



WA GRAINS GROUP INC.

Incorporation No. A1013809U

C/- Post Office

Lake Grace 6353

Committee Secretary

Senate Economics Legislation Committee

PO Box 6100

Parliament House

Canberra ACT 2600

Dear Sir/Madam,

RE: Inquiry into Tax and Superannuation Laws Amendment (2016 Measures No. 1) Bill 2016

Thank you for the invitation to submit to the above mentioned inquiry into tax and superannuation amendments.

We have three issues that we have brought up at various times with different Ministers;

1. Raising the limit on Farm Management Deposits (FMD's). The WA Grains Group welcomes the commitment to increase the amount of funds to be held to \$800,000. We feel that this is the only way that we as farmers can drought proof ourselves and not look to Government for assistance.
2. We would like the Federal Government to allow retiring farmers to roll their FMD's into superannuation. This would happen in the same way that other businesses can roll the money from the sale of their business into superannuation. Currently if a farmer was to retire with funds in FMD's they would withdraw them, pay tax at the nominal rate and then put the funds into super and have to pay another 15%, other businesses do not have this imposition placed on them.
3. We also request that the government address the \$2M turnover threshold for eligibility as a SBE (Small Business Entity). This has remained at that same level since July 2007, without any adjustment for CPI or increases in input costs. We ask that this threshold should now be set at \$3M, and if the govt are really serious about supporting small business and encouraging growth, expansion and employment, then really it should be reset to \$5M.

Yours sincerely,

Doug Clarke

Chairman

3/03/2016