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22 July 2008

The Secretary
Senate Standing Committee on Economics
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Sir/Madam

Tax Laws Amendment (2008 Measures No 4) 2008 Bill - Family Trust Elections

The Taxation Institute of Australia believes that the rollback of the amendments made by the previous Government to the FTE rules in *Tax Laws Amendment (2007 Measures No 4) Act 2007* contained in the *Tax Laws Amendment (2008 Measures No 4) 2008 Bill* should be rejected by the Senate.

As the 2007 amendments were specifically targeted to overcome a number of acknowledged problems with the operation of the FTE rules and reduce the onerous associated compliance costs, we continue to struggle with the need to reverse these amendments. Not only will this rollback impact unfairly on taxpayers, it is also difficult to see how the amendments will result in any significant revenue savings. We strongly urge the Senate, therefore, not to support the proposed changes to the FTE rules in *Tax Laws Amendment (2008 Measures No 4) 2008 Bill*

The Taxation Institute is happy to meet with the Committee to discuss our concerns. If you require further assistance or information about matters raised in this correspondence, please contact the writer, on 03 9286 6135 or our Senior Tax Counsel, Dr Michael Dirkis, on 02 8223 0011.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Sue Williamson', is written over a light blue horizontal line.

Sue Williamson
President