

Wilson, Frances (REPS)

From: David Reid [David.Reid@mgg.com.au]
Sent: Wednesday, 7 July 2004 5:59 PM
To: Committee, LACA (REPS)
Subject: Exposure Draft Bankruptcy Legislation Amendment (Anti avoidance & Other Measures) Bill 2004

Importance: High

Dear Sir/Madam,

I have reviewed the exposure draft and advise of my very serious concerns at the unintended consequence this legislation will have in its current form. Specifically, I support the legislation in its attempt to prevent the use of bankruptcy to avoid legitimate taxation debt but it should be limited in its application to this only and not apply to legitimate arrangements by small business owners or others who arrange their affairs in such a way to protect their assets which may have been accumulated over many years and after paying their just amount of tax.

Further, I am horrified by the retrospective nature of this legislation and do not support any attempt by any party to introduce retrospective amendments. How can it be possible for any taxpayer to enter into any arrangement with certainty if years down the track it is possible for a political party to retrospectively change legislation?

I therefore give my support to the submission lodged by the Institute of Chartered Accountants in Australia.

Yours sincerely

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Director

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