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24<sup>th</sup> May 2005

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

E-mail: [economics.sen@aph.gov.au](mailto:economics.sen@aph.gov.au)

Dear Secretary,

Re:    1. Tax Laws Amendment (Improvements to Self Assessment) Bill (no.1) 2005  
      2. Shortfall Interest Charge (Imposition) Bill 2005

We are writing to you seeking a "Fair Go" as an Australian citizen and taxpayer. We are investors in a Retirement and Aged Care Facility established in accordance with Public Tax Ruling TR 94/24. The investment was made in 2000 and the main aim was to provide a secure freehold investment with a reliable future income.

The ATO was aware in year 2000 of these types of investments and gathered information from various accountants for perusal and consideration at that time. Discussions took place with ATO officers for more than 2 years, which was understood to be confirmation of the investment in accordance with the ruling.

However, without warning, the ATO sent out an Offer of Closure in 2004 to investors including ourselves, indicating a different interpretation of TR 94/24, disallowed our previous deductions, amended assessments and imposed unfair and unjustifiable deadlines for us to accept such an offer. In addition outrageous penalties and interest have been applied, causing us severe financial hardship.

It appears the self-assessment system has failed dismally in this instance, with ourselves and to our direct knowledge hundreds of similar investors being severely disadvantaged.

We are extremely concerned that we are one of the Australian taxpayers whose treatment caused Treasury to recommend that the law be changed however we are unfairly excluded from the benefits of these new laws, which we understand are to go before the Senate.

**SANDGROUND GROUP PTY. LTD.,**

In our opinion and in all fairness, we firmly believe that we and our fellow investors should be given the protection of this new legislation and accordingly, we would be most grateful if you will advise your Committee of our feelings on these issues and see fit to convince the Senate Enquiry, in the interest of fair play, to make the remission of GIC retrospective.

Yours faithfully,

David I Sandground  
Managing Director