

## **Additional comments by Coalition senators**

Whilst Coalition Senators support the essence of this bill and the outcomes it was developed to achieve, it is noted that the aggregated turnover threshold test put forward in the draft legislation has been broadened considerably from that developed by the previous Coalition Government.

During the development of the previous Coalition Government's proposal, consultation with stakeholders resulted in the singular aggregated turnover threshold test which, as stated by the then Assistant Treasurer, the Hon Peter Dutton MP, would:

...ensure that the measure applies only to taxpayers with sophisticated financial arrangements.<sup>1</sup>

Coalition Senators are concerned that the expansion of this test into three threshold tests may unintentionally burden small to medium sized entities (SMEs) with increased compliance costs. As many SMEs across Australia are currently challenged by the fallout of the Global Financial Crisis, it would be wrong for government to burden them further with inappropriate reporting requirements.

Notwithstanding these concerns, the goals of this bill reflect those of the previous Coalition government and the Coalition Senators support its passage through the Senate.

**Senator Alan Eggleston**

**Senator Barnaby Joyce**

**Deputy Chair**

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1 The Hon. Peter Dutton MP, Minister for Revenue and Assistant Treasurer, 'Taxation of Financial Arrangements', *Press release*, no. 117, 20 September 2007.

