

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: Navin Hira [1]
Sent: Wednesday, 10 October 2018 8:08 AM
To: TWG Secretariat
Subject: Capital Gains Tax

Good Morning TWG Team.
Re "Capital Gains Tax"

I have looked through briefly the interim report released on 20/9/2018.

While I can understand the complexity of this tax, there is in my opinion a easier solution.
We all know that there needs to be some form of tax to preserve the tax take base.

My suggestion is a "stamp duty" or "Transaction Tax" on all sales except the private home and personal private assets.
Incidentally, this tax should not be + GST.

Lets say, a 1% tax - would generate a lot of revenue and should be a lot less cumbersome to manage than a capital gains tax. There would be no requirement for valuations at any point in time so a big saving in compliance costs to the taxpayer.
This I see as a win win for the govt.

As you are aware, the introduction of a CGT in other countries has had its problems - no doubt we can learn from that.

CGT or Stamp Duty or Transaction tax, call it what you will, would be a new tax.
I am aware that the current govt does not want to introduce a new tax and it is probable that some form of CGT will be introduced in the near future.

So to re-iterate, my suggestion is a "stamp duty" or "Transaction Tax" on all sales except the private home and personal private assets should require minimal compliance costs.

I welcome the Teams thoughts on this.

Regards
Navin Hira [1]
Accountant
Auckland.