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The Secretary
Senate Economics References Committee
Room SG64
Parliament House
CANBERRA ACT 2600

To Whom This May Concern,

We are a rural family, breeding Beef Cattle in Central Queensland and find the present Tax Laws very complex and inequitable.

Families in rural areas, Town and Country, are no different to families everywhere and they like nice things, because of the excessive cost of living and **the** isolation this is not always possible. There should be a realistic Zone Allowance to compensate.

The present drought has highlighted the problem and because of the isolation and the extreme conditions, rural people have to purchase a lot of equipment that is only used for short periods of the year, depreciation of this equipment should be abolished. We have no objection to paying **Tax** on any profits but it is very hard to survive to have to pay Tax on money already spent on necessary items for the survival of our livestock.

All water for stock use (New Items and Repairs & Maintenance) should be 100% claimable in the year of expenditure as it is necessary for our lively hood. We have **had** to purchase in excess of \$100,000.00 in New Items (Dams, Underground Water Bores, Pumps and Polethene Pipe). Under the present Tax Laws we can only claim **1/3** and the other **2/3** is Taxable.

All fodder and machinery storage should have a much higher rate of depreciation. This financial year because of the drought we have purchased in excess of \$300,000.00 of cotton seed plus other fodder, and have had to put it on the ground for storage and when feeding to the cattle because of the unrealistic depreciation rate.

Buildings and employee accommodation is another area we feel should have a greater depreciation rate. A building, which costs \$100,000.00 in **an** urban area, could cost up to \$130,000.00 plus meals and accommodation, for the builders, in our area because of the **isolation**.

If any members of the committee are in our area we **would** be only too happy to meet and show them our problems.

Thanking You

Franklin Sypher