

[Redacted]

1 June, 2005

The Secretary
Senate Economics Legislation Committee
Suite SG.64
Parliament House
CANBERRA ACT 2600.

E-mail: economics.sen@aph.gov.au

Dear Senators,

I am a taxpayer and my wife is a taxpayer. We operate a small business that also pays taxes on time and in accordance with ATO requirements. However, because of the defects in the current system of self assessment we have been unfairly targeted, and in my opinion, harassed by the Australian Taxation Office (ATO) and subjected to retrospective tax, penalties and interest.

The incredible burden this has placed on our family both in terms of financial and emotional stress just cannot be described adequately in words. It is brought us to the brink of collapse.

Can you imagine the effect that an exorbitant penalty and general interest charge has had on the daily management of our business and household? We have been unable to plan anything for the future and live each day wondering if this will be the day it all crumbles. We barely manage to pay for our children's education and have had to burden our eldest son with HECS because we can't afford to help him with his university fees.

I can't begin to describe how unjustly I feel we have been treated.

On 16 December 2004 Federal Treasury released a report ("ROSA") recognising that legislative and administrative changes are required to rectify defects in the self-assessment system, which have been present since its introduction in the 1986/87 financial year.

The Treasurer Mr Costello announced on 16 December 2004 that Government and the ATO accept Treasury's recommendations and legislation will be introduced effective from 1 July 2005 or Royal Assent, whichever is later. The introduction of this legislation will rectify the defects for the future but **do not rectify the past** and consequently I remain affected by the now admitted defects in the self-assessment system.

I believe that it is because of people like us and the situation we have been placed in that this legislation has been crafted in the first place and yet we are being excluded from the benefits of the new laws.

The ATO seems to be the first to apply any change of mind 'retrospectively' but this legislation is being presented as a prospective measure.

[Redacted]

How can this be justly so? If the legislation is being developed to rectify the problems of the past then I implore you to see that it must also be applied to the past.

I need to have the protection of this legislation more so for the past when I was locked into investment strategies that were acceptable 'at the time' to the ATO but who have since changed their mind. I did not have the knowledge then that I do now.

Senators, the Department of Treasury has clearly found that the present self-assessment system fails to protect taxpayers against unfair and inequitable treatment by the ATO and I charge you with all conscience to remedy the proposed legislation by having it amended to apply from the start of self assessment.

Help the taxpayers like us who have been intimidated, punished, and treated unjustly by the ATO to finally have justice and relieve us of this incredible burden.

Yours faithfully,

A thick black horizontal bar redacting the signature of the sender.