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Sent: Thursday, 26 May 2005 12:45 PM
To: Economics, Committee (SEN)
Subject: Submission

11 Jason Close
Berwick Vic 3806
Thursday, 26 May 2005

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

Re: Inquiry into the Tax Laws Amendment (Improvements to self assessment) Bill (No.1) 2005 and the Shortfall Interest Charge (Imposition) Bill 2005.

Dear Secretary,

I am writing to you to ask you to present my submission to your committee and subsequently report your findings to the Senate. I am a small businessman who has experienced devastating effects from the problems associated with the current Taxation Self Assessment System.

In the 1996 Financial Year I was advised to take part in an Employee Benefit Scheme, with the understanding that the ATO had approved similar arrangements. In May 2001, the ATO issued a default FBT assessment along with a rather large GIC bill. This assessment and subsequent Personal and Company Assessments relating to the same Employee Benefit Scheme have left me stressed and my family fearing what will happen to them in the future. The GIC charged is absolutely horrific when multiplied over a period of years and backdated. If I sold every asset I owned I would not come close to being able to pay what the ATO is claiming to be owed by me. I have very little confidence in making investment decisions for the future due to the fact that the ATO may take everything.

I am one of the people whose treatment has caused Treasury to recommend the law be changed, but unfortunately, as it stands, I am excluded from the benefits of the new laws. I deserve the protection of the legislation more for the past, where I am locked in, and when I was less knowledgeable, than I am now.

The new laws go a long way to fixing some of the defects in the current system. However, for all taxpayers already caught in the web, we are still exposed to unfair and inequitable treatment at the hands of the ATO. The new laws must be amended to be effective from the commencement of self-assessment.

In order to lift the uncertainty regarding my future and that of my family, and to be treated fairly, I urge you to recommend the amendment of the legislation effective from the commencement of self-assessment.

Yours sincerely,

Nigel Barr