

Tax Working Group Public Submissions Information Release

Release Document

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- [1] 9(2)(a) - to protect the privacy of natural persons, including deceased people;
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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.

From: Jeff & Helen [1]
Sent: Wednesday, 3 October 2018 1:07 PM
To: TWG Submissions
Subject: Capital Gains Tax

Hi Tax Working Group

I do not consider Capital Gains on a business to be a way to encourage productivity. Many small businesses in New Zealand have been started and run with blood sweat and tears and long hours by their owners. To tax them on top of the income tax they are already paying for the increase in value of their farm/business is by no means fair or encouraging to those whom wish to become business owners.

If you did introduce capital gains tax to be fair you would need to allow for inflation and also you would need to make capital expenditure a tax deductible item.

The Capital Gains tax in general seems a cumbersome method of redistributing wealth which sees little financial benefit to the Government.

If you wished to truly encourage productivity you would allow some capital expenditure to be a tax deductible item rather than a depreciated item.

This could be used to encourage capital investment in business to increase productivity and therefore employment and general wealth and wellbeing of our nation.

A capital gain Land tax on productive land strikes me as being nonsensical if you want to keep food prices down and encourage productivity then this tax seems to be completely at odds with that aim.

Yours sincerely

Helen Linssen