on the total of \$60,000.

If the same taxpayer ran a part-time business (instead of having a secondary job) that returns a net profit of \$10,000 that year, the same rules apply - add both together and the taxable income is \$60,000. If instead of making a profit, the part-time business made a net loss of \$10,000 in that particular year, this loss can be deducted from the primary job income, reducing their taxable income to \$40,000.

Irrespective of the product or service that the part-time business provides (be it retailing, importing, wholesaling, coaching, consulting, training or renting out residential houses to tenants), under current New Zealand tax laws, the exact same rules apply in each and every case.

So, the current ability for residential landlords to deduct their losses in the business of providing rental housing against income from other sources is not some unique tax perk that only applies to landlords. This "loss offset" is available to each and every taxpayer.

Ring-fencing of residential rental losses is actually instituting a special tax law that would only apply to landlords and to nobody else. It is grossly inequitable to single out and penalise landlords in this way.

The ramifications of implementing this ring-fencing would be:

- landlords cutting back on spending on repairs and maintenance on their rental stock and putting this money into improving their own homes (landlords are more likely to own their own homes too)
- reduction in the quality of rental houses over time
- landlords who cannot cope financially quitting the residential rental business altogether contributing to reduction in rental stock (the likelihood of these houses being bought by owner occupiers increase when landlords find the business unattractive)
- rents increase as rental stock decrease (statistically, there are fewer occupants in owner occupied homes than there are in rental houses)
- renters face higher costs and lower quality rental houses

I submit that the ring-fencing of losses on residential property investment will have the opposite effect of what the Government intends to achieve and should not be implemented.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products.

Although I support increases to tobacco excise, I would prefer that we work towards the elimination of tobacco products being imported into and/or produced in New Zealand. Some would view this approach as rather draconian. However, non-smokers have the right to enjoy their surrounds when they go about their daily lives without having to breathe in air polluted by smokers. We also need to teach the new generation coming through the education system to be non-smokers.

Yours sincerely,

BeeChoo

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**From:** John Herbert [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

### **Education**

I submit all expenses to educate a child be tax deductible including uniform, tuition cost (including private schools and private tuition) and university cost off setting student loans

Small rental business by mum and dad saving for retirement should not be touch alternatively all tax credits should be placed in their kiwi saver accounts

Yours sincerely,

John Herbert

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**From:** Ken Orr [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

I also submit that it is an intolerable injustice for the taxpayers of New Zealand to be obligated to pay for the killing of innocent and defenceless children in the womb. The government promotes the "right to choose" to have an abortion for any reason but does not provide taxpayers with the right to choose not to fund the killing of our nations unborn.

Yours sincerely,

Ken Orr

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**From:** Sebastian Pinto [1]  
**Sent:** Saturday, 5 May 2018 9:54 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

There is a big economic uncertainty around the corner. Increasing tax will put many young families in huge trouble. The ones that have just purchased their first homes will be affected the most. I suggest that the government starts some kind of control over the banking system and the manner in which mortgages are done here. It is a very faulty system and needs to be overhauled. It's strange why the governments in New Zealand have allowed it.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Robert Tait [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase of operating equipment or over the first 2-3 years of purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax. However if such a tax is introduced there should be no exemption for any Maori authorities, incorporations or trusts.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group carefully consider the expansion of behavioural taxes and the likely impact on our most vulnerable communities. However, there should be disincentives to consume some foods that have been proven to have an adverse health impact. The consequences of some foods such as sugar have a cost to all New Zealanders who make a conscious effort to manage their weight and health.

revenue gathered from such taxes should be used to target education campaigns to reduce the health impact of such foods as sugar.

Specifically: I support the introduction of a sugar tax, but oppose at this time any other form of additional tax on food products. I oppose varying GST for different products.

I support the increases to tobacco excise.

Generally I support the review of the New Zealand tax system but strongly recommend that all New Zealanders be treated equally, specifically that Maori be not given any special treatment and that businesses operating through a charitable trust structure be taxed the same as all other businesses and only exempted from tax for income distributed for charitable purposes to genuine beneficiaries.

Yours sincerely,

Rob Tait

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**From:** Barry Shaw [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

It is quite clear that, should any money become available to a lower income bracket person or household, that extra income would quickly be spent in the economy. This would encourage growth. However, the opposite occurs when taxes bite ever deeper: people are impoverished, de-motivated and more likely to be distrustful and even aggressive towards those seen as responsible for the desperate situation they find themselves in.

We in New Zealand may be far away from many countries, and perhaps are understandably ignorant of those countries experiences which underline the truth of the previous paragraph. But ignorance is not bliss in government!

Allow people to have more, not less. Do not "dig deeper and deeper again" into taxpayers' pockets. It does not work over the long term.

Let there be sense and consideration of all of our citizens.

Let there be fiscal responsibility and good management, not waste, by those in positions of trust.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Taxes on superannuation**

I submit that taxation of a person's superannuation is taxing of already taxed income over the person's working lifetime. This is "double-dipping". Such action is unconscionable for a government providing a return on the superannuation deposits made over the long term. It again impoverishes those who have worked to improve their lifestyle. This is tantamount to robbery by government.

I submit that this should be changed: zero taxation on superannuation income.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Barry Shaw, BA, PGCE, BTh, CC

[1]

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**From:** Martin Scott [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper. I do not wish to appear before the Working Group.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes, tax hikes or tax rebalancing are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed; income tax thresholds should be treated no differently.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy, and with a higher than necessary dependence on foreign capital.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and additional running costs, and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing all businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and Charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantage.

I submit that the 17.5% income tax rate for Maori Authorities be abolished, so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments. The low-investment, low-productivity economy would not improve and savers would not feel secure in their possessions.

I submit that the Government should not implement taxes of this nature, and should repeal existing taxes on (unrealised and realised) capital gains.

### **Land tax**

The implementation of tax on land (no different to savers' other accumulated capital), purchased with after tax savings, could well be confiscatory in nature. Low productivity land or land used for investments such as forestry may have a low or negative cashflow for extended periods, yet a land tax will no doubt be continuous in nature. It's inherently unreasonable, and landowners large or small are hardly going to view a policy that allows the State to facilitate other people seizing those assets, potentially at a distressed price, favourably.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savings form the capital needed for investment in the future and more productive economy. Savers' savings (capital) has already been taxed at source and savers (namely those with retirement funds, investment schemes, deposits for a house, or accumulated capital to start a business) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via saving, and that the Government should not implement any taxes on citizens' capital.

### **Environmental taxes**

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against. Such framework to have a clear and demonstrable scientific basis, and respecting property rights.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union* with the exclusion of sections 132-139 inclusive, concerning a Land Tax

Yours sincerely,

Martin Scott.

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**From:** Craig Jenkins [1]  
**Sent:** Saturday, 5 May 2018 9:54 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld and submitted in contract.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,



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**From:** kevin harden [1]  
**Sent:** Saturday, 5 May 2018 9:54 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Jan van Zyl [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers. Increasing fuel tax on the one side and then on local councils also increasing their tax is double the blow for the same promised improvements.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains is needed to prevent the house prices from sky rocketing. It should only be implemented on a dwelling that you not reside in or is an investment (second dwelling). Capital gains tax needs a time frame for turn around. Property investors purchase a house at a low cost, repair and then selling it off with a huge profit, that needs to be taxable, that's in come.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Bill Rigby [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Furthermore, there should be a concerted effort to reduce all taxes in all brackets. If this means reducing the size of government and local council bureaucracies then so be it. If it also means mass sackings in

these institutions then that should be done. None of these people produce anything of value, and many of them get in the way of those who do.

Than you for yor attention.

Bill Rigby

Yours sincerely,

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**From:** David Houston [1]  
**Sent:** Saturday, 5 May 2018 9:54 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

I submit as follows ;

### Simplicity and fairness

The system is too complicated meaning we have to pay accountants/ tax agents fees for nothing more than compliance / refunds of tax we should never have paid in the first place . These fees are a unnecessary drain on resources and add nothing to the betterment of society

Further why disincentivise people to create and build by , in the name of “fairness”, taxing them more per dollar than those who don’t contribute as much

Lastly not only should we be encouraged to generate more , but we should be encouraged to also save what we make so we can pay for our own care in old age

Better I suggest to ;

1 abolish all tax except GST

2 take GST off life’s staples such as food ( excluding takeaways , alcohol,confectionary .... ) housing and clothing

3 quadruple GST on everything else

Result is you earn it , you keep it and can have life’s basics free of tax. Further you can save/ invest it free of tax . However if you chose to spend it on other than life’s necessities then you chose to pay GST . This would mean the poor get what they earn and can live free of the tax burden . The wealthy if wanting tokens will then have to really pay for them . This will rebalance everything

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

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I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Johannes Bronkhorst [1]  
**Sent:** Saturday, 5 May 2018 9:54 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

Refer to the grossly negative impact on Australia, ref: report to ASX: CAPITAL GAINS TAX: ANALYSIS OF REFORM OPTIONS FOR AUSTRALIA

Alan Reynolds

Senior Fellow and Director of  
Economic Research, Hudson Institute  
(Washington D.C., United States)

A

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

J.A. Bronkhorst

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**From:** Camillo Silveira [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

The average middle class income is being taxed at the highest tax bracket which is absolutely unfair

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

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I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

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I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

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I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

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Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Camillo

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**From:** Sally McIntyre [1]  
**Sent:** Saturday, 5 May 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

## Submission to the Tax Working Group

Thank you for the opportunity to make this submission on the future of tax in New Zealand.

Chairperson Sir Michael Cullen has said that the Tax Working Group is not about how to raise more revenue for the Government. I **submit** that the Tax Working Group have a duty to ensure this promise be upheld.

I wish to comment on the suggestions and questions set out in the Working Group's Background Paper.

### Revenue neutrality

Where new taxes and tax hikes are recommended by the Working Group, I **submit** that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### Bracket creep / fiscal drag

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I **submit** that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation as many government benefits and entitlements are indexed — income tax thresholds should be no different. It is pertinent to note this bracket creep also affects those on a benefit.

	<u>National Super</u>		
	Gross	Tax	Net
1/04/2017	900.20	119.80	780.40
1/04/2018	926.08	124.34	801.74
	25.88	4.54	21.34
<b>% Increase</b>	<b>2.87%</b>	<b>3.79%</b>	<b>2.73%</b>

### Company taxation

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I **submit** that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### Expensing of capital

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I **submit** that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I **submit** that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I **submit** that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I **oppose** a tax on capital gains and **submit** that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I **submit** that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I **oppose** any proposal on environmental taxes.

I **submit** that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I **oppose** the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I **oppose** varying GST for different products. I **oppose** increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Sally McIntyre

[1]

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**From:** Keith Williams [1]  
**Sent:** Saturday, 5 May 2018 9:54 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

As some background, I am a Kiwi forced to work in Australia due to the lack of job opportunities for my technical skills in NZ, but NZ is still my base.

As a result, I pay tax in both NZ & Australia.

In Australia I have witnessed a surge in property pricing exactly the same as seen in NZ, and Australia has a capital gains tax.

I have had a rental property in Australia for more than 15 years yet I am loathe to sell it due to the capital gains tax it attracts upon sale. If I want to sell it in order to buy a better performing asset, I get taxed twice, CGT on sale and Stamp duty on purchase of the new asset. Thus I have no incentive to support "more productive assets" such as business, and also little incentive to find a better performing property. I have lots of incentive to continually push for higher rents to offset the increasing costs.

I note with concern that the NZ Labour government stated that its intention would be to charge CGT on increases in "value" of property, but not provide compensation upon losses in "value". This is not a level playing field and inconsistent with any other business tax rule.

Such an attitude clearly demonstrates how the Government simply thinks it can charge what it likes in the form of tax, in order to fund its pet projects or current MP perks or past MP pensions.

A "Fair" tax system is not subject to political whim, applies equally to all forms of "income" and equally to all people and business, and applies only to actual income, not to manipulated "increases in value"

I also have rental properties in NZ, and in recent months have been seriously considering selling up due to the interference signalled by the Government.

This interference and the already implemented requirements for new facilities that must be provided in rental properties, directly increase my costs, but as they are capital expenses, they are unable to be claimed as a tax offset due to the removal of capital depreciation some years ago.

Australia still provides for capital depreciation of both the building and any improvements, such as those required by NZ Government.

Inability to claim the costs of the forced improvements simply adds collective pressure on all landlords to continue to push up rents for as long as possible to be able to offset the increased costs.

In the current rental situation, with massive shortages, this is seeing tenants having to pay very high proportions of their income as rent, leaving little left over for general expenses, and thus economic activity slows down. ie poor tax policy directly affects GDP.

A CGT on the sale of these rental properties will simply encourage me to hold onto them forever (should I decide not to sell up before CGT is implemented), thus reducing property turnover and depriving would-be home owners the opportunity to buy their own place.

An annual CGT / wealth tax based on an arbitrary increase in "value" will simply encourage the Government to implement policies that drive the "values" higher, in order that they grab more tax on "an increasing value".

The "increasing value" is a flat out lie.

It is predominantly inflation and compliance costs, generated by the Government, and under reported as CPI, which is based upon a select few items that don't show up the true inflation.

Ask anyone in NZ right now if they believe that inflation is only 2% when they see the price of their food increasing on a weekly basis, fuel constantly increasing, and power and water constantly increasing, all more in the region of 10% than 2%. Even rates have been increasing at around 5%, so how can inflation only be 2%, It is simply number manipulation to make the Government look better and lower the cost of any index linked benefits.

A wise property investor I know likes to demonstrate what a lie the "increase in value" really is:

If you bought 1 house 10 years ago for \$300k, and today it is "worth" \$600k, ie double, can you now sell it and buy 2 houses ?

Of course you can't, because inflation has devalued the \$ in that time so that now 300k buys half as much as it did 10 years ago, and you must now pay \$600k to get the equivalent "value" of house.

Yet a CGT / wealth tax applied each year on the inflation caused "increase in value" would actually be attacking the capital invested, not the "perceived income / value increase above inflation".

Any such tax would have to be calculated only on the true realisable increase after costs (likely to be far above CPI) and relevant to each asset class, ie a "real inflation" calculation based upon similar types of assets. Thus residential property "true inflation rate" may be quite different to that of commercial property, or agricultural property or artwork or gold or shares or cars or coins or wine or boats - yes CGT must be applied across all asset classes, not just property.

Government policies / regulations (eg health & safety) as well as supply and demand for such things as building materials have dramatically increased new building costs, thus pushing up prices of new builds, which flows into existing stock prices, but there has been no increase in profit from the builders point of view, just much higher input costs.

If a property owner then needs to repair the property, those repair costs have skyrocketed (Auckland callout costs are now over \$200 before any work is actually performed) yet are not factored into CPI, all that is seen is the "increase in value" of the property, disregarding the increase in costs. The whole concept of such a tax is so absurd that it demonstrates that its proponents either have absolutely no clue how everything in the economy is intrinsically linked, or they fully understand it and it is simply an envy tax.

Such a tax would further increase rents for already struggling tenants, due to the tax being a cost increase with no direct income increase to the landlord - a value increase in a residential property does not produce an increased income like it does in the commercial property world. I would be being taxed on something that I get no benefit from unless I sell - the very worst type of tax that there could possibly exist. This would likely cause many to give up owning rentals, (I am seriously considering it) placing even more demand on the already woeful supply of state / community housing. Those that stick with it will collectively push hard to get rents to the level that they should currently be to reflect the input costs, the cost of capital and the cost of risk. Current rent levels, particularly in Auckland, are nowhere near where they need to be based on current property prices, constantly increasing costs due to regulations, insurance and rates, and in comparison with returns that could be achieved in other asset classes.

My rental properties are my retirement fund. I have purchased them in order to provide for myself in the future and reduce the load on the Government.

Taxing my capital is taking away my savings, - not the interest / income on the savings but the savings themselves.

That is straight out theft. !!!

Why would I bother to do anything for myself if the Government is just going to take it away ?

I may as well just sit back and rely on Government handouts, or sell up and move permanently to Australia, where I get fairer and equal tax treatment, and only get taxed on income actually received, not some notional wealth increase calculated using manipulated numbers to benefit political agendas.

Thus NZ loses: access to my skills, the Australian income that I currently send to NZ (reducing the balance of payments), a taxpayer, and rental properties (my properties would likely sell to first home owners - there would be less investors - and stats show that rentals on average house 4 people while home owners average 1.5 - 2 per household.)

I am all for revamping the tax system, but it must be fair, apply across the board to everyone, to every asset class, and only apply to income actually received.

Yours sincerely,

Keith Williams

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**From:** George Walker [1]  
**Sent:** Saturday, 5 May 2018 9:54 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

George Walker

[1]



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**From:** Ann Fullerton [1]  
**Sent:** Saturday, 5 May 2018 9:54 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

*I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.*

*I submit two peoples - Maori and British - signed the Treaty of Waitangi. Former chief justice Robin Cook has pointed out these peoples signed as equals. To me this suggests one of these peoples should not have tax advantages over the other.*

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

*I submit legislation be enacted to stop companies owned by charities paying/spending more than 7-10% of annual turnover on their management. Including CEOs and directors. Particularly if the charity solicits donations. The public need to know their donations go to charity, not to charity administrators.*

### **Capital gains tax**

*I submit New Zealanders are already overtaxed to prop up excessive state and local body bureaucracy and foreign-owned businesses. Capital gains taxes, if implemented, should not apply to New Zealand citizens if they have resided here five years or more.*

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral, *unless the environmental tax applies to non-New Zealanders.*

*I submit that taxes on water should apply to foreign investors only. Water is a valuable resource. New Zealand citizens must have first call on our country's water for domestic supply. Totally New Zealand-owned businesses and farms should have preference for water supply over foreign-owned ones.*

*I submit before entry to New Zealand, tourists and other visitors pay a one-off per visit environment protection tax to go to local bodies to clean up pollution caused by freedom campers; that freedom camping be banned as a major public health and environmental hazard (tourists introduced gypsy moth and giardia); that tourists not be allowed entry unless they are free of contagious diseases - including Aids - and have enough medical insurance to cover their illnesses, injuries, rescues and deaths without been bailed out by the New Zealand taxpayer; that tourists not be allowed entry without having enough third party insurance to cover possible injuries, illnesses, deaths, theft and so forth they may cause to both New Zealanders and other tourists.*

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose increases to tobacco excise.

*I submit the Sale and Supply of Alcohol Act 2012 include a Treaty of Waitangi clause, same as most other legislation does.*

*I submit it is businesses such as alcohol, mining, overstocked farms, manufacture and so on responsible for pollution that should bear full cost of cleaning up their respective messes. Not other taxpayers.*

*I submit GST be fully abolished on local body taxes (rates) and GST not be applied to other taxes.*

*I submit that GST be cut to 10% maximum; and consideration be given to abolishing GST or reducing it to 5% on fresh fruit and vegetables, school costs, and children's clothing. Particularly for people with Community Services Cards.*

*I endorse much of the [broader submission](#) made by the New Zealand Taxpayers' Union.*

Yours sincerely,

Ann Fullerton

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**From:** Fiona Mackenzie [1]  
**Sent:** Saturday, 5 May 2018 9:54 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

It does feel like the more we pay, the less we get, yet we see constant waste and mis-spending by politicians and bureaucrats. It's far too easy to take and throw away other people's money. So where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

New Zealand is already a low wage economy, made so much worse by bracket creep. The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

We need more people to create new businesses, to create jobs and grow wealth in our country. To take on the associated pain and challenges, people need to be motivated and incentivised. Why would any of us put ourselves at risk if there weren't going to be opportunities for good returns? Bureaucrats and politicians have cruiser lifestyles and better incomes than most self-employed people. What's worse, many businesses have to compete with "charities" or "Maori authorities" which pay very little or no tax. That's so unfair (see below).

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

The status quo is so unfair. New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

I'm torn on this one. On one hand I can see how it would discourage investment or sales of said investment, yet it does seem unfair that people get away with 'earning' capital gains without paying any tax, even though they are technically supposed to.

Obviously losses should be deductible if a capital gains tax was brought in.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I see these as opening up the hornets' nest as the Iwi Chairs Forum have made it very clear that they are after the associated control and revenue streams. Any income derived from these should not go into paying off "private interests" or paper-shuffling bureaucracies. They should be strictly used to directly improve the environment they come from.

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

Keep it simple and have direct consequences for abuse of any substance. You smoke and get lung cancer, you just get palliative care. You eat too much and get fat, you get less taxpayer-funded healthcare/you have to pay for two seats, etc.

I submit that the Working Group recommend against the expansion of behavioural taxes. Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products, apart from rates, ACC and other forms of tax.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Fiona Mackenzie

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**From:** Stephan Hokke [1]  
**Sent:** Saturday, 5 May 2018 9:54 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

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I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

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I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

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### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

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Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

### **Two Tier Sales Tax to replace income tax.**

I submit that you initiate a study to evaluate how to replace income tax with a two tier sales tax.

All food and charity donations and interest to be at 0% everything else at 20%. Hence a mortgage principal would be taxed at 20% but the interest on the loan at 0% This would reward the state for increasing the productivity of the country and penalize the state for mis-handling the economy

Yours sincerely,

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**From:** Greg Powell [1]  
**Sent:** Saturday, 5 May 2018 9:54 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

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Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

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### **Bracket creep / fiscal drag**

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### **Company taxation**

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I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

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### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Tracey McLeod [1]  
**Sent:** Saturday, 5 May 2018 9:54 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments. Landlords would be discouraged in renovating and improving properties for the comfort of tenants, if they are going to be penalised with future capital gains tax, and an increase in local governments rates tax.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation. Savings are effectively taxed twice, as the money deposited into banks, has already had income tax deducted from it.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water. Overseas companies should be paying a higher water tax, when they remove water from New Zealand and export overseas.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I agree with increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,



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**From:** Jeremy Busck [1]  
**Sent:** Saturday, 5 May 2018 9:54 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

"Create the conditions in which Business can thrive and from this all else will follow "

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Above all else for a Nation to prosper it must reward those who work hard and achieve success which benefits all of its inhabitants.

A Nation should not penalise those who are successful with higher taxes otherwise there is no incentive to succeed

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Jeremy Busck

[1]

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**From:** John Laing [1]  
**Sent:** Saturday, 5 May 2018 9:54 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise. I think GST should be reduced to 10% and a 2% tax on all financial transactions, be started, also all property owned over the one you live in and one to rent out these should stay as they are, but any property above this number should be taxed at 33% also all trusts should be taxed at 33% also this will prevent money laundering

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,



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**From:** Terence LITTLE [1]  
**Sent:** Saturday, 5 May 2018 9:54 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Luis Cannon [1]  
**Sent:** Saturday, 5 May 2018 9:54 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand.

Fiddling with taxes before an in depth evaluation of immigration policy is an exercise in futility. The present pressure on infrastructure and services has largely been caused by immigration running ahead of the ability to fund them.

Kicking out the 10,000+ overstayers would also take some pressure off the provision of services.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Luis Cannon

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**From:** John Cooney [1]  
**Sent:** Saturday, 5 May 2018 9:54 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

We have seen how president Donald Trump has stimulated the US economy with tax cuts. Any tax increases on top of increased regional fuel taxes will be a negative to the growth of the New Zealand economy.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,



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**From:** Tom Ireland [1]  
**Sent:** Saturday, 5 May 2018 9:54 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should target those removing water from the environment and reselling it as a packaged product. After should in this case be subject to a taxation regime not I similar to the basic fuel tax. Water is a far more precious resource than oil or gas and should be treated as such.

I submit that motor vehicles pay enough tax in the current environment. The manufacture of a motor vehicle has the highest environmental impact over its lifetime. Modern manufacturers are built in a limited lifetime through technologies and vehicles should be taxed encouraging vehicles with a longer life to be built using simpler effective technologies.

### **Lifestyle taxes**

I submit that the Working Group avoid the state becoming a regulatory nanny and recommend against the general expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I support increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,



---

**From:** Carl Forster [1]  
**Sent:** Saturday, 5 May 2018 9:53 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

*That they also need to address the fact that overseas Multinational companies are avoiding and escaping paying their fair share of TAX due in New Zealand*

*Seed or Research monies:*

*There needs to be a method of helping NZ companies with seed money so that new products/medical not go overseas due to the lack of funding for the "Patents" to protect the intellectual parts.*

*Too often we see products/ideas sold overseas due to NOT money available in NZ.*

*Expensing of capital*

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Carl Forster

[1]

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**From:** Phil McKenzie [1]  
**Sent:** Saturday, 5 May 2018 9:54 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (including those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

### **GST on licenses,levies,road user charges**

I submit that applying GST to various government-required licenses, levies and road user charges amounts to a "Double-Jeopardy" situation which is morally wrong, legally questionable and encourages people to delay and/or avoid payment.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,



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**From:** Barbara Delaney [1]  
**Sent:** Saturday, 5 May 2018 9:54 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

I am Atheist along with 50% of New Zealander. Why hasn't the amount of taxes for religious charities not been reduced by at least half, to be more represented of the amount that are religious. We need more information and transparency on how much money is given and who decides the amount and why with less kiwis even going to church it need to continue. Please some common sense.

The council who wants to increase our petrol tax need to rethink this tax by considering the amount of rate tax that religious NEVER pay I am and all other nons are expected to subsidise church property through my rates, how unfair is that? Give the people of NZ a chance to have a voice on; why are atheist tax payer forced to support religious charities the answer will surprize you. Give us an opt in or opt out option on our rates. Other countries with less people supporting religion every year changed their laws. Canada recently now taxes churches.

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

Why isn't the government going after big corporations and making then pay their fair share of tax ?

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Tax avoidance with religious business**

This is loathing to most NZ religion using their charity status to avoid paying taxes. Why was this ever allowed? There are so many of them I don't know where to start but this law needs to be changed. Wheatbix is an example of religious privilege not having to compete with other companies that pay tax that produce breakfast cereals. I submit that the Government should implement a tax.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

Glory Vale takes millions of tax pay dollars to push their religious cult and the NZ government turn the other way. As a woman I can't believe anyone could think it was ok to let these young girls have numerous kids get straight on welfare and are deemed only able to cook and clean. Modern slavery from a cult that has brain washed from a very early age. I submit that the Government should implement a tax on the cult and their Business.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Barbara Delaney

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**From:** Brent Jamieson [1]  
**Sent:** Saturday, 5 May 2018 9:53 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** John leech [1]  
**Sent:** Saturday, 5 May 2018 9:53 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors. They are New Zealanders and already have more in prison that we are paying for

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax. The government are already getting tax money from over charging the tax payer and never return it

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation. It is time they worked within the budget insted of more & more Taxes that only increases the cost of living useles. Only they can aford anything they need to get.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely, J B Leech.



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**From:** Callum Wilson [1]  
**Sent:** Saturday, 5 May 2018 9:54 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Callum Wilson

[1]

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**From:** Dianne Dawson [1]  
**Sent:** Saturday, 5 May 2018 9:54 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

I propose, instead of clawing more and more money from the people who earn it, reducing their ability to survive and live normal lives, that all government departments undergo a vigorous, comprehensive audit of their expenditure, as there is plenty evidence of wastage and outright misappropriation of taxpayers hard earned money. There are so many examples of government expenditure that are a complete waste, produce nothing and in many cases create a severe disabling influence on the New Zealand economy.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Dianna Dawson

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**From:** Wilson Penman [1]  
**Sent:** Saturday, 5 May 2018 9:53 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

To the members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

### **Revenue neutrality**

How many taxes does a small nation of \$4million people need. Having been in business for several decades I can assure you that the more complicated it get the less the productive sector get done and the nations wealth suffers.

I suggest you should be looking at removing taxes and then making the remaining ones work simply and well.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy. As previously stated keep it simple.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

This is a major. The current write off for capx at \$500 is crazy. Makes accounting complicated and start up businesses struggle with cash flow. Make things simple for new businesses. You should be able to write everything off in the year of expenditure if you have paid capital for it.

### **Maori Authorities and charities**

It is racist that I have to compete with a Maori authority in exactly the same business but our tax treatment is totally different. It is racist. It is not fair and does nothing to get more business competition particularly in tourism areas.

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

I support a capital gains tax particularly on profits received from the sale of investment properties and farms. They are business operations and should be taxed as such.

### **Taxes on savings**

Tax on savings is a joke. With interest rates low the vast majority of savers are discouraged and this is fueling investment in "investment properties". Time to make savings inflation neutral.

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

Until someone can show that there are environmental issues that need addressing and that a proposed tax will improve outcomes there should be no environmental taxes

### **Lifestyle taxes**

Tax is theft. It has nothing to do with lifestyle. If the Government is going to steal my money from me then I suggest you have some degree of care around how you spend it. Stealing from me to change someone else's behaviour does not seem an enlightened thing to be doing.

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Wilson Penman

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**From:** Dr Rui Mendel [1]  
**Sent:** Saturday, 5 May 2018 9:53 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

In support of the Taxpayer's Union I am putting this submission below. Adding to the template suggested is my personal impression after spending some time in Australia. I note the significant differences in the tax systems between the two countries and the number of New Zealanders who have moved across the ditch for, amongst other reasons, the amount of taxes paid in New Zealand. Proportionally we pay significantly more for much lesser services. The recommendations by the Taxpayers' Union are fair and included below. I also urge you to take a pragmatic, non ideological approach, when reviewing our tax system to avoid more economical haemorrhaging than we are having already.

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Mark Stockdale [1]  
**Sent:** Saturday, 5 May 2018 9:54 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

Further, I recommend that an overall objective of the Working Group should be to investigate ways to reduce the overall tax burden of taxpayers, such as through reducing income taxes, thereby increasing the financial wellbeing of New Zealanders and also stimulating the economy through increased spend or investment; lower taxes equals a stronger economy.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating

productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Mark Stockdale

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**From:** Ingrid Blyth [1]  
**Sent:** Saturday, 5 May 2018 9:53 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers. And suggest in this digital age a more public input is sought instead if the working group assuming they know what's best. You are likely out if touch with large sectors of the community.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that before you penalise savers you should reduce politicians wages and other frivolous spending.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise. This tax is effectively legalized bullying and should not be allowed

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Ingrid Blyth

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**From:** Tim Holland [1]  
**Sent:** Saturday, 5 May 2018 9:53 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different. Particularly given this government campaigned on fairness.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax. This tax would have the perverse effect of causing less rentals to be available as a further attack on landlords causes more to sell their investments.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Tim Holland



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**From:** Brittany Fowler [1]  
**Sent:** Saturday, 5 May 2018 9:53 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Allan Davidson [1]  
**Sent:** Saturday, 5 May 2018 9:53 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand under a Labour Government with particular reference to the Working Group's Background Paper.

Sir Michael stated publically that the Tax Working Group is not about how to raise more revenue for the Government. I want the Labour party, which I voted for, to uphold this promise.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate the middle income taxpayers who are the largest revenue income source for the Government.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy however the largest (particularly foreign owned) companies pay the least tax due to their business structures design to reduce tax liability, leaving the biggest employers, small to medium businesses, unfairly carrying the tax burden.

I support the Government's proposed greater investment and growth Background Paper's proposal of cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities. Businesses that are destined for growth will factor in a two tier tax regime while the bulk of smaller to medium businesses can then invest in local businesses and have confidence in creating new employment.

Like many medium sized business owner's I have no interest in growing to a corporate business model and see the Fletchers and Fonterra's of NZ as a negative corporate business model that is destructive to our way of life and employment security for NZ'ers.

As a second generation family business with staff of over 35yrs employment I believe Mu views represent a large sector of small to medium business owners.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

While not a supporter of huge corporate business, if an business can grow to this level and pay an appropriate amount of tiered company tax then I support this proposal for this reason.

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

Why are religious organisations not also taxed like businesses or Maori Authorities?

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments however I am in favour of some form of capital gain tax on personal properties that are not the family home, ie: holiday homes.

I submit that the Government should not implement such a blanket "all encompassing" tax as it will also be a disincentive for family owned legacy business like mine to provide security for employees & future family members, we would be required to plan alternative exit strategies to minimise capital gains tax

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation. We need to change the culture of reliance on a Govt superannuation as the only means to ensure a secure retirement income, like Kiwi Saver provides as one option.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving. Increased personal savings will also have a positive affect on the NZ economy if monies are retained & invested within NZ.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products as managing differing GST regimes is just another administrative nightmare for NZ business with an unproven effect on consumption of these products which are part of a wide range of foods.

I however SUPPORT increases to tobacco & alcohol excise as these products have a huge negative effect on health and are specific targetable consumable goods.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Allan Davidson

Mobile: [1]

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**From:** Colin Griffiths [1]  
**Sent:** Saturday, 5 May 2018 9:53 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

### **'New Tax' Definition**

A definition of a 'New Tax' should be made clear for everyone's. Both Auckland City Council and the new Government have misled the country in the use of the words 'New Taxes'. It should be made clear whether this does or does not cover the raising of existing taxes as the two afore mentioned parties have an entirely different definition to the rest of the country.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Colin Griffiths

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**From:** Stan Rinaldi [1]  
**Sent:** Saturday, 5 May 2018 9:53 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments. In considering a capital gains tax I urge the working group to include in its assessment a full and detailed analysis of the costs of such a tax, including the unproductive time spent by taxpayers and advisors on completing this aspect of tax returns.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

S I Rinaldi



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**From:** Mark Rountree [1]  
**Sent:** Saturday, 5 May 2018 9:53 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Timothy Stubbs [1]  
**Sent:** Saturday, 5 May 2018 9:50 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be honoured in spirit, fact and with no prevarication.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced within the same timeframe as the new tax or rate hike to fully compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned for it.

I submit that the Working Group recommend legislating that any income tax threshold adjustments be indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral and have no negative impact on the productivity of the business activity being taxed.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Jeremy Cooper [1]  
**Sent:** Saturday, 5 May 2018 9:50 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

IN addition I would submit that this is a great opportunity to "level the tax playing field". For far too long NZ tax law has favoured real estate investment and punished investment in other areas with a long term result...a drop in productivity. This must be turned around.

IN addition I would argue for less complexity wherever possible.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating

productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors. This is a serious issue. The opportunity for gaming of the Tax system to "fit" within the category of a Maori authority is obvious. And it happens. Significant sums of cash are now being transferred to Maori as part of the Treaty of Waitangi process. These transactions are by and large a full and final settlement. The time has come for things such as the unique tax treatment of Maori authorities to be reduced and then eliminated. Its another unwelcome distortion.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent. Charities are another opportunity for gaming the tax system and everyone knows it. Its time for honesty in this area-specifically to avoid the gaming. Every time the charity tax issue is abused it creates more tax for the rest of us to support government expenditures.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on shares**

I have overseas shares and I have domestic shares. They should have a less complex tax applied and it should be the same no matter where the shares are from. At the moment there are many distortions, often due to the lower dividends of overseas shares and the NZ higher taxes on overseas shares. For the long term future of NZ and the retirement income we will all need, often based on Kiwisaver investments in shares and the Cullen fund...we need a more favourable and even handed approach to taxing gains from shares.

IN addition shares should end up not having more tax than investment in real estate rentals.....people should know that real estate rentals are not favoured as they are now.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I believe that the imposition of lifestyle taxes is actually reasonable as far as goals and intentions and yet hard to implement apart from tobacco and alcohol taxes which I support.. I would submit that regulation of products which contain fat and sugar as well as the advertising of them is the way to go as opposed to a sugar tax or a fat tax, which will require much administrative tweaking to be useable.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Dr Jeremy Cooper. FANZCA. MNZM

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**From:** Steve Harvey [1]  
**Sent:** Saturday, 5 May 2018 9:50 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Pete Simpson [1]  
**Sent:** Saturday, 5 May 2018 9:50 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors. This is a racist policy that has no place in our country and is not mandated in the Treaty.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments. Capital gains taxes have had no impact on moderating housing prices overseas and should not be leveled for this purpose.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral. Furthermore there should be no carbon tax application where this materially impacts on any major industry sector such as farming or manufacturing. To do so would serve only to force industry and emissions offshore to countries lacking our strong environmental regulations and governance. We should not use tax as a way to meet our global environmental obligations rather we should lead through innovation and R&D efforts which would naturally be suppressed or stifled under any onerous tax regime.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against. The material impact objectives of any environmental taxes should be predefined and published and progress against these should be published quarterly.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I support increases to tobacco excise but all tobacco

tax should be hypothecated to supporting smoking cessation programmes, and health and social sector responses.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Mike Jones [1]  
**Sent:** Saturday, 5 May 2018 9:50 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

I submit that the government, that we have by virtue of NZF, with no elected members, does not have a mandate for the sweeping changes that it is forcing on NZ and accordingly strongly support this submission. I will also strongly support the reversal of these deeply unpopular ideologically driven changes with the change in government that will undoubtedly follow in the next election.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Trevor Larsen [1]  
**Sent:** Saturday, 5 May 2018 9:50 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Taupaki N Larsen

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**From:** John McGirr [1]  
**Sent:** Saturday, 5 May 2018 9:50 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** David Wyatt [1]  
**Sent:** Saturday, 5 May 2018 9:50 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

There should be a tax free threshold applied to primary income source e.g first \$15,000 earned should be tax exempt. This will encourage people to get paid jobs.

The effect of inflation pushing taxpayers into higher income tax brackets is a policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

All multinational companies should be paying the correct amount of New Zealand tax

There are far too many tax deductions for business owners and company directors who are not paying their fair share of income tax and this should be investigated as a priority e.g a small coffee shop business where the owner offsets a high value car as a business expense.

Contractors who only pay 30% income tax and yet able to claim travelling costs, leasing of cars, home office, cleaning of cloths, overseas travel to attend conferences etc .... a lot of the deductibles are not genuine.

## **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

## **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

## **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

## **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

## **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

## **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** James Turner [1]  
**Sent:** Saturday, 5 May 2018 9:49 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

Additionally, capital gains taxes on portfolio investments (FIF and FDR) should be removed thereby levelling the playing field with property investments. This would encourage investors to diversify out of housing and into shares and bonds thereby helping to solve the housing affordability problem and reducing the overall investment risk to New Zealand through increased diversification.

I submit that the Government should remove capital gains taxes from portfolio investments and not implement any new capital gains taxes.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Taxes on Wealth**

Similarly, we should not allow the tax system to tax those who have accumulated wealth. To do so would discourage savers and force those with significant accumulations to move offshore thereby depriving New Zealand of those benefits.

I submit that the government should not implement such a tax.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Alex Kelly [1]  
**Sent:** Saturday, 5 May 2018 9:50 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

### **Existence of this Tax Working Group**

I submit that this tax working group should be abolished and a high level bill, based on the tax policies that the current Coalition Government has outlined and supported through the 2017 election, be submitted for first reading to Parliament, and then reviewed through the standard committee process as part of normal government business. As the policies proposed by this Tax Working Group will still have to go through this same process anyway, it is an additional expense to New Zealand tax payers without providing any additional benefit.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Alex Kelly

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**From:** Toni Field [1]  
**Sent:** Saturday, 5 May 2018 9:49 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

I suggest that disposable nappies are taxed heavily so that parents are encouraged to use cloth nappies that are better for the environment. A disposable nappy takes 450 - 500 years to break down in the landfill. There are approximately 145,000 babies using nappies in NZ and they use about 6 nappies a day.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,



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**From:** Faye Storer [1]  
**Sent:** Saturday, 5 May 2018 9:49 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael Cullen and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and so-called 'charities'**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. To tax savings is an affront to all those who try to help themselves. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. This is silly tinkering and an attempt to impose moral values on other people. Healthy eating is a value. Those who over-indulge in poor food choices either make a conscious decision to do so or don't have a good knowledge of the importance of a good, balanced diet. Either way, they need to be educated (preferably by their parents at an early age). I also oppose increases to tobacco excise. The ever increasing taxes on tobacco have made them 'like gold' and are directly responsible for the rapid rise in crime around tobacco theft and the subsequent very real danger to retailers. I am yet to hear anyone say they have given up smoking because of the cost. The reality is that smokers and their families simply skimp on other products. The decision to increase the tobacco excise on a continuing basis was ill-informed and naive and has had severe unintended consequences, particularly on innocent retailers.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours faithfully,

Faye Storer

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**From:** Jason Eager [1]  
**Sent:** Saturday, 5 May 2018 9:49 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

The Government should also not implement a wealth tax, given that the money that has been used to generate a person's wealth has *\*already\** been taxed at least once, if not twice. It is especially unfair to those people who have retired, who are asset rich but cash flow poor, forcing them to sell productive assets that they have *\*already\** been taxed on before acquiring.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Jason Eager

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**From:** Geoff Hobson [1]  
**Sent:** Saturday, 5 May 2018 9:50 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise. Specifically, FAT TAX would be a travesty. Some fats are "good" eg. Omega 3, while some fats are "bad" eg. Canola oil, Omega 6 in too high quantity, all hydrogenated fats. Grass fed fats such as predominantly produced in NZ are "good".

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

GST is THE ONLY fair tax. In an ideal world ALL taxes would be abolished in favour of ONLY GST on EVERYTHING.

Yours sincerely,

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**From:** Richard Burton [1]  
**Sent:** Saturday, 5 May 2018 9:50 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Rental Property Taxation**

**I think that you should tax gross rentals at the gst rate or say 20% so no deductions re interest( probably allows for some gearing etc so that treated the same as tax on interest on saving in bonds and bank deposits and , tax on dividends on share held in nz or overseas .**

### **IMMIGRATION INFRASTRUCTURE TAXATION**

**New immigates should pay an infrastucture contibution of vau of nz inc divided by numer of kiwis say \$200,000 Payable in lumps sum or an additional 5% tax with a minimim of say 5k per year until paid off and not refundable if one moves off to Australia or back home. Maybe after 20 or 30 years of work we could make a transfer to there kiwi saver account of part of it**

### **COMPANT TAX**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

## **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

## **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

## **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

## **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

## **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

## **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Trevor Fawdray [1]  
**Sent:** Saturday, 5 May 2018 9:49 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Trevor Fawdray

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**From:** Olivia Murphy [1]  
**Sent:** Saturday, 5 May 2018 9:49 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

In addition, I think it is appalling that the Government failed to consult on the decision to end oil and gas exploration in New Zealand and did not provide alternative forms of power/gas or benefit of the new policy. It seemed like a decision was made with no thought on the lives it would impact. So very disappointing !

Yours sincerely,

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**From:** David Harlock [1]  
**Sent:** Saturday, 5 May 2018 9:49 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

**I AM seriously in favour of taxing multi-million dollar businesses like Sanitarium and others who duck liabilities under the guise of charity or God-bothering.**

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours most sincerely,



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**From:** Greg Mawson [1]  
**Sent:** Saturday, 5 May 2018 9:49 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small, which isn't in the best interest of the country.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors. We are New Zealanders. This separation is racist and has to stop.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long-term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

If there is to be the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products, a group who actually know what they are talking about should be placed in charge. A prime example of failures in this department would be the out of date "heart foundation tick" and no better "health stars".

I do not oppose increases in tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Greg Mawson

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**From:** Richard Satherley [1]  
**Sent:** Saturday, 5 May 2018 9:49 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

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I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

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I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Richard Satherley

---

**From:** Luke Canton [1]  
**Sent:** Saturday, 5 May 2018 9:47 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Mike Angland [1]  
**Sent:** Saturday, 5 May 2018 9:47 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

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I submit that the Government should not implement such a tax.

### **Taxes on savings**

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### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Mike England.

---

**From:** Harry Dennis [1]  
**Sent:** Saturday, 5 May 2018 9:47 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

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I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

Under this heading I would also like to note the effect that the GST component of an overall new house build costing \$800K is approximately \$104K - if some consideration be given to reduce this burden then more people would be encouraged to undertake such projects, especially as this is one area that needs serious attention.

### **Lifestyle taxes**

I submit that the Working Group recommend that serious consideration be given to offsetting private health insurance against taxed income - this move would encourage people to look more closely at self insurance, thereby relieving and diminishing the enormous burden currently placed on the health system.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** David Lyon [1]  
**Sent:** Saturday, 5 May 2018 9:47 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

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I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. Instead I would propose a lowering or removal of GST on healthy food, this would have a much wider beneficial outcome for all NZ. This model has been tried over a long period in the UK and is very successful.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely, David Lyon.



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**From:** Sally Perfect [1]  
**Sent:** Saturday, 5 May 2018 9:46 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors. This is a racist policy and needs to be rectified!

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco and alcohol excise.

Taxing people because of government department overspending is ridiculous!! It's our hard earned money that you're wasting and throwing more of OUR hard earned money at rubbish ideas to cover your asses is just Bull! Maybe instead of expecting the people that work in this country to have to severely budget just to cover costs and stupid taxes, the government instead should BUDGET themselves, then you wouldn't require more money and you might just stop this endless wastage.

Fed Up Tax Payer,



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**From:** Daniel Bernie [1]  
**Sent:** Saturday, 5 May 2018 9:47 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

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### **Expensing of capital**

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### **Maori Authorities and charities**

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I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

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As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

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Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

i am sick of supporting those with their snout in the trough. I have worked 60 years having never sucked the cherry

and have had enough of the politicians taking the cream off the milk to feed the suckers of society who have not earned a place

in society. Make all pay no exceptions .

Yours sincerely,

daniel bernie

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**From:** James Airey [1]  
**Sent:** Saturday, 5 May 2018 9:47 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

Firstly as you are well aware to take something from someone against their will or without consent is theft and I for one cannot stand having people taking my hard earned dollars and giving to people I don't know or allowing government to spend my money into infrastructure without me knowing exactly where it's going. Allowing people to choose for services to be paid for is far more efficient than forcibly doing it . I also firmly believe in lowering the tax rate to the point of a single tax rate if any tax on income.

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

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### **Expensing of capital**

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I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

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### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Graham Dixon [1]  
**Sent:** Saturday, 5 May 2018 9:47 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

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I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

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I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities (Religious Organisations)**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities & religious organisations should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise. As an alternative to a sugar tax, the government should require all manufactureres of food & beverages etc. containing added sugar, to reduce the current sugar content by 50%.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Graham Dixon



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**From:** Malcolm Ward [1]  
**Sent:** Saturday, 5 May 2018 9:47 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Mr Cullen, and members of the Tax Working Group,

This is a submission on the future of tax (of all kinds) in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Mr Cullen has said that the Tax Working Group is not about how to raise more revenue *[of any kind]* for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes *[of all kinds]* are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

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### **Expensing of capital**

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I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

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I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

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I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

### **My references to Mr Cullen**

I have declined to refer to Mr Cullen as 'Sir'. He has already experienced a privileged role during his tenure as a member of Parliament, where he would appear to have performed admirably; and, for which he has already been well compensated for. The title bestowed on him by 'a women from far off lands' may please

her, his circle of ardent admirers, and give Mr Cullen a 'warm fuzzie' - but it doesn't need to be referenced to in his present role as Chairman of the Tax Working Group, for which he will again be well compensated for any 'services rendered'.

Yours sincerely,

**Malcolm & Pam Ward**

[1]

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**From:** Angela Banks [1]  
**Sent:** Saturday, 5 May 2018 9:46 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

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I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation. It is also taxing profit from income that has already been taxed. This doesn't encourage savings ... give savings some incentives

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

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Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Angela Banks



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**From:** qixiang yang [1]  
**Sent:** Saturday, 5 May 2018 9:46 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

亲爱的迈克尔爵士和税务工作组成员,

这是关于新西兰税收未来的提交文件，特别提到了工作组背景文件中提出的提案和问题。

迈克尔爵士曾经表示，税务工作组并不是想如何为政府增加收入。我认为应该坚持这个承诺。

### **收入中立**

如果工作组建议新增税收和增加税收，我认为工作组应该确定可以减轻负担以补偿纳税人的其他领域。

### **支架蠕变/财政阻力**

通货膨胀促使纳税人进入更高税率的税收政策是一种不诚实的政策，它允许政治家们更加努力地对新西兰人征税，而从未有过竞选活动。

我认为工作组建议立法规定年度所得税门槛调整，以调整平均收入或最低限度的通货膨胀。我注意到许多政府福利和权益都被编入索引 - 所得税门槛应该没有什么不同。

### **公司税**

新西兰是OECD公司税率最高的国家之一。其结果是低投资，低生产力的经济。

我认为，如果政府有兴趣鼓励我们的生产部门加大投资和增长，它应该降低标题业务比率。这比背景文件提出的仅仅为小企业降低利率提出的建议更可取，因为它建立了一个两层的商业税制，并伴随着相关的复杂性和激励措施，以保持小企业。

### **资本的支出**

政府必须致力于提高新西兰的生产力并使收入有更大的增长。

我认为工作组建议允许企业在资本购买的第一年内完全支付资本。这将增加企业投资资本的动机（加速生产率增长）和提高工资（生产率增长是决定收入增长的最相关因素）。

### **毛利当局和慈善机构**

新西兰的公司税制不应该包括给某些群体带来竞争优势的漏洞。

我认为应该取消毛利管理当局17.5%的所得税税率 - 这样毛利管理局就不会比非毛利人的竞争对手获得现金流量优势。

我认为，慈善机构拥有的公司只能获得实际分配给母公司的利润的慈善税减免，或者专门用于父母的慈善目的。

## 资产增值税

资本收益税会阻碍投资，抑制工资增长并扭曲经济。这也会造成“锁定”效应，这意味着投资者不愿意将资本从非生产性投资中转移出去。

我认为政府不应该执行这样的税收。

## 储蓄税

我们不应该让税收制度阻止储蓄。储蓄者（即那些拥有退休基金和投资计划的人）目前对“利息”征税，实际上，这部分利益部分地反映了通货膨胀的影响。

我认为我们应该允许纳税人从通过长期储蓄获得的应税收入中扣除通货膨胀。

## 环境税

我认为任何建议的环境税都应该附带建议，使其收入中性。

我认为，任何水税都应该以与水权定价类似的方式运作，并保持部门中立 - 政治家应避免针对特定行业或用水。

作为推荐特定环境税的一种替代方法，我认为工作组为未来拟议的环境税制定了一个客观框架，以供衡量。

## 生活税

我认为工作组建议不要扩大行为税，而是要概述它们对我们最脆弱的社区造成的倒退财务损失。

具体来说：我反对对食品实行糖税，脂肪税或任何其他形式的附加税。我反对不同产品的消费税。我反对增加烟草消费。

除了上述观点之外，我赞同 [新西兰纳税人联盟](#) 提出的 [更广泛的意见](#)。

关于我们

既然中央政府和地方政府争夺税费，我们一直无法呼吸，而且我们增加了各种税收

着名的名字。我们真的无法生存.....

此致，

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**From:** Andrew Reid [1]  
**Sent:** Saturday, 5 May 2018 9:46 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

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Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Overseas Shares and the FDR Rules**

Overseas shares should be treated identically to domestic shares from a tax perspective. The 5% FDR rate used to determine the payable tax is too harsh as dividend yields are substantially lower in overseas sharemarkets. This has resulted in people paying tax on something they never received which has to be one of the most unfair taxes ever devised. Even worse the 'quick sale' rules mean that capital gains are taxed, if shares are bought and sold within the tax year, but capital losses are not deducted once the cumulative capital gain reaches a balance of zero. I am aware of many examples where people quit their overseas shareholdings when these rules came in and put their money into rental property. These rules have distorted peoples investing behaviour and contributed to the huge increases in property values seen in the last 10 years.

I submit that international shares are taxed in an identical fashion to domestic shares. If the tax working group wants to persist with the current FDR rules, then the FDR rate should be decreased to 3% which is much closer to achievable yields for many investors. This would help to reduce the distortions in favour of rental property as an investment class.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

## **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Dr. Andrew Reid MBChB, FANZCA, DipArts

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**From:** James Grigg [1]  
**Sent:** Saturday, 5 May 2018 9:46 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers. Beware of the unintended consequences of an unbalanced system.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

I submit that household income should become the new measure, not individual incomes. Balancing out income between spouses to obtain a fair measure of the overall income to a household would be a fairer system.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating

productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors. I cannot understand how such a racially divisive policy was ever allowed to be implemented in the first instance.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

Capital gains on rental investment property is another distortion that cannot be allowed. Treating asset classes differently like this will create an even more severe shortage of rental properties. I submit that the newly imposed 5-year bright line test is a capital gains tax by another name and indeed that it is a fairer way of ensuring speculators are identified and properly taxed as opposed to long term investors.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I work as a mortgage broker and because of the tax on savings I usually recommend people pay down their mortgages rather than have savings as the opportunity cost is too high. If you want to encourage domestic saving you need to incentivise this by allowing a more reasonable tax on savings. This may produce the result of more capital available for productive enterprises rather than property investment.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Yours sincerely,

James Grigg



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**From:** John Milne [1]  
**Sent:** Saturday, 5 May 2018 9:46 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group (TWG),

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the TWG's Background Paper.

Sir Michael has said that the TWG is not about how to raise more revenue for the Government. I submit and strongly recommend that this promise should be upheld.

**The headings below are not ranked in order of precedence, rather each in their own way will improve the tax system in New Zealand**

**A. Revenue neutrality**

Where new taxes and tax hikes are recommended by the TWG, I submit that the TWG should identify other areas where the burden can be reduced to compensate taxpayers.

**However, I recommend below a possibility for consideration for an additional alternative tax to offset the declining tax revenues from an existing tax that also has hit unintended consequence barriers.**

**B. Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it, nor had that increased taxation formally approved by legislation. Without inflation such legislation is unnecessary, but with inflation it becomes necessary.

**I submit** that the TWG recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation.

I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

**C. Company taxation**

New Zealand has one of the highest company tax rates in the OECD. One result is a low-investment, low-productivity economy.

**I submit** that if Government wishes to encourage greater investment and growth in our productive sector, it should cut the headline business rate as other countries are already doing.

This is preferable to the Background Paper's proposal of cutting rates just for smaller businesses.

The latter creates a two-tier business tax regime with the associated administrative and perverse economic complexities and incentives for a business to stay small.

**I submit** the TWG should recommend legislation to maintain New Zealand's company tax rate at a comparable level to that of our OECD peers, and competitive ASEAN neighbours, by being no higher than at least the average of either group so as not to incentivise investors to invest elsewhere for tax

reasons. As a result this will assist the prospect for New Zealand as an attractive investment destination for investible funds.

#### D. Expensing of capital

The Government must, and should be committed to increasing New Zealand's productivity and allowing for greater growth in incomes and employment..

**I submit** that the TWG recommend allowing businesses full capital expensing within the first year of capital purchase for **new productive assets....but not for non-productive assets like cars, furniture, etc.** This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (since productivity growth is the most relevant factor in determining income growth and employment).

#### E. Charities and Maori Authorities

New Zealand's company tax system should not include egregious loopholes that give certain groups competitive fiscal advantages.....given also that company taxes are not any longer significant contributors to Government revenue. Freeing up the company tax regime may well provide opportunities for increased revenues beneficial to the economy and corporate investors.

**I submit** that a company owned by a registered charity should **not be permitted** to have the charitable tax deduction against its **own profits, but dividends actually distributed and streamed back** to the registered parent charity should be eligible for charitable tax deduction on meeting defined Charitable criteria. The registered parent charity would then be responsible for claiming the benefits of donations to its beneficiaries with full auditability via the Charities Commission.

**I also submit** that the **tax rate** should provide no incentives favouring one investor over another. Thus, for instance, the 17.5% income tax rate for Maori Authorities should be abolished. Maori Authorities should not be provided with a cash flow or tendering advantage over its non-Maori Authority competitors by a favourable differential tax rate.

**The TWG should also take the opportunity to consider New Zealand's dividend imputation system vs. Australia's franking credit system.**

**At present investors on either side of The Tasman are in effect double-taxed on dividends derived in the other country thereby, at the margin, reducing the incentive for inwards overseas investment - in either direction.**

**History suggests the Australians are unlikely to change their franking credit regime - so, should New Zealand 'bite-the-bullet' and consider departing onto the (inferior?) Australian regime by mutual recognition.**

**This matter is exacerbated if tax rates diverge as is presently the case for New Zealand vs Australia. It is possible that this may be a factor behind the recent departure of Xero's business (and listing) to Australia absent an appropriate mutual recognition arrangement.**

#### F. Capital gains taxes

Taxes on capital gains discourage investment, stifling wage growth and distorting the economy - **unless and without annual inflation adjustments relative to original purchase or construction cost.**

It is likely otherwise to cause a 'lock-in' effect deferring realisation, meaning investors would be discouraged from shifting capital out of unproductive investments.

**I submit** that in any event Government should not implement such a tax **without proper and appropriate inflation adjustment/s and allowing the quid- pro-quo of off-setting capital losses.**

### G. Taxes on savings

The tax system should not discourage saving.

Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially reflects the effects of inflation.

Invariably also, such savings are funded from prior tax-paid income.....thereby causing a double tax disincentive to savers in those kinds of assets.

**I submit** that if savings are to be taxed, taxpayers should be allowed to adjust for inflation on the taxable income earned via long term saving.

### E. Environmental taxes

**I submit** that any proposed environmental taxes should come with recommendations which make them revenue neutral.

**I submit** that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, **I submit** that the TWG develop an objective framework for future proposed environmental taxes to be measured against.

### **F. Lifestyle and 'sin' taxes**

**I submit** that the TWG recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of such life-style taxes as a sugar tax, a fat tax, or any other form of additional tax on food products.

**I oppose** suggestions to vary GST for different products. One of the most beneficial features of New Zealand's GST system is there a now virtually no exemptions. It is envied by many jurisdictions overseas which grapple with the costs, time and definitional efforts to administer differential GST (or VAT) taxes. I oppose increases to tobacco excise.

**However, there is the opportunity for the TWG to consider recommending a tax (and regulation) on recreational marijuana sales as the alternative to continual increase to cigarette taxes which are now becoming counter-productive in societal terms.**

**Already Canada is in the process of implenting this tax.**

**In the USA seven States have implemented tax on recreational marijuana (with more in the pipeline) with appreciable generation of new tax revenues.**

### G. Zero-base tax revenue and expenditures.

**The TWG has the opportunity to research and compare alternative tax regimes with equivalent sized countries to New Zealand. If these countries were Ireland, Switzerland and Singapore vs New Zealand evaluation can occur on the alternative regimes in respective countries: their different types and levels of tax revenues and how those revenues are deployed across Governmnt expenditures.**

**I submit this could present useful research and bases for establishing any of the above Discussion elements to ensure for the future the TWG's recommendations are well grounded in prevailing best or better practice.**

### H. Government Tax as a % of GDP.

**The implied target is 30%. The present Government is talking about targets in the low 20%<sup>s</sup>. However this is a partial objective.**

**The target should be additively referenced to BOTH Central and Local Governments (distinguishing between capital and operation expenditures).**

**Past history has seen Central Government shift expenditures and responsibilities by legislation to Local Government to remove such items from the Central Government budgetary responsibility. This (and deemed competence) has caused the rapid disproportionate increases in Local Government rates with the concomitant call for new forms of sharing tax revenues between Central and Local Government (like sharing GST for specific activities).**

**I submit focus on a partial target (of solely Central Government) misses the bigger picture in the Economy at large.**

**This 'total Government' target should be complemented by the recommendation for a legislated operational net budget deficit of (say 2%) to help ensure inter-generational equity (IGE) from current operations. Although IGE is legislated in the Local Government Act it is not adhered to - aided and abetted by conflicting options in the prescribed Local Accounting Standards eg for interest capitalisation.**

### **I. Conclusion**

Thank you for the opportunity for making this Submission. I would be pleased to make a further submission or provide further ideas on the next TWG iteration.

In the event of query or for further comment I may best be reached by email.

Yours sincerely,

John Milne

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**From:** david Botting [1]  
**Sent:** Saturday, 5 May 2018 9:46 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Tyler Horn [1]  
**Sent:** Saturday, 5 May 2018 9:45 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of cutting rates only for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small. More complexity means more administration and more civil servants needing more tax - it will never be less costly to implement something that is more complex to administer.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax. Do not implement this tax - it is a suicide move!

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

The time to develop the framework must be limited to 6-months - consecutive calendar months - it need only be a framework while the minutia can be added as it is put into practice.

No more than 6 people must work on this framework development - this is not a place to pump labour into as more people will slow developing the framework down, increasing cost and diluting its principles development.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Tyler Horn

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**From:** Dixon Tan [1]  
**Sent:** Saturday, 5 May 2018 9:46 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld in full and he should not come to pre-determined conclusions.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different. There should also be justification as to why there is no tax-free threshold, as is common in many countries.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy. An increase in taxes will not lead to greater productivity and a broader tax base. In fact, higher taxes lead to less productive ways of attempting to get around taxes.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

## **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

## **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

## **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

## **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

## **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,



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**From:** Maurice New [1]  
**Sent:** Saturday, 5 May 2018 9:46 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Maurice F New [1]

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**From:** Bronwyn Keown [1]  
**Sent:** Saturday, 5 May 2018 9:45 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Secondary Tax**

**I submit that the Working Group look closely at how fair secondary tax is in these days of part time contracts and many people working**

**second or or third jobs to get ahead or just exist. Is the system easy to use for the people that do work these secondary jobs,can they easily**

**complete a tax return to receive any refund that may be owing to them.**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Rowena Kaleopa [1]  
**Sent:** Saturday, 5 May 2018 9:46 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Although the above points are relevant the following is more important -

Large multinational corporations should be paying their fair share - not dodging their taxes - it is scandalous what they pay at the moment. This should change immediately. Tax dodging is on a truly epic scale and

putting it in the too hard basket is not acceptable - take it out and deal with it, not target some beneficiary who takes more than their fair share.

Take back ACC'S \$30 billion in stolen taxes. The govt could do whatever they liked with that money and not go adding fuel taxes or any other stupid tax they are thinking of doing - focus on what should be done now.

The top 1% treat taxes as a voluntary activity whereas it is mandatory for the rest of us. Official IRD figures show that less than half the people with \$50million in wealth pay a marginal tax rate for declared income.

The whole system is radically unfair and penalises working people and favours the rich - this creates the widening gap in inequality we see here today.

Taxing people who have two or more jobs to make ends meet with secondary taxes is criminal. If people have to work two to three jobs to survive why penalise them with more taxes?? End this now. Reward them for production, don't penalise them.

People on benefits who earn approximately \$80 extra a week get their benefits lowered by WINZ - another foolish idea. Let them work and earn a living wage so they get the idea to get off their benefit and earn instead of penalising them so they stay on a benefit.

How about no taxes on the first \$17,000 - is that such a novel idea for this group to consider.

We don't need any regional or fuel taxes or any other taxes to penalise working people. Take the money from where it should be taken, transnational corporations, the 1% dodgers and leave the worker alone.

Yours sincerely,

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**From:** Alexey Maksimov [1]  
**Sent:** Saturday, 5 May 2018 9:45 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

I am more than happy to present my proposals in person and/or discuss further. In addition to the email, you can contact me at [1] any time.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld as the one undermining the very foundation of New Zealand society and economy.

### **Simplified taxation**

Any new taxes or changes of existing taxation should be introduced with simplification in mind. A taxpayer must be very clear if the tax is to be paid or not and how much is due, and it should not require PhD to find out. An Inland Revenue Department and any other government body must not require increased effort (neither in terms of funding nor in terms of man-hours spent) to ensure collection of tax being introduced or changed. I strongly believe that government objective should be to simplify and streamline New Zealand tax system, so I submit that the Working Group should strongly consider *each* proposed change and immediately refuse those that do not meet "simplification" objective.

### **Revenue neutrality**

Where new taxes and tax increases are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy, and drives New Zealand based companies offshore. Altogether, it makes true "New Zealand owned and operated" businesses very uncompetitive and giving business advantage to those companies that reduce chances of New Zealanders to contribute to the wealth of New Zealand... and to pay taxes the government is interested in.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages that is not justified from economical and social perspective. It is counterproductive, reduces total government revenue, increases effort to gather taxes (refer to "Simplified Taxation" paragraph above) and raises unnecessary tension in New Zealand business community.

Considering that I see no single reason why government should favor Maori businesses more than those owned by pakeha, I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors. Besides questionable economic effects of such a diversified taxation, it qualifies as a pure racism by the definition of this term.

Also, I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Alexey Maksimov.

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**From:** John Barr [1]  
**Sent:** Saturday, 5 May 2018 9:46 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Its Really simple, add more taxes without removing any and you will be raising revenue for the government. Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

**The first bracket should be zero tax upto the amount that someone earns on the benefit. There is no point taxing those who are being paid by taxes. It ust adds work to the Tax office that can be better used in making sure that people are not paying the tax they should.**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

Funny how the government can eep getting pay rises and indexed benefits like this whilst the rest of us dont. Maybe the index system needs overhaul, with minus factors like the numbers of people on benefit and the size of governemnt itself, I think its called a budget? You should also only ever apply a universal pay rise across the whole government body including doctors, nurses, police, fire, cleaners and so on. It would certainly see a certain fairness rather than the fat cat ay rises we see today.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy. This is a no brainer, when an American president did this there were more employed, more investement and people actally paying some tax, rather than trying everything not to pay tax.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors. We should all be playing from the same rule book here.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Taxing savings from wages which have already been taxed before savings are taken out only encourages spending and future dependence on the government. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

The easiest option here is to simply not tax savings. This increases active capital for most of the population and would see an increase in re-investment over the long term. At least allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

**If Global warming was real, water levels were rising this would be sorta okay. As it is, the error range of CO2 readings is more than the estimate increase in the air. Not to mention plants need CO2 to actually grow during the day ( they need the carbon to make their cells) and water vapour is a far worse global warming gas than CO2. This tax may even make sense if we were seeing it invested into recycling plant and activities. But it's not. Its being used to pay off other governments and as hefty bribes to the UN. Environmental Tax at this time can only be thought of as a government sponsored scam.**

If the government taxes water, does it own the water. This is very dangerous and we should not go there. Human rights will take effect on this.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against. Like investment in recycling in New Zealand Only.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities. If you can tax my behaviour, that means you are trying to control my behaviour and in so doing you are restricting my Human rights of free choice and restricting the free market that you so want to promote.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise. I would like to see tax exemptions on necessities, the real basics, applied to food sold in New Zealand to decrease the burden on those on low incomes so that they can at least eat basic foods.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

John Barr

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**From:** Murray Grainger [1]  
**Sent:** Saturday, 5 May 2018 9:45 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **GST**

Do NOT fiddle with the GST system, exempting "fresh" food or tampons or anything. NZ GST is the best system in the world. Try understanding VAT in the UK, a total nightmare.

### **Cryptoassets**

Ensure that the tax treatment of blockchain and the associated products is handled correctly. Cryptocurrencies should be treated as any other currency for GST purposes and care should be taken to ensure that compliance with taxation rules and returns should not be overly onerous given the vastly different ecosystem the crypto world inhabits.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

NO "carbon" tax and no carbon dioxide tax. Carbon Dioxide is the plant food that our entire economy depends on. Taxing carbon dioxide is literally biting the hand that feeds us.

No water tax. If a plant is established to collect fresh water just before the point where it flows into the sea, as proposed in Westland, where is the harm? Bottle it and make a profit and tax that in the normal company way.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Murray Grainger

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**From:** Kevin Vujcich [1]  
**Sent:** Saturday, 5 May 2018 9:45 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

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I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Kevin Vujcich

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**From:** Allan Sims [1]  
**Sent:** Saturday, 5 May 2018 9:45 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

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I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

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I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

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I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Finally if you had any sense the first place to start would be with a major review of local government, the present situation of little fiefdoms all with highly paid CEO and team leads to massive duplication and waste.

Dont even think to tell me its a democratic process, voter turnout drives ever lower and frankly hardly anyone is engaged apart from the lunatic few mostly on the left.

They constantly charge more than inflation sometimes by large factors indeed and seem to view the rate payer as a bottemless pit for money.

Any no one has yet been able to explain to me just why a house that happens to be worth more than the one a couple of streets away should pay more in rates.

One maybe just a couple who do not use the pools librariys etc and the cheaper rated one maybe full of people that do.

Frankly if this was a new system it would never fly.

So get your dam hands out of my pockets, reduce government at all levels, fix the very broken local body thing and stop all the waste we see every day.

Given "Rich Pricks" Cullen in charge I doubt that any of this will occur but one lives in hope

Yours sincerely,

Allan Sims

a tax and rate payer

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**From:** Terry Gill [1]  
**Sent:** Saturday, 5 May 2018 9:45 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Gareth Hunt [1]  
**Sent:** Saturday, 5 May 2018 9:45 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

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I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

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I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Louis Jensen [1]  
**Sent:** Saturday, 5 May 2018 9:45 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld. In fact why not look at reducing taxes, while at the same time undertake a real reduction in so much wasted govt spending.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

Also reduce opportunity for public/private partnerships (previously wrongly encouraged by National) and create a level playing field for small businesses. Onerous business regulation hurts small businesses the most while favouring big business (who can more easily afford the added costs of more regulation).

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating

productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments. It is also unfair in that it penalises those who take steps to protect themselves against inflation (real inflation would be much higher than official rate which excludes property)

The Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

Also govt. needs to recognise and encourage residential property investors, rather than demonise them. Contrary to the image portrayed, most property investors are 'mum & dad' middle class income earners who simply want to save for their retirement. They should be held out as an example of how to move away from reliance on state welfare.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Louis Jensen

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**From:** Jack Schoen [1]  
**Sent:** Saturday, 5 May 2018 9:45 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

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I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader](#) made by the *New Zealand Taxpayers' Union*.

This govt. we got now is trying what all leftwing governments before have tried and it's not going to work this time

Yours sincerely,



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**From:** Belinda Fellowes [1]  
**Sent:** Saturday, 5 May 2018 9:44 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

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I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Fair Tax Coding**

I submit that the working group recommend introduction of realistic fair Tax coding levels for all brackets to earn a pre-taxation amount of at least \$20000 minimum for single earners increasing for parents ( single income 2 income etc ) with varying numbers of children so that the "working for families" can be discarded and low earners feeling some pride in their work and get out of the poverty trap.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Rob Duthie [1]  
**Sent:** Saturday, 5 May 2018 9:44 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

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I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

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I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

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I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

### **Provisonal tax on small business**

There should be no provisnal tax on business as this can be hard to judge and pre pay ahead of time, pay as you earn is much easier and fair, and less stress

on business owers.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Charlie Reed [1]  
**Sent:** Saturday, 5 May 2018 9:43 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

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### **Company taxation**

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### **Expensing of capital**

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I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

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I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent. I believe that the bigger companies that fall under the guise of a charitable trust namely one of our biggest breakfast cereal companies should not get away without paying a fair share of tax that other hard working New Zealanders do

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation. The effect of taxes on savings is nullifying the reason for people to save. What is the point of having money in the bank if the return is not much more than the cost of inflation

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

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Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,



---

**From:** Sally Hitchcox [1]  
**Sent:** Saturday, 5 May 2018 9:43 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

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Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

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### **Expensing of capital**

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I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

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I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments. We already have Capital Gains taxes with the FIF regime and current land tax legislation. Further Capital Gains taxes further complicates the tax system and the only winners are accountants.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. This will make GST more complex increasing the compliance costs - the only winners in this are Accountants

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,



---

**From:** David Winefield [1]  
**Sent:** Saturday, 5 May 2018 9:43 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be very strongly upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers, and in particular identify areas of expenditure which could be pruned to give economy in the need for taxation of any sort. In particular, I would identify areas for pruning where the expenditure gives rise to a reliance on the State for long periods of time as the primary source of income at either a family or individual level

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small. Any increase of Business Taxation should take note of the negative effects on businesses and their owners, and these increases should not proceed without public discussion of them and the effects they may produce.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating

productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors. With the funds advanced by the Government under Treaty settlements, these Authorities are now in a position to stand under the same issues and constraints as businesses in general.

I do not believe that companies owned by charities should be allowed to have the charitable tax deduction.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose all Taxation based on the isolation of products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

David S Winefield

[1]

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**From:** Calle Kabo [1]  
**Sent:** Saturday, 5 May 2018 9:43 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

I fled from Sweden almost two years ago. It's high taxes and social engineering taxes made it unbearable for me to stay. I moved to New Zealand for it's comparatively low taxes and less regulation. In New Zealand citizens are treated as responsible, thinking individuals. In Sweden they're treated like subjects, not knowing what's best for them. Please defend New Zealanders right to stay free in their economic and personal liberties. God defend our free land.

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating

productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** alan mvloughlin [1]  
**Sent:** Saturday, 5 May 2018 9:43 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Noel Reid [1]  
**Sent:** Saturday, 5 May 2018 9:43 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages. We must fix the growing disparities and inequities in our country, but the taxation system shouldn't be a primary tool to achieve this.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments. While it's popular to talk about a CGT for housing, except for the family home, many people don't seem to realise it would apply to all sorts of investments. An American from NY told a blockchain conference it cost him US\$10K in accounting fees, as a bitcoin investor, to determine he was liable for US\$3K of CGT!\*

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

Where did you get the information in Figure 21? What is a "marginal effective tax rate"? I consider that chart seriously misleading and undermines the integrity of other information you have provided. I've read the explanatory note, and consider it a nonsense. You should only present facts in your work.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Noel Reid

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**From:** david john orpwood [1]  
**Sent:** Saturday, 5 May 2018 9:43 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*. you can put a roylyty of 20c a liter on export water same as export oil .do not say you dont .if they do not want to pay the roylyty they do not need the water //

Yours sincerely,

David ORPWOOD ..



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**From:** Vaughan Giles [1]  
**Sent:** Saturday, 5 May 2018 9:43 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

At the same time I submit that full capital expensing be withdrawn from persons in the same family or business partners (ie. transferral of business ownership), to prevent this potential benefit from being abused.

## **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

## **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax, except for those who own 3 or more properties for the purpose of investment.

## **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

## **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

## **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities. I have personally experienced this, having seen it with those I've grown-up with. It means they simply pay more and get less - this has been well documented world-wide; such as Sweden for instance. It is very good for growing the government coffers, but at the same time you should deeply think on the impact as well as where the resulting "tax wealth" would get spent.

Essentially, the communities most-affected would never see the light of day for the funds gathered.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise. Teach those

who are the most-affected how to cook decent meals and show them how they can do it WITH their communities and you will personally see a positive affect - making the communities in question more social, closer and improving the general health and well-being of everyone.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Vaughan Giles.

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**From:** Jane Weikart [1]  
**Sent:** Saturday, 5 May 2018 9:43 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

**In addition to the nine points made by the Taxpayers' Union, *all of which I support*, I would like to point out that past government efforts at "fairness" such as the 'Fair Dividend Rate' currently imposed (by Michael Cullen) on foreign shareholdings are anything but equitable and, worse, introduce perverse financial incentives...in this case a *disincentive* to invest in offshore earnings due to the added cost and complication of holding foreign equities. There is no quibble over a tax on dividends actually received (other than perhaps the rate) but tax on *unrealised* gains via, in this case a highly theoretical formula, is inefficient and demonstrably counterproductive. Consideration of various forms of wealth redistribution risk overlooking the opportunity for New Zealand to differentiate itself among nations as a fine place to live (which it generally is already) but also a great place to create, innovate, and build businesses aided by a tolerance for capital accumulation.**

**Just think about it.**

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### **Taxpayer Union Tax Points**

#### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

#### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

#### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

## **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Jane Weikart

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**From:** Maurie Garton [1]  
**Sent:** Saturday, 5 May 2018 9:43 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** David Steward [1]  
**Sent:** Saturday, 5 May 2018 9:40 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

There needs to be clarity on whether own residential property is included in the bright line test.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

I agree totally with all these submissions.

Yours sincerely,



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**From:** Stella Anderson [1]  
**Sent:** Saturday, 5 May 2018 9:40 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy and this is a serious problem for our country.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small. Small businesses already find that it is often in their best interests to remain small due to our country's regulations, and this means many businesses do not reach their full potential. We should be encouraging our businesses to grow and become competitive in the global marketplace.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

## **Religious groups, Maori Authorities, and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that for-profit companies owned by religious organisations (Sanitarium is one example of such a company) should not be exempt from company tax.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

## **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

## **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

## **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

## **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Stella Anderson

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**From:** C Davis [1]  
**Sent:** Friday, 4 May 2018 8:25 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Peony Au [1]  
**Sent:** Wednesday, 2 May 2018 9:35 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Joan Ping [1]  
**Sent:** Wednesday, 2 May 2018 8:49 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Daphne Burrows [1]  
**Sent:** Wednesday, 2 May 2018 7:39 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Ross Wilson [1]  
**Sent:** Tuesday, 1 May 2018 9:49 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment in New Zealand companies, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

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I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Ross Wilson BMS CA

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**From:** Geoff white [1]  
**Sent:** Tuesday, 1 May 2018 8:45 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

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I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

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I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Blair Wingfield [1]  
**Sent:** Tuesday, 1 May 2018 6:44 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Kenneth John McIntyre [1]  
**Sent:** Tuesday, 1 May 2018 4:29 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Kenneth John McIntyre

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**From:** Grant McLeod [1]  
**Sent:** Tuesday, 1 May 2018 3:35 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Grant McLeod

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**From:** Aotea Toko [1]  
**Sent:** Tuesday, 1 May 2018 2:35 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

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### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Daniel Lavelle [1]  
**Sent:** Tuesday, 1 May 2018 1:35 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

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I submit that the Government should not implement such a tax.

### **Taxes on savings**

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### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Wendy Dazeley [1]  
**Sent:** Tuesday, 1 May 2018 12:39 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Jay Sharma [1]  
**Sent:** Tuesday, 1 May 2018 8:35 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Ian McLeod [1]  
**Sent:** Tuesday, 1 May 2018 7:45 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Charles Whitburn [1]  
**Sent:** Tuesday, 1 May 2018 12:28 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael Cullen has said that this Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate to 22.5%. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments. Properties would be held for longer. This tax is not necessary and is a tax based on envy. One of the beauties of New Zealand is that we don't have a CGT. Lets be better than Australia and not have a CGT.

I submit that the Government should not implement such a tax. If necessary, introduce a ten year brightline test and dispense of the complicated builder/developer/trader exemptions, as ten years is a long time to hold property.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I strongly oppose varying GST for different products.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

CHARLES WHITBURN

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**From:** Steven Gilbert [1]  
**Sent:** Monday, 30 April 2018 11:59 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

To Sir Michael Cullen and members of the Tax Working Group,

I would like to make my preference known to the Tax Working Group, so that it may be taken into account when recommending to the government possible changes to New Zealand's taxation system.

As such, I submit the following:

1. That any changes recommended by the Tax Working Group do not change the total tax take as a percentage of GDP; and
2. That total government taxation revenue, across all sources, should not exceed 32% of GDP; and
3. That no government may make changes that result in an increase in total government tax revenue higher than 2% of GDP in any single electoral period without a single-purpose referendum mandating such an increase; and
4. That company tax remain a single flat rate; and
5. That the main company tax rate of 28% be reduced; and
6. That New Zealand's tax system remain largely broad-base; and
7. That no additional exemptions are applied to the current GST system; and
8. That the GST system remains a single flat rate across all goods and services; and
9. That a 0% bottom threshold be added to the current range of personal income tax bands; and
10. That personal income tax bands are defined in terms of standard deviations from the median annual income, rather than the current fixed dollar amounts; and
11. That no additional taxes are applied to capital gains; and
12. If additional taxes are applied to capital gains, that such taxes are applied to realised gains only, and corresponding capital losses are tax-deductible; and
13. That capital expenses may be fully expensed immediately, rather than being depreciated over a longer period; and
14. That where possible, any and all loopholes in the tax system should be eliminated to simplify administration overhead; and
15. Where loopholes exist to provide for a legitimate social good, this be implemented as a direct subsidy or personal / business income tax credit, rather than as a tax exemption or special rate; and
16. That any tax on interest, dividends, capital gains, or similar long term income is calculated on the inflation-adjusted amount; and
17. That any environmental taxes should be revenue-neutral; and
18. That the proceeds of any environmental taxes are applied as direct subsidies or tax credits to improve the environmental situation that the tax is intended to improve; and
19. That already-taxed wealth, savings, capital holdings (except land), etc. not be subjected to additional taxation; and
20. That a tiered land-tax be introduced, indexed against the owner's income, with a bottom rate of 0% to protect owners with poor cashflow or fixed income; and
21. That the tax system \*not\* be used to encourage lifestyle changes (e.g. sugar, smoking, alcohol etc); and
22. That any changes recommended are for evidence-based reasons, rather than emotional reasons; and
23. That any tax changes should have broad cross-partisan support to ensure the continued stability and predictability of New Zealand's taxation system.

Beyond the points made above, I also endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,  
Steven Gilbert