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Sent: Saturday, 21 May 2005 6:14 PM
To: Economics, Committee (SEN)
Subject: Self Assessment Bill and Shortfall Interest Charge

To Whom It May Concern
Self Assessment System

As a financial adviser and an investor in a tax effective investment in the 1998 financial year I found myself discriminated against in relation to penalties and the expectations of my knowledge as to the underhanded and dishonest tactics of promoters in the way the products were structured. Hiding behind the self assessment system the ATO has copped out of dealing with the culprits of this massive fiasco and surely embarrassment to the tax dept namely the promoters and yes lawyers that gave legal opinions. The Self Assessment System requires the ordinary tax payer to become an immediate expert in all tax affairs and an expert in sophisticated legal arguments and procedures to fight them on a level playing field. The problem is that it will never be level. The tactics of introducing legislation to combat any of THEIR shortfalls is the easy way out. My case got to the Administrative Appeals Tribunal, where I had to settle as I did not have the financial resources to fight. The prospectus that I used to make my decisions gave a completely different story to the that of the investigating officers of the tax dept. It was only the ATO that could have followed the money trails to discover the ultimate destination of funds from investors and how they were used.

An innocent victim of a system that is corrupt in its allocation of blame and accusations of being a tax cheat. This cost me my marriage, and part cause of my wife being diagnosed as bi-polar. I had to relinquish my advising business in a country town WA and return to Perth, as she was hospitalised four times in the same number of years. I was her only means of support.

I was in a community where there was a high level of suicide and divorce (not my clients) ,laid at the feet of the Tax Dept and their bullying tactics forcing individuals to settle. The spin off from the bad publicity made me decide to close my business. It still has an effect on the confidence I have in the tax dept not to do something of a similar nature once again.

I was lucky enough to have funds to pay half of my outstanding amount of my amount allegedly owing to the dept. As I did not agree to a settlement any refunds I had in subsequent years were deducted from the outstanding amounts. This was even before any precedence had been established through the courts. Assumed guilty before the trial??!!

AFTER ALL THE HEARTACHE I HAVE SUFFERED OVER THE LAST SEVEN YEARS I TRUST THE THE COMMITTEE WILL RECOMMEND THAT THE NEW LEGISLATION WILL BE BACK DATED TO THE START OF THE SELF ASSESSMENT SYSTEM SO THAT NO-ONE WILL EVER AGAIN SUFFER THE WRATH OF THE TAX DEPT. I ALSO HOPE THAT I WILL BENEFIT FROM THE LEGISLATION THAT I HAVE BEEN INVOLVED IN FORMULATING. HOW CAN ANYONE PROCLAIM THAT A SYSTEM IS WRONG, PROTECT TAX PAYERS IN THE FUTURE BUT NOT GIVE IMMUNITY TO THOSE WHO HAVE BEEN A VICTIM OF THE SAME SYSTEM. FIX IT FOR THE PAST AND THE FUTURE!!!!

AGAIN NO MORE INEQUITIES PLEASE!! FIX THE BILL SO THAT AMMENDMENTS APPLY ON RETURNS AFTER 2004/5, AND THAT THE ATO CANNOT GO BACK ON YEARS SAY 2003/4 UNTIL 2009 TO MAKE AMMENDMENTS AND CHARGE EXHORBITANT INTEREST RATES UNDER THE OLD LAW.
A FAIR FIX OF ALL INEQUITIES IS REQUIRED AT THIS OPPORTUNIT TO RESTORE CONFIDENCE AND FAITH IN THE TAX SYSTEM.
FURTHER INFORMATION WILL BE PROVIDED IF REQUIRED

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FINANCIAL ADVISOR