

Tax Working Group Public Submissions Information Release

Release Document

September 2018

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- [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.

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

Submission to Tax Working Group

These are the tax changes that I'd like to see:

A Carbon Tax

The climate disruption that is happening from global warming is the biggest and most urgent crisis facing us. We have done nothing about it as a country for over a decade and we now lag way behind many other countries, especially Europe, where the transition from fossil fuels to renewables has been moving fast.

I understand that the Tax Reform Working Group may not address this as it may be addressed in the separate process of the establishment of the Climate Commission, but I just want to shout it out everywhere – GOVERNMENT MUST TAKE URGENT ACTION ON CLIMATE CHANGE!

I support the 2017 election [policy of the Green Party on a carbon tax](#) – one that will effectively remove the incentives to produce or use fossil fuels (coal, oil, gas) and support the fast, innovative development of renewable sources of energy and more efficiency in our energy use.

A progressive tax system

I support reform of the tax system so that the wealthy pay more than they are paying now, and the poor don't pay as much. The growing economic disparity between rich and poor in NZ over the past 35 years has resulted in a widening social, moral and psychological gap between people which is destructive on many levels.

I support the [type and degree of changes to the tax rates](#) for different income levels that the Green Party proposed during the 2017 election campaign.

I understand (though am not sure) that the Working Group is unable to recommend changes to levels of tax, but I think that moving to a strongly progressive tax rate system is a fundamental change to the system that is urgently needed. It would remove the need for a lot of tinkering with other policies, and would work to lessen socio-economic disparities.

As a principle, I believe that targeted benefits and services are inefficient as well as demeaning and lending themselves to punitive implementation. It is more administratively efficient as well as less punitive towards disadvantaged people to have universal benefits complemented by strongly progressive taxation. National Superannuation is an example of a good universal benefit that is adjusted by taxation.

A Capital Gains Tax

I support a Capital gains Tax on property (excluding the family home).

It seems obvious to a layperson that such a tax would remove the financial incentive for ordinary people to make extra money at the expense of those who can't afford to do other than rent.

Example – I worked with a woman in her 50s who, with her partner, was on a good wage (maybe \$200,000 pa between them). They worked very hard for their wages but their kids had left home & they didn't have much else to do with it so they invested in rentals, almost as a hobby. This is in

Chch where houses have been scarce and rents astronomical post-quake and people in my suburb are living in cars and garages. But why would this couple not charge the going rent? If they didn't, they would have less for their retirement savings, plus get more difficult tenants who couldn't find places elsewhere. So an ordinary hardworking couple had a huge incentive to make megabucks at the expense of those unable to afford to buy a house. This is a vicious cycle that adds hugely to the growing gap between rich & poor. Even my more rightwing workmates could see the unfairness of this housing set-up and thought a capital gains tax would solve it!

A Financial Transaction Tax (versus GST)

I support a financial transaction tax. From what I have read/heard at workshops this sounds like a doable means of reducing speculation without overly affecting people on lower incomes.

Maybe this could replace GST, which is a regressive tax in that it affects those on lower incomes more than those on higher incomes.

A Sugary Drinks Tax

As a retired health planner I think that any moves to reduce consumption of sugar will benefit the health of New Zealanders as we face the growing diabetes and obesity epidemic.

Tax on alcohol and cigarettes is a proven effective way of reducing consumption of these products, so worth a go with sugar.

Thank you for the opportunity to give feedback

Yours sincerely

Torfrida Wainwright

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