

A J Carey
Box 987
Port Lincoln, SA. 5606

Dear Sir,

Senator Len Harris wrote an article which appeared in the Adelaide "Advertiser" asking people to submit proposals to you for change to our current Tax system. At the moment it is very expensive to collect for the Government, and for the ordinary Tax payer or small Australian Business too complicated to understand and expensive to pay, unless you have a very large business or are a multi-national company, then it becomes easy to avoid and minimize. Since the introduction of the GST, our Accounting costs have increased dramatically just to cope.

Please find enclosed a proposal from the "Debit Tax Council of Australia" for a form of Taxation which appears to be good and fair for all Australians. I would hope that this proposal is given urgent and due consideration as the current system is very unfair and expensive to the hard working Australian wage earner or small business owner.

I, for one would be very happy to be paying the same Tax rate as the Multi-nationals or large business owners are currently paying. The ideal situation would be for a fair and equitable rate for everybody, and to have no loopholes at all, in other words, no Tax Exemptions. With the very small Tax percentage that would need to be levied, no one would have cause to complain.

Yours faithfully, A J Carey

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DEBIT TAX COUNCIL, AUSTRALIA

Mail Service 2238, No3 Gingara Court, Karana Downs 4306. Phone & Fax (07) 3261 0339, Phone & Fax (07) 3288 6083

"Introduction to the Debit Tax Concept"

1. The criteria for a good Tax system was endorsed by the National Tax Reform Summit, Canberra, 3rd October, 1996. Is as follows.

- (A) The Tax system must be simple.
- (B) It must have low a compliance cost.
- (C) It must be transparent, (no hidden Taxes)
- (D) It must not be avoidable especially by the rich.
- (E) It must be adequate, (raise sufficient revenue)
- (F) It must be socially equitable.
- (G) And it must be efficient

How to dump 40 Federal Taxes and still get a surplus of \$70 Billion!

2. The "Debit Tax" concept fulfills all the criteria for such a revolutionary new Tax system.

3. The "Debit Tax" formula is simply an added percentage, one third of one percent (0.33%) is suggested, to the amounts withdrawn from all accounts held in trust by banking and financial institutions. This Tax, when cleared is instantly deposited through the Electronic Funds Transfer (EFT) system by way of the banking and financial institutions computers into the National Treasury at the end of each day.

4. To achieve this, the current Taxation system must be completely abolished, including all federal Taxes. The old oppressive way of Taxing the long suffering individual out of existence will pass. The small, simple, painless "Debit Tax" of (0.33%) on all withdrawals will provide the treasury with a continuous flow of revenue.

On current Reserve Bank estimates of approximately 200 Billion Dollars withdrawn daily, the annual flow of revenue to the Treasury would be in the order of 170 Billion Dollars.

Given the fact that the Government of the day's treasury needs only 100 Billion Dollars annually to operate, this would create a 70 Billion Dollar surplus per annum, enough to pay off our foreign debt in the life of one Parliament, i.e. three years, fund the Green Agenda, and generate Jobs growth, provide full employment, free health and education for all without having to sell off any more public assets.

5. The advantages of the "Debit Tax" system

- * Income and all other Commonwealth Taxes are abolished*
- * One basic "Debit Tax" rate for all*
- * No Tax on savings or investments*
- * No Tax on profits, capital gains or assets*
- * Deposits are not Taxed*
- * No more Tax deductions from pay cheques*
- * Income is no longer related to Federal Tax*
- * Personal wealth is no longer public knowledge*
- * No Tax cheating or Tax avoidance is possible*
- * No more imputation Tax or rebate, such as deeming*
- * No more filing of Tax returns for anybody or business*
- * No more provisional Tax is required*
- * A Tax file number system and Taxation dept will no longer be required*
- * Because of the very large amount of withdrawals, only a very small percentage is required as Debit Tax, one third of one percent (0.33%) is suggested*
- * Tax accountants and Tax collectors will transfer to more productive work*
- * Modern EFT systems are used, the ultimate in efficiency*
- * A continuous flow of revenue to the Australian Treasury*
- * As the scheme abolishes all Commonwealth Tax laws, no Corporation or business will be required to lodge a statement of profit to the Government*
- * Investments and Deposits are no longer public information*
- * Foreign investors will find Australia, with no Tax barriers a real incentive to do business here*
- * Hoarding of currency in a box, vault or under the bed to avoid Tax will no longer have any advantage, because funds invested or deposited in trust and accumulating interest, the interest is no longer Taxable*
- * Every business with no Tax barriers will be able to employ more staff, completely abolishing unemployment*
- * It must be understood that there is only one Tax collector, the programmed bank computer that is empowered to collect personal and corporate Tax for the National Treasury*
- * Banking institutions are not subject to the "Debit Tax" on the transfer of reserves to their sub branches*
- * Immediate increases in the value of the Australian dollar*

6. All states now have a "Debit Tax" on cheque account withdrawals called a BAD Tax (bank account debits)

7. Australians need the "Debit Tax" system now.

Now is the time to adopt a completely new form of collecting revenue for the Commonwealth of Australia.

Our Nation is under economic threat, we have a current Taxation system that is out of control, it is cumbersome, complex complicated, confusing and inefficient. It is a cancerous system that is killing the Nation, our freedoms and our way of life. Remove the cancer and replace it with a painless simple healing mode, the "DEBIT TAX."