

## **Tax Working Group Public Submissions Information Release**

### **Release Document**

**August 2018**

**[taxworkinggroup.govt.nz/key-documents](http://taxworkinggroup.govt.nz/key-documents)**

Key to sections of the Official Information Act 1982 under which information has been withheld.

Certain information in this document has been withheld under one or more of the following sections of the Official Information Act, as applicable:

- [1] 9(2)(a) - to protect the privacy of natural persons, including deceased people;
- [2] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage;

Where information has been withheld, a numbered reference to the applicable section of the Official Information Act has been made, as listed above. For example, a [1] appearing where information has been withheld in a release document refers to section 9(2)(a).

In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) of the Official Information Act.

### **Submissions Included**

Mischele Rhodes

John Milne

Damereas Tukitoga

Lupton For

Grant Tyrrell

Roger Turner

Rogan Mortimer

Jack Butland

Percival Nicol

Jeremy Busck

Regan Hawkins

Philip Keene

Svitlana Podolyan

Jonathan Chua

Qixiang Yang

Tineke Thornton

Luis Menegazzo

Chris Steadman

Shaikh Adeel

Marcos De Melo

Adeel Ahmed

Shona Robyn Muntz

Adam Ellington

Lex Allan

Venessa Shadrick

Campbell Allen-Jones

Katherine Swift

Nicola West

Barry Greenfield

David Lloyd

Jeremy Thornton  
Karl Laird  
Hitesh Thakkar  
Michael Dymond  
Willem Steenkamp  
Dylan Coleman  
John Knight  
Rachael Thomas  
Neil Curtis  
Adrian Cook  
Peter Hitchman  
Hannah Street  
Seamus Barnett  
Simon Hayes  
Mitchell Coombe  
David Farlow  
Dean Sole  
Sanje Munathanthiri  
John Sibanda  
Chuck Yau  
Caroline McNeish  
Barry Parkin  
Barbara Holland  
John Amiria  
Louis Nel  
Lynn Benfell  
William Jordan  
Rebecca Gorrie  
Andrew Burton  
Eliza Quinn  
Rowena Kaleopa  
Soraya Bradley & Michael Kay  
Desmond Lam  
Roger Coombs  
Stephan van Os  
Beatrice Hodgkiss  
Andrew McIntyre  
Alvin Watson  
Elizabeth Abernethy  
Glenn Rust

Peter Carston  
Murray Fletcher  
Adam Taylor  
Richard Bowes  
Robert Tait  
Wayne Mackie  
Arwen Heyworth  
Linda Hamilton  
Blaise Sinko  
Sem de Visser  
Rosjier Hall  
Rex Nicholls  
Greg Gimblett  
Beverley Redshaw  
Paul Chambers  
Carolyn Clark  
Philip Royal  
Mark White-Robinson  
Graeme Bain  
Brett Cottle  
Richard Tweedie  
Ross Webb  
Russell Braham  
Olga Roche-Kerr  
Peter Were  
John Hester  
Neil Parker  
Al Armiger  
Bharat Bhana  
Darryl Green  
Richard Kean  
Martin French  
Phil Rennie  
Mark Penn  
Peter Dallas  
Dave Chambers  
Robert Davey  
Dinesh Bhana  
Don Mathieson  
Rene Koome

Peter Evans  
Garima Bhatia  
Amrut Bhana  
Ben Guerin  
Michael Miners  
Shirley Branfield  
Sharon Fann  
Steven Wright  
Caleb Wylie  
Sian McBride  
Chris Logan  
John Burrill  
Michael McCook  
Steve Freeman  
Lawrie Knight  
David Dunlop  
Jan van Zyl  
John O'Brien  
Kathy Houtami  
Beth Marshall  
Lauren James  
James Wilson  
Nic Bonaventure  
Yvonne Carleton  
Stewart Hawkins  
Martin Derksen  
Hugh Wiffen  
Martin Scott

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**From:** Tom Macrae [1]  
**Sent:** Monday, 30 April 2018 11:59 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

To:- Sir Michael and members of Tax Working Group,

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. This promise should be upheld.

#### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, they should identify other areas where the burden can be reduced to compensate taxpayers.

#### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy. If the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

#### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

The Working Group should recommend allowing business' full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

#### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

The 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

Companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

#### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

The Government should not implement such a tax.

#### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

We should allow taxpayers to deduct inflation from taxable income earned via long term saving.

**Environmental taxes** -Any proposed environmental taxes should come with recommendations which make them revenue neutral. Any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I suggest the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I suggest that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Although the above points are relevant the following is more important -

Large multinational corporations should be paying their fair share - not escaping their taxes - it is abhorrent what they pay at the moment. This should change immediately. Tax dodging is on a truly epic scale and putting it in the too hard basket is not acceptable - take it out and deal with it, not target some beneficiary who takes more than their fair share.

Take back ACC'S \$30 billion in stolen taxes. The govt could do whatever they liked with that money and not go adding fuel taxes or any other stupid tax they are thinking of doing - focus on what should be done now.

The top 1% treat taxes as a voluntary activity whereas it is mandatory for the rest of us. Official IRD figures show that less than half the people with \$50million in wealth pay a marginal tax rate for declared income. The whole system is radically unfair and penalises working people and favours the rich - this creates the widening gap in inequality we see here today.

Taxing people who have two or more jobs to make ends meet with secondary taxes is criminal. If people have to work two to three jobs to survive why penalise them with more taxes?? End this now. Reward them for production, don't penalise them.

People on benefits who earn approximately \$80 extra a week get their benefits lowered by WINZ - another foolish idea. Let them work and earn a living wage so they get the idea to get off their benefit and earn instead of penalising them so they stay on a benefit.

There should be no taxes on the first \$17,000 - is that such a novel idea for this group to consider. We don't need any regional or fuel taxes or any other taxes to penalise working people.

Mischele Rhodes

[1]

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**From:** John Milne [1]  
**Sent:** Monday, 30 April 2018 11:15 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group (TWG),

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the TWG's Background Paper.

Sir Michael has said that the TWG is not about how to raise more revenue for the Government. I submit and strongly recommend that this promise should be upheld.

**The headings below are not ranked in order of precedence, rather each in their own way will improve the tax system in New Zealand**

**A. Revenue neutrality**

Where new taxes and tax hikes are recommended by the TWG, I submit that the TWG should identify other areas where the burden can be reduced to compensate taxpayers.

**However, I recommend below a possibility for consideration for an additional alternative tax to offset the declining tax revenues from an existing tax that also has hit unintended consequence barriers.**

**B. Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it, nor had that increased taxation formally approved by legislation. Without inflation such legislation is unnecessary, but with inflation it becomes necessary.

**I submit** that the TWG recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation.

I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

**C. Company taxation**

New Zealand has one of the highest company tax rates in the OECD. One result is a low-investment, low-productivity economy.

**I submit** that if Government wishes to encourage greater investment and growth in our productive sector, it should cut the headline business rate as other countries are already doing.

This is preferable to the Background Paper's proposal of cutting rates just for smaller businesses.

The latter creates a two-tier business tax regime with the associated administrative and perverse economic complexities and incentives for a business to stay small.

**I submit** the TWG should recommend legislation to maintain New Zealand's company tax rate at a comparable level to that of our OECD peers, and competitive ASEAN neighbours, by being no higher than at least the average of either group so as not to incentivise investors to invest elsewhere for tax

reasons. As a result this will assist the prospect for New Zealand as an attractive investment destination for investible funds.

#### D. Expensing of capital

The Government must, and should be committed to increasing New Zealand's productivity and allowing for greater growth in incomes and employment..

**I submit** that the TWG recommend allowing businesses full capital expensing within the first year of capital purchase for **new productive assets....but not for non-productive assets like cars, furniture, etc.** This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (since productivity growth is the most relevant factor in determining income growth and employment).

#### E. Charities and Maori Authorities

New Zealand's company tax system should not include egregious loopholes that give certain groups competitive fiscal advantages.....given also that company taxes are not any longer significant contributors to Government revenue. Freeing up the company tax regime may well provide opportunities for increased revenues beneficial to the economy and corporate investors.

**I submit** that a company owned by a registered charity should **not be permitted** to have the charitable tax deduction against its **own profits, but dividends actually distributed and streamed back** to the registered parent charity should be eligible for charitable tax deduction on meeting defined Charitable criteria. The registered parent charity would then be responsible for claiming the benefits of donations to its beneficiaries with full auditability via the Charities Commission.

**I also submit** that the **tax rate** should provide no incentives favouring one investor over another. Thus, for instance, the 17.5% income tax rate for Maori Authorities should be abolished. Maori Authorities should not be provided with a cash flow or tendering advantage over its non-Maori Authority competitors by a favourable differential tax rate.

**The TWG should also take the opportunity to consider New Zealand's dividend imputation system vs. Australia's franking credit system.**

**At present investors on either side of The Tasman are in effect double-taxed on dividends derived in the other country thereby, at the margin, reducing the incentive for inwards overseas investment - in either direction.**

**History suggests the Australians are unlikely to change their franking credit regime - so, should New Zealand 'bite-the-bullet' and consider departing onto the (inferior?) Australian regime by mutual recognition.**

**This matter is exacerbated if tax rates diverge as is presently the case for New Zealand vs Australia. It is possible that this may be a factor behind the recent departure of Xero's business (and listing) to Australia absent an appropriate mutual recognition arrangement.**

#### F. Capital gains taxes

Taxes on capital gains discourage investment, stifling wage growth and distorting the economy - **unless and without annual inflation adjustments relative to original purchase or construction cost.**

It is likely otherwise to cause a 'lock-in' effect deferring realisation, meaning investors would be discouraged from shifting capital out of unproductive investments.

**I submit** that in any event Government should not implement such a tax **without proper and appropriate inflation adjustment/s and allowing the quid- pro-quo of off-setting capital losses.**

### **G. Taxes on savings**

The tax system should not discourage saving.

Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially reflects the effects of inflation.

Invariably also, such savings are funded from prior tax-paid income.....thereby causing a double tax disincentive to savers in those kinds of assets.

**I submit** that if savings are to be taxed, taxpayers should be allowed to adjust for inflation on the taxable income earned via long term saving.

### **E. Environmental taxes**

**I submit** that any proposed environmental taxes should come with recommendations which make them revenue neutral.

**I submit** that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, **I submit** that the TWG develop an objective framework for future proposed environmental taxes to be measured against.

### **F. Lifestyle and 'sin' taxes**

**I submit** that the TWG recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of such life-style taxes as a sugar tax, a fat tax, or any other form of additional tax on food products.

**I oppose** suggestions to vary GST for different products. One of the most beneficial features of New Zealand's GST system is there a now virtually no exemptions. It is envied by many jurisdictions overseas which grapple with the costs, time and definitional efforts to administer differential GST (or VAT) taxes. I oppose increases to tobacco excise.

**However, there is the opportunity for the TWG to consider recommending a tax (and regulation) on recreational marijuana sales as the alternative to continual increase to cigarette taxes which are now becoming counter-productive in societal terms.**

**Already Canada is in the process of implenting this tax.**

**In the USA seven States have implemented tax on recreational marijuana (with more in the pipeline) with appreciable generation of new tax revenues.**

### **G. Zero-base tax revenue and expenditures.**

**The TWG has the opportunity to research and compare alternative tax regimes with equivalent sized countries to New Zealand. If these countries were Ireland, Switzerland and Singapore vs New Zealand evaluation can occur on the alternative regimes in respective countries: their different types and levels of tax revenues and how those revenues are deployed across Governmnt expenditures.**

**I submit this could present useful research and bases for establishing any of the above Discussion elements to ensure for the future the TWG's recommendations are well grounded in prevailing best or better practice.**

### **H. Government Tax as a % of GDP.**

**The implied target is 30%. The present Government is talking about targets in the low 20%<sup>s</sup>. However this is a partial objective.**

**The target should be additively referenced to BOTH Central and Local Governments (distinguishing between capital and operation expenditures).**

**Past history has seen Central Government shift expenditures and responsibilities by legislation to Local Government to remove such items from the Central Government budgetary responsibility. This (and deemed competence) has caused the rapid disproportionate increases in Local Government rates with the concomitant call for new forms of sharing tax revenues between Central and Local Government (like sharing GST for specific activities).**

**I submit focus on a partial target (of solely Central Government) misses the bigger picture in the Economy at large.**

**This 'total Government' target should be complemented by the recommendation for a legislated operational net budget deficit of (say 2%) to help ensure inter-generational equity (IGE) from current operations. Although IGE is legislated in the Local Government Act it is not adhered to - aided and abetted by conflicting options in the prescribed Local Accounting Standards eg for interest capitalisation.**

### **I. Conclusion**

Thank you for the opportunity for making this Submission. I would be pleased to make a further submission or provide further ideas on the next TWG iteration.

In the event of query or for further comment I may best be reached by email.

Yours sincerely,

John Milne

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**From:** Damereas Tukitoga [1]  
**Sent:** Monday, 30 April 2018 11:15 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Lupton For [1]  
**Sent:** Monday, 30 April 2018 11:09 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

#### Property tax

Current treatment of property for income tax means that it is advantageous to invest in NZ for foreign nationals reducing supply for NZ residents.

#### Wealth taxes

More tax on wealth as a proportion of total tax take - less from PAYE

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on ‘interest’ that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Yours sincerely,

L For

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**From:** Grant Tyrrell [1]  
**Sent:** Monday, 30 April 2018 10:55 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

### **Revenue neutrality**

Although I support a tax review I believe that it should be revenue neutral. Eg a tax on capital should be offset with a reduction in taxes on productivity (income).

### **Bracket creep / fiscal drag**

Adjustments for bracket creep in regards income taxes should occur automatically at, say, three yearly intervals. Governments can increase taxes (and should campaign to that effect) but that should be an open debate not a product of increasing wages.

### **Company taxation**

This must remain competitive with the world.

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

The 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors. This is not to say that genuine charitable activities undertaken by ma h isi should not be tax deductible.

Charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

A bright line test should be applied to charities seeking to obtain tax free status. Political activity and advocacy, for example (although important), should not be tax deductible.

### **Capital gains tax**

I support broadening the tax base. It is inconceivable that we tax productivity yet not capital. Subject to the essential quid pro quo of a reduction in income tax I support a broad based capital gains tax. It should not have exceptions to ensure simplicity for collection and understanding by taxpayers. It should only be tax on capital *gains* therefore there are no grounds for exceptions.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral and only based on neutral cost benefit analysis.

There should be an objective basis upon which the success or otherwise of such taxes to be assessed.

## **GST**

I oppose any 'fiddling' with GST. The strength of GST in this country is the lack of exceptions making it a simple and effective consumption tax.

## **Specialist taxes**

I do not support new taxes however I do support transparency in taxation and would encourage politicians to campaign on specific taxes linked to specific projects.

Yours sincerely

Grant Tyrrell

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**From:** Roger Turner [1]  
**Sent:** Monday, 30 April 2018 10:44 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

Reducing company tax is somewhat disingenuous as company tax is in reality a withholding tax, merely deferring tax until the profits are passed to the shareholders. If company tax is reduced, the liability for the tax foregone is simply passed on to the shareholders who then pay the tax that would have been paid by the company. The imputation credit regime was introduced as a fair way to prevent unfair tax liability on shareholders. Reductions in company tax without some corresponding reduction in shareholder tax liability has negated the fairness of this arrangement.

This unfairness is a disincentive to investing in productive businesses and encourages investment in unproductive housing with its many tax advantages.

I submit the Background Paper's proposal of just cutting rates just for smaller businesses, will create a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Financial Arrangement taxation**

The interest Accruals Regime on Financial Arrangements is a considerable complication and disincentive for non-commercial investors to invest in productive bonds and other fixed interest investments. It serves little purpose but if required at all the thresholds should be raised to at least \$10,000,000 capital and \$1,000,000 in interest.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

I submit that Churches should not have tax exempt status and should pay tax on income the same as other organisations.

### **Capital gains tax**

A tax on capital gains would be a further complication for investors in productive assets such as shares and a disincentive to saving. A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should reflect a fair value for the resource. For large commercial users, it would not be difficult to calculate a value for the water based on the area of catchment necessary to collect the amount of water used and apply a notional rental for the use of that catchment area of land.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Roger T. Turner

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**From:** Rogan Mortimer [1]  
**Sent:** Monday, 30 April 2018 10:34 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Jack Butland [1]  
**Sent:** Monday, 30 April 2018 10:25 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Wealth taxes**

I submit that taxes on assets and wealth are unfair and disincentivise individual effort and hard work to provide for one's own future self-sufficiency. They would also be distortionary if applied selectively on certain assets. Tax on investments should be limited to the income derived from it. In the same context, I also submit that the fair dividend rate method of taxing overseas investments is also unfair and distortionary.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Jack Butland

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**From:** Percival Nicol [1]  
**Sent:** Monday, 30 April 2018 10:19 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael Cullen and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

## **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

Yours sincerely,

P. Nicol

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**From:** Jeremy Busck [1]  
**Sent:** Monday, 30 April 2018 10:15 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

"Create the conditions in which Business can thrive and from this all else will follow "

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Above all else for a Nation to prosper it must reward those who work hard and achieve success which benefits all of its inhabitants.

A Nation should not penalise those who are successful with higher taxes otherwise there is no incentive to succeed

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Jeremy Busck

[1]

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**From:** Regan Hawkins [1]  
**Sent:** Monday, 30 April 2018 10:05 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Finally please don't lose sight of the efforts and contributions of the hard working PAYE earners who have very little tax deductibility and are called on again and again for more and more to keep the country moving. Those of us living in Auckland are looking at skyrocketing costs in fuel taxes and the inevitable inflation as business passes on the impact of higher minimum wage (those of us PAYERS on middle incomes aren't being offered pay rises just inflation).

Yours sincerely,

Regan Hawkins

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**From:** Philip Keene [1]  
**Sent:** Monday, 30 April 2018 9:55 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

### **A Degree of Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers. However, there must also be the balance with increased investment in New Zealand's infrastructure (e.g. public transport and roading) and minimum, necessary but targeted boosts in social spending. The commitment to reduce the government debt must also be upheld.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should trim out the headline business rate, relative to any new taxes that will affect businesses. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Tax loopholes**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent. I also submit that exemption of any religious organisations from paying tax should end, as these are not productive in terms of economic, social or metaphysical output.

### **Capital taxes**

I submit that the Government should not implement a capital gains tax as it has only been successfully implemented as a revenue gathering measure, with little other socio-economic effect from the experience of other countries. Instead, an outright tax on capital on assets should be considered specifically on non-depreciating assets with a minimum threshold. The company tax and personal income taxes should be decreased to compensate, with first focus on the lowest person income tax bracket as these are typically people who do not yet have significant (or any) capital. Owner-occupied homes should not be exempt as otherwise this may incentivise business from running more as a home office to avoid aspects of the tax. I suggest the only consideration is perhaps exempting registered Kiwisaver schemes.

A capital tax would disincentivise investment in non-productive housing investment and compel investment into productive capital, such as shares and funds, which have a higher net yield and boost investment in the private sector.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving. This would in turn be offset by the capital tax suggested above.

### **Lifestyle taxes**

I submit that the Working Group take caution on taxes that are to disincentivise unhealthy diets such as tax and fat. The experience of the consistent tobacco tax hikes is a prime example. Taxes on sugar and processed fats, as examples, may have merit at face value but may skew towards substitutes that are even worse (e.g, aspartame). Strict research and ongoing revisions over the years to such a set of taxes would be required.

Yours sincerely,

Philip Keene

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**From:** Svitlana Podolyan [1]  
**Sent:** Monday, 30 April 2018 9:28 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** J C [1]  
**Sent:** Monday, 30 April 2018 9:23 PM  
**To:** TWG Submissions  
**Subject:** Submission to the tax working group

Dear members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

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I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

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I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Jonathan Chua

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**From:** qixiang yang [1]  
**Sent:** Monday, 30 April 2018 9:19 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

亲爱的迈克尔爵士和税务工作组成员,

这是关于新西兰税收未来的提交文件，特别提到了工作组背景文件中提出的提案和问题。

迈克尔爵士曾经表示，税务工作组并不是想如何为政府增加收入。我认为应该坚持这个承诺。

### **收入中立**

如果工作组建议新增税收和增加税收，我认为工作组应该确定可以减轻负担以补偿纳税人的其他领域。

### **支架蠕变/财政阻力**

通货膨胀促使纳税人进入更高税率的税收政策是一种不诚实的政策，它允许政治家们更加努力地对新西兰人征税，而从未有过竞选活动。

我认为工作组建议立法规定年度所得税门槛调整，以调整平均收入或最低限度的通货膨胀。我注意到许多政府福利和权益都被编入索引 - 所得税门槛应该没有什么不同。

### **公司税**

新西兰是OECD公司税率最高的国家之一。其结果是低投资，低生产力的经济。

我认为，如果政府有兴趣鼓励我们的生产部门加大投资和增长，它应该降低标题业务比率。这比背景文件提出的仅仅为小企业降低利率提出的建议更可取，因为它建立了一个两层的商业税制，并伴随着相关的复杂性和激励措施，以保持小企业。

### **资本的支出**

政府必须致力于提高新西兰的生产力并使收入有更大的增长。

我认为工作组建议允许企业在资本购买的第一年内完全支付资本。这将增加企业投资资本的动机（加速生产率增长）和提高工资（生产率增长是决定收入增长的最相关因素）。

### **毛利当局和慈善机构**

新西兰的公司税制不应该包括给某些群体带来竞争优势的漏洞。

我认为应该取消毛利管理当局17.5%的所得税税率 - 这样毛利管理局就不会比非毛利人的竞争对手获得现金流量优势。

我认为，慈善机构拥有的公司只能获得实际分配给母公司的利润的慈善税减免，或者专门用于父母的慈善目的。

## 资产增值税

资本收益税会阻碍投资，抑制工资增长并扭曲经济。这也会造成“锁定”效应，这意味着投资者不愿意将资本从非生产性投资中转移出去。

我认为政府不应该执行这样的税收。

## 储蓄税

我们不应该让税收制度阻止储蓄。储蓄者（即那些拥有退休基金和投资计划的人）目前对“利息”征税，实际上，这部分利益部分地反映了通货膨胀的影响。

我认为我们应该允许纳税人从通过长期储蓄获得的应税收入中扣除通货膨胀。

## 环境税

我认为任何建议的环境税都应该附带建议，使其收入中性。

我认为，任何水税都应该以与水权定价类似的方式运作，并保持部门中立 - 政治家应避免针对特定行业或用水。

作为推荐特定环境税的一种替代方法，我认为工作组为未来拟议的环境税制定了一个客观框架，以供衡量。

## 生活税

我认为工作组建议不要扩大行为税，而是要概述它们对我们最脆弱的社区造成的倒退财务损失。

具体来说：我反对对食品实行糖税，脂肪税或任何其他形式的附加税。我反对不同产品的消费税。我反对增加烟草消费。

除了上述观点之外，我赞同 [新西兰纳税人联盟](#) 提出的 [更广泛的意见](#)。

关于我们

既然中央政府和地方政府争夺税费，我们一直无法呼吸，而且我们增加了各种税收

着名的名字。我们真的无法生存.....

此致，

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**From:** Tineke Thornton [1]  
**Sent:** Monday, 30 April 2018 9:09 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

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I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

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I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

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A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

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Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Luis Menegazzo [1]  
**Sent:** Monday, 30 April 2018 9:09 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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Yours sincerely,

---

**From:** Chris Steadman [1]  
**Sent:** Monday, 30 April 2018 9:05 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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Yours sincerely,

Chris Steadman



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**From:** Shaikh Adeel [1]  
**Sent:** Monday, 30 April 2018 8:50 PM  
**To:** TWG Submissions  
**Subject:** My submission for the tax working group

Dear Sir Michael and members of the Tax Working Group,

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Yours sincerely,

Adeel,  
[1]

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**From:** Marcos De Melo [1]  
**Sent:** Monday, 30 April 2018 8:48 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

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**From:** Adeel Ahmed [1]  
**Sent:** Monday, 30 April 2018 8:48 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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Yours sincerely,

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**From:** Shona Robyn Muntz [1]  
**Sent:** Monday, 30 April 2018 8:39 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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**From:** Adam Ellington [1]  
**Sent:** Monday, 30 April 2018 8:34 PM  
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I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Lex Allan [1]  
**Sent:** Monday, 30 April 2018 8:34 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors. Racial based taxation is grossly unfair and **MUST BE ELIMINATED**.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent. It should not be used for competitive advantage.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow savings up to a figure of \$40 to \$50,000 to be exempt from taxation. This would encourage young people in particular to save with greater intensity towards funding for their own home.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water except when being bottled or bulk sold for overseas markets.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. It is the responsibility of the purchaser or the parents or the so called "leaders" of the affected ethnicities to educate "their people" to start cooking healthy foods for themselves if the users don't have the ability to think for themselves. I oppose varying GST for different products.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

L. Allan

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**From:** Venessa Shadrick [1]  
**Sent:** Monday, 30 April 2018 8:25 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Campbell Allen-Jones [1]  
**Sent:** Monday, 30 April 2018 8:25 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco and alcohol excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Campbell Allen-Jones

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**From:** Katherine Swift [1]  
**Sent:** Monday, 30 April 2018 8:15 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Katherine Swift

---

**From:** Nicola West [1]  
**Sent:** Monday, 30 April 2018 8:15 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Barry Greenfield [1]  
**Sent:** Monday, 30 April 2018 8:15 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** David Lloyd [1]  
**Sent:** Monday, 30 April 2018 8:14 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

David Lloyd

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**From:** Jeremy Thornton [1]  
**Sent:** Monday, 30 April 2018 7:55 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Karl Laird [1]  
**Sent:** Monday, 30 April 2018 7:49 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

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I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

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I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

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I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

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I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

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### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Karl Laird

---

**From:** Hitesh Thakkar [1]  
**Sent:** Monday, 30 April 2018 7:45 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

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Yours sincerely,

---

**From:** Michael Dymond [1]  
**Sent:** Monday, 30 April 2018 7:35 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

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Yours sincerely,

---

**From:** Willem Steenkamp [1]  
**Sent:** Monday, 30 April 2018 7:29 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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Yours sincerely,

---

**From:** Dylan Coleman [1]  
**Sent:** Monday, 30 April 2018 7:25 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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**From:** John Knight [1]  
**Sent:** Monday, 30 April 2018 7:25 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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Yours sincerely,

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**From:** Rachael Thomas [1]  
**Sent:** Monday, 30 April 2018 7:14 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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Yours sincerely,

---

**From:** Neil Curtis [1]  
**Sent:** Monday, 30 April 2018 7:05 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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Yours sincerely,

Neil Curtis

---

**From:** Adrian Cook [1]  
**Sent:** Monday, 30 April 2018 6:58 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

Although I did not write the content in this letter, I agree with every element of it.

"I am favor of cutting taxes under any circumstances and for any excuse, for any reason, whenever it's possible." - Milton Friedman.

My question is: "How much tax is necessary to achieve the governments goals?" Why do we need money taken away from us to be returned as someone else sees fit? This can only be to achieve the goal of a population that is unreasonably reliant on the Government for their livelihood. This is not freedom, and it is not good for any kiwi now, or in the future.

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I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Adrian Cook

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**From:** Peter Hitchman [1]  
**Sent:** Monday, 30 April 2018 6:58 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

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Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Hannah Street [1]  
**Sent:** Monday, 30 April 2018 6:55 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

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Yours sincerely,

Hannah Street

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**From:** Seamus Barnett [1]  
**Sent:** Monday, 30 April 2018 6:45 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Simon Hayes [1]  
**Sent:** Monday, 30 April 2018 6:45 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I support increases to tobacco excise.

Yours sincerely,

Simon Hayes



---

**From:** Mitchell Coombe [1]  
**Sent:** Monday, 30 April 2018 6:45 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

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Yours sincerely,

MITCHELL COOMBE

---

**From:** David Farlow [1]  
**Sent:** Monday, 30 April 2018 6:45 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

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### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

Actually it would be much, much better if government expenditure were reduced significantly to allow taxation to be reduced. This would not only stimulate the economy, but give people greater freedom of choice. Taxed enough already.

### **Bracket creep / fiscal drag**

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Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,



---

**From:** Dean Sole [1]  
**Sent:** Monday, 30 April 2018 6:45 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Tax Working Group

- No to capital gains taxes other than the existing ones on short-term capital sales that are in the nature of income. They distort and delay the proper economic (re)allocation of capital.
- If capital gains taxes are introduced on real estate then they should apply across-the-board, including the family home.
- Goods and Services Tax should apply as it presently does, i.e., on all categories, across-the-board.
- All taxpayers to be taxed equally with comparable entities by type, not by size. So (e.g.) all trusts should be taxed at the same rate(s).
- No body should be exempted from income tax (e.g., charitable trusts, churches).
- Income tax to be assessed on income after Kiwisaver contributions are deducted, not before.
- Matching employer contributions to Kiwisaver to be tax-free.
- All off-shore spending on credit cards, debit cards, etc. to be assessed for GST as if the goods or service was purchased in New Zealand. If it can be demonstrated the expense was expended off-shore the GST can be claimed back.
- The commission of transactions that banks collect on credit card expenditure over 0.5% should be taxed at 100% - i.e., any commission over 0.5% of purchases should be payable to the Crown.
- Air travel from New Zealand should attract a climate change levy that must be applied to climate change projects.
- Tourists should attract a tourist levy which must be applied to tourist-infrastructure projects.
- Landlords should have the same depreciation allowances on their assets that all other businesses enjoy.
- Tax changes should be revenue-neutral except where their purpose is to change environmentally suboptimal behaviours.
- Where a new tax is introduced, other taxes should be adjusted to return to revenue neutrality (other than environmental behavioural-change taxes.)
- I oppose any new tax that aims to change personal behaviours other than those that are presently in place. No sugar tax, no fat tax, no additional food taxes, for example.
- Income tax brackets should automatically be adjusted to reflect changes in the consumers price index.

- Resource taxes if introduced should be revenue-neutral and apply across-the-board, not sector-by-sector.
- All state health care supplied to non-New Zealand citizens should attract cost-recovery charges.

Other than the suggestions made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely

Dean Sole

---

**From:** Sanje Munathanthiri [1]  
**Sent:** Monday, 30 April 2018 6:35 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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Yours sincerely,

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**From:** John Sibanda [1]  
**Sent:** Monday, 30 April 2018 6:29 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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**From:** Chuck Yau [1]  
**Sent:** Monday, 30 April 2018 6:25 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Caroline McNeish [1]  
**Sent:** Monday, 30 April 2018 6:15 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Barry Parkin [1]  
**Sent:** Monday, 30 April 2018 5:55 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld and stated front and centre.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small. This will undoubtedly lead to tax based restructuring of existing businesses to capture the benefit of the low "small business" tax rate.

### **Maori Authorities and charities**

New Zealand's company and business tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

## Capital gains tax

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments as they might be presented with a significant capital tax bill. Capital gains tax is also touted as a remedy for high real estate prices - if that was true countries such as Australia, Canada and the UK which have capital gains taxes should have lower relative property prices. This is not the case. The overwhelming cause of high real estate prices are low building rates due to land use regulatory hurdles, high building costs again in part due to regulations and the historically very low interest rates on mortgages. My view is that capital gains taxes will tend to "lock in" rental and holiday home properties into family trust structures for much longer than might be the case nowadays. Any sellers will be disadvantaged and have less money to put to other purposes eg starting a business.

Capital Gains tax media attention and political commentary has been focused on property - but the main thrust of property "flipping" has been reasonably well dealt with by the bright line test and an active investigation regime by the IRD. The exemption for the family home will undoubtedly encourage "investment" in upgrading family homes based on higher priced neighbourhoods. State school zoning also has significant impact on property prices and should arguably be abolished as it excludes less well off students from the better schools and shepherds the wealthy into premium state schools esp in Auckland.

Attention should also be focussed in public statements and in the final report on the capital gains tax impacts on assets other than property such as listed shares, private businesses, works of art and other long lasting assets (eg precious metals and classic cars) that can be sold for more their original cost. The impact of capital gains tax on Kiwisaver funds and savings in general will be to move more savings towards interest-bearing assets, long-term-hold "safe" equities and possibly also offshore for more sophisticated investors. I consider the Working Group should be fully transparent about the full impact of a capital gains tax system on all asset classes in its final report.

The capital gains tax exclusion for family homes may also be troublesome in its application for some property types eg family holiday homes and "lifestyle" farmlets or properties which are used for both residential and business purposes. Such a tax would encourage pigeonholing of property into multi-generational legal structures such as trusts or companies. There would be extended professional debate as to proper tax accounting for various types of property and other deadweight costs on the economy. It is also idle to simply wrap up the whole capital gains tax debate as a form of class warfare by "soaking the rich". The reality, as has been experienced in Australia and Canada, is that the current well off population will continue to be well off and the difficulty will be experienced by those aiming to increase their wealth and access lifestyle assets such as holiday homes. The tax will in effect lock out aspiring and younger people starting to grow wealth unless their parents can provide assets via family trusts and the like.

There is also a proposal to introduce an annual land tax as a form of wealth tax. NZ already has such an tax, commonly referred to as local authority rates, which are universally levied by Local Authorities on Capital Values of property with some relief provided by fixed value special levies and a Fixed Rate component. There is no moral or ethical justification for local bodies funding activities based on the value of a property where rates over different parts of a city, such as Auckland, can vary from \$1,500 for a basic house to \$10,000 for a basic house in a more expensive area. The rating structure is an historical relic that needs at some point to be restructured to a more user pays system.

In addition the value of a property is not a measure of household "wealth" as the amount of associated mortgage funding is excluded from the calculation and the number of working aged occupants is not taken into account. Such a tax would hit hard the asset rich, income poor citizens (eg pensioners) or aspiring couples who have borrowed heavily to acquire a property - for example to move into a prestigious school zone. If the family home was excluded from an annual Land Tax impost then the tax would be nothing more than a focussed impost on the rural community and tenants in rental property and another deadweight cost on commercial property occupants.

Capital gains taxes also tend to be sporadic due to the swings in the economy giving rise to varying levels of realisation of assets on which to levy the tax. If there is an inflation allowance to shelter some capital gains then that would also substantially reduce the potential tax take from this source.

I submit that the Government should not implement either a capital gains or land tax regime.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. The bad outcomes from using these products is invariably caused by prolonged and excessive consumption. Health education and more selective medical treatments would be more appropriate methods of fixing the problems. Regrettably people will make bad and somewhat addictive choices in a number of areas and trying to tax things out of existence simply doesn't work except at the margins. The effect is to impoverish users and open the door to illicit activity.

I oppose varying GST for different products which would create significant confusion and definitional issues in the retail trade - the UK and European retail trade would be a good source of material to the deadweight costs arising from such a proposal. I oppose the high level of tobacco excise. The significant growth in violent criminal activity arising from "high priced" cigarettes is self evident. There is also the less well known smuggling operations from the Pacific Islands and unofficial growing operations which are strongly incentivised by tobacco taxes.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Barbara Holland [1]  
**Sent:** Monday, 30 April 2018 5:25 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

B J Holland



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**From:** John Amiria [1]  
**Sent:** Monday, 30 April 2018 5:15 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper. As you will possibly recognise, this submission has been made with the assistance of the Taxpayers Union. Please do NOT dismiss my submission because of this, I have read their suggestions carefully and concur with them 100% - hence I have made this submission with their help since they have said better than I what I want to say.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

## **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

## **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

## **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

## **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

## **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,



---

**From:** Louis Nel [1]  
**Sent:** Monday, 30 April 2018 5:15 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

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I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

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I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

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I submit that the Government should not implement such a tax.

### **Taxes on savings**

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I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

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I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Louis Nel.

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**From:** Lynn Benfell [1]  
**Sent:** Monday, 30 April 2018 4:44 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

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### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

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I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

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I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

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As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

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Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** William Jordan [1]  
**Sent:** Monday, 30 April 2018 4:25 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that after an initial adjustment of an increase in the threshold of each income step of say \$10,000... that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Trust Taxation**

I submit that Trust Taxation be set at the same level as Company Taxation in order to create a level playing field for income derived by Trust investment.

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifle wage growth and distort the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

Many capital gains are the result of inflation. Many capital gains produce no more purchasing power with the advent of time as a result of inflation.. Taxpayers should not be taxed on these gains which would result in the Taxpayer suffering a reduction in the "value" or purchasing power of their capital sum.

I submit that the Government should not implement such a tax.

### **Tourist Tax**

It has become abundantly clear that the provision of roading, accident compensation, medical services and infrastructure associated with tourism have become a burden on both central and local government. I therefore submit that a tax of say \$25 per day that the tourist spends in NZ, be collected at the boarder on departure. Also that an appropriate portion of this revenue be distributed to local governments.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

### **Water Taxes**

I submit that there be **no taxes** applied to water used by NZ citizens for whatever reason, with the exception of water used for export purposes, either as purewater or the water content of water containing products.

### **Exported Water Taxes**

In order for the Government to benefit from the export of a valuable NZ Crown resource which has originated from the natural precipitation of rainfall, I submit that in the case of NZ Citizens, or non NZ Citizens who are residents, or Companies/Trusts either NZ owned or foreign owned, that pure water exports, or the water content of products containing more than say 25% water be taxed at an amount of say 20 c per litre.

I further submit that this taxation revenue belongs to the Crown rather than to any other party.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

### **Deductions from Taxable Income**

Due to the inability of the Public Hospital Service to provide first class treatment to all of the population, private hospitals have been developed to fill the gap and also provide a better service. This must reduce the load on the Public Health sector and therefore the taxpayer. The private patients mainly fund this service by subscribing to Health Insurance Providers. I submit that both direct private hospital patient charges to private patients be deductible from taxable income, or if the costs are met by a Health Insurance Provider, that the Health Insurance annual premiums be made deductible from taxable Income. The private Health patient would not effectively be paying twice for the service.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

William J Jordan

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**From:** REBECCA GORRIE [1]  
**Sent:** Monday, 30 April 2018 3:55 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Andrew Burton [1]  
**Sent:** Monday, 30 April 2018 3:25 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

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I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

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I submit that the Government should not implement such a tax.

### **Taxes on savings**

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I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

I WANT TO SEE GST REMOVED FROM FOOD AND MEDICINES! GST ON FOOD IS APPALLING!!!

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Eliza Quinn [1]  
**Sent:** Monday, 30 April 2018 3:18 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

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### **Expensing of capital**

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I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

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As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

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Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Eliza Quinn

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**From:** Rowena Kaleopa [1]  
**Sent:** Monday, 30 April 2018 2:45 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

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### **Expensing of capital**

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I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

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### **Capital gains tax**

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I submit that the Government should not implement such a tax.

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I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Although the above points are relevant the following is more important -

Large multinational corporations should be paying their fair share - not dodging their taxes - it is scandalous what they pay at the moment. This should change immediately. Tax dodging is on a truly epic scale and

putting it in the too hard basket is not acceptable - take it out and deal with it, not target some beneficiary who takes more than their fair share.

Take back ACC'S \$30 billion in stolen taxes. The govt could do whatever they liked with that money and not go adding fuel taxes or any other stupid tax they are thinking of doing - focus on what should be done now.

The top 1% treat taxes as a voluntary activity whereas it is mandatory for the rest of us. Official IRD figures show that less than half the people with \$50million in wealth pay a marginal tax rate for declared income.

The whole system is radically unfair and penalises working people and favours the rich - this creates the widening gap in inequality we see here today.

Taxing people who have two or more jobs to make ends meet with secondary taxes is criminal. If people have to work two to three jobs to survive why penalise them with more taxes?? End this now. Reward them for production, don't penalise them.

People on benefits who earn approximately \$80 extra a week get their benefits lowered by WINZ - another foolish idea. Let them work and earn a living wage so they get the idea to get off their benefit and earn instead of penalising them so they stay on a benefit.

How about no taxes on the first \$17,000 - is that such a novel idea for this group to consider.

We don't need any regional or fuel taxes or any other taxes to penalise working people. Take the money from where it should be taken, transnational corporations, the 1% dodgers and leave the worker alone.

Yours sincerely,

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**From:** Soraya Bradley [1]  
**Sent:** Monday, 30 April 2018 2:28 PM  
**To:** TWG Submissions  
**Subject:** submission taxation committee

Dear Sir Michael and members of the Tax Working Group,

Previously send via taxpayers union - but it was unclear whether it was directed to taxpayer group or taxpayer union - so I have reworked and resubmitted directly - apologies

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Future of tax & Purpose of tax**

Liberal myth, government spending more and doing more is best. Conservative myth, government doing less and spending less is best. Business myth, running government like a business is best. People myth, hiring better people is best - its not the people its the system... Actual answer is to increase effectiveness, adaptability, and capacity to innovate. Achieved by changing their purpose, incentives and accountability, power structure and culture within government department.

Presently NZ is too high in taxpayers and companies who are publically funded. For the country to flourish the portion of private companies, and taxpayers needs to increase as these are the ones who bring profit to the country. Presently (at least locally) there is a view to selling off capital/ natural resources to gain profit - this is a best a short term fix and longterm disaster. This model needs to be stopped.

"Banishing Bureaucracy, The Five Strategies for Reinventing Government, which details how to permanently change public administrations to increase their effectiveness, efficiency, and capacity for innovation. "

**Presently NZ has many opportunities**, if a clear clean way forward is enabled. With Britain leaving the EU, the commonwealth could become the "powerhouse".

Overwhelming taxation and regulations have caused startups, businesses and investment have flooded to London and ignored Paris and other European capitals. I propose NZ engage in a free speech, "low, but strict regulation" and reasonable taxation. Lets encourage start ups, innovations and free thinkers to start here.

Why the commonwealth could become the new superpower <https://www.youtube.com/watch?v=pN9Tn1QRBTc>

Why Macron will destroy the EU <https://www.youtube.com/watch?v=mScTjRlbgQ>

## **Exports**

**Suggest Government supports innovators and sustainable producers via brand and high industry standards - NOT subsidising, accidentally supporting bad practices (see below -environmental )**

NZ organic and food quality is not up to UK standards. Last year Russia dropped our beef due to contamination with a chemical/growth hormone often added to pork feed. We have the tracking technology to identify where this came from but no MPI effort bothered. We need to start now breaking apart failed MPI and reintroducing the high standards and infrastructure our imports and exports had previously. Sustainable permaculture advocated by "intergrity soils" removing pollutants of nitrogen fertiliser, roundup and restoring soil/humus and soil microbes and reducing dependence on irrigation are perfect commercial alternatives to organic and implementation of these measures now would lead to a higher demand for our exports and the specialised products demanding higher cost. It would address water quality issues where effective by rural contamination of nitrogen fertiliser.

Additionally NZ and Australia lamb and beef export to one another push each others prices down - this seems like a complete waste of time.

Rigour and high standard government testing vital, a strong brand - beef raised on organic pasture/ beef raised on organic silvopasture/ organic grass feed - Allowing a clear strictly controlled dairy. beef & lamb both locally and internationally, requiring industry to pay producers a higher price and process brand separately allows consumers to choose well produced humane products

(Labelling ritually slaughter meat has been suggested - so I may choose not to buy it as I think its inhumane, just like I don't buy tested on animal products.)

## **taxing right things & housing more affordable & matters most**

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers. The failure of government departments to meet goals/obligations results in more money and extension of the departments, in the marketplace - companies fail when they fail to meet obligations.

We need to set up a new mentality within government departments with a new set of obligations - with clear economic analysis to stem tide of fiscal irresponsibility. Additionally a surgeon may spend less than 25% of their time in surgery - 75% paperwork. That is an inefficient use of human resource - yet every layer of bureaucracy with the health system creates a new report/ health & safety the surgeon must complete. It is vital we strip back these wasteful bureaucratic layers. The same can be said for teachers and many other productive vs bureaucratic/health and safety layers.

It seems fairly straightforward that electing members of the public to run a hospital - does not work and its very expensive. Board members are so entrenched now ... I say we get rid of elected boards and put surgeons, doctors and nurses back in charge of hospitals .... Under the governance of state run services with a yearly audit/warrant of fitness. Then hospitals only get access to full budget if they improve their ratings. Its no point throwing money at the health system till we fix the systems that enabled the problem. So overloaded with bureaucratic paperwork/ health and safety that they missed the building rotting around them.

....

### **examples of waste**

this year my partner received a glossy full color survey to complete for government funded "sport NZ" ... he had at least three reminders to complete the intrusive 20 page Orwellian study, with a \$500 lucky dip reward - what is the cost to taxpayer of this department. Additionally our local Horowhenua council has employed at least one nutritionist full time - to advise on local health ... Meanwhile in another expensive bureaucratic layer - **an advisory board to local council is trying to sell off local parks and community halls because of lack of funding** .... all these layers of bureaucracy for national to local are removing the actual resources from the local community, which is the worst possible outcome for the health and well being of community and financial resources are being misapplied.

Why is the government spending funds on anti- smoking campaigns still, speeding campaigns ... Nannys and nudgers, government agents engaging in proganda about how individuals should spend their lives, smoking is just one example. It is an offense to individual liberty and personal responsibility and those funds could be far better spent elsewhere. How much per taxpayer is spent on advertising propaganda? \$50? \$100? Wouldn't people rather have that in their pocket?

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

(I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.)

Professor Mark Blythe discusses how the tax department is the favourite department in Sweden, because they make it transparent where taxes go and make it easy to meet obligations. In NZ we are blocked from understanding where taxes go. How much welfare goes to the poor and how much is spent on maintaining staff and offices? Would waste go down if departments were more transparent about spending and had a clear economic analysis of spending/results. Funding outcomes, not inputs. [https://www.youtube.com/watch?v=Vnr7GN5T\\_tg](https://www.youtube.com/watch?v=Vnr7GN5T_tg)

I have pondered whether NZ would be best to implement 20% flat tax rate, income, company and gst. (First \$10,000 tax free personal) Close off loopholes and offsets for high income earners or overseas investors. Easy implementation, transparency and same across every class and avoidance prosecuted harshly.

### **ACC - the hidden tax**

Rework ACC/health , I would simplify \$800 fee for a builder. \$600 for a plumber a set fee for each employee of each job. With a 10% discount for no serious workplace injuries in laast 2 years. The billing for acc is confusing and tries to fleece based on profit, not on a good safety record .. it should not cost extra for profitable business, it should reward safety and it should be utterly easy for small business to factor cost of new staff. I would dissolve the ACC case managers etc. and reassign this funding to health. Would start a traffic light system for surgery treatment eliminating acc approvals etc. Lets take this funding for treatment and put it fully into the health system for treatment. Maybe still it over charges - which it currently does, but everything covered - whether that be an accident or cancer or appendicitis. So funds go to health treatment rather than a pseudo insurance agency - disguised as a no fault insurer.

Urgent and accident - Red,

Accident, and mixed origin with good change of recovery back to work - orange,

Mid to longterm problem - significant improvement to life - yellow

Longterm problem - green.

Non urgent waiting list - blue

(Additionally acc and health & safety are trying to manage for the average in so doing they have become obstructive for the competent and profoundly clever - have you seen Parkour or freerunning, it does not make sense to to and dumb these people down, for the help of the most clumsy. Health and safety was started so companies had to provide safe environments and not require undue risk taking for staff to cut costs. Nowadays the biggest bully in a company will be a workplace health and safety officer. We need to dial this back and encourage individual competence and freedom, accepting accidents will always happen.

My brother knocked a light bulb as he was removing from a display cabinet and it shattered left him with a small cut. That required a lengthy form filled out and a safety protocol to be developed by manager and health and safety officer and then introduced. Very time consuming and ridiculous overkill for just an accident.

Its a similar thing I noticed in my teacher training, failure to allow kids to flourish in their own ways according to their strengths, the goal was to keep everyone average. )

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

Additionally charities should be obligated to provide a public breakdown of dollar distribution. I should know what percentage of my of donation reaches the end user and how much goes to sustain the charity or on advertising/propaganda. This way public will be able to support charities that are fulfilling their stated purpose and hopefully those that squander will fail.

(I am sure greenpeace functions in such a way, where funding goes to advertising/campaigns and very little goes into research and development or supporting green causes on the ground. )

### **Capital gains tax - Housing**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments. I submit that the Government should not implement such a tax. Should the government - could the capital gains tax only apply to foreign investors/foreign companies and not to local people and local companies. (We have seen this implemented in other countries and it most negatively effects family farms and working class families who inherit a home.)

I would suggest at most, should a productive farm or inherited farm be subdivided into lifestyle blocks or a subdivision, that a capital gains tax of some form may be applicable ...

I would also look at

these <http://www.johnsimpsonarchitects.com/pa/Swindon.html> and <http://www.benpentreath.com/architecture/masterplanning-development/poundbury-residential/> both of which are new high density housing estates but built in sympathetic traditional ways. Five minutes walk to a green space and close to local shops/facilities encourage walking rather than driving ... Its a way of introducing entry level apartment living close to town for smaller families/couples. And while these appear more as apartment conversions of old homesteads - for some reason people like conversions of 1900- 1940s buildings. They last repurposed, so their original cost is offset because they remain in use. Whereas buildings from 70-90s are torn down and replaced which is an unwise use of resources and more expensive over time. Urban sprawl is a problem as is high cost of land.

### **Housing - local body costs**

I would suggest that local councils that receive excessive substantial complaints, increases rates over the costs of inflation, refuses transparency needs to automatically have audit and oversight. Increase the powers ombudsman and IG to require audits/ transparency and individuals to step down for non compliance or conflicts of interest.

We need to urgently close local body government - these are expensive to run. They are creating several layers of bureaucracy to avoid dealing with the public and public concerns and protecting their own interests. Boards and advisory boards are being mismanaged, participants are selected based on thinking the same as the aims of organiser - not have a variety of innovators and diverse industries. They are bullies in how they are being implemented, .

Additionally government / environmental and ratepayers should be able to put an injunction on councils to granting any new resource consents/new builds if the infrasture of water and sewage is struggling to cope.

### **Mandatory Upgrade of water and sewage in growth areas or repeated polluters**

As an option, central government to fund the design costs and a supply a project manager to oversea correct implementation of water and sewage plant with green/sustainable design. (Perhaps in new locations - such as Horowhenua waste is it still going in lake for over 20years - relocation priority). This would allow a cheaper design cost by government funding in bulk to proven successful green designers/engineers, but also demand a high standard and better quality outcomes than any individual small council can obtain on its own ... This is a company that has worked in NZ before and indicates the ideal, while a cost it and provides benefits in employment, tourism, environmentalism, and cultural - NZ part starts about halfway through. <https://www.youtube.com/watch?v=9VIY-3V63yI&t=0s&list=PL4tNPdK4jtOxHIm1Hy5eQqHbbEBNqWxDW&index=6>

## Environmental taxes

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral. I submit that any taxes on water should operate only on irrigation, (drip irrigation should be excluded). And commercial industries. As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against. The Paris accord is a top down measure/ creating a swap rather than change or innovation - these don't work <https://www.roger-scruton.com/articles/281-conservatism-and-the-environment> .... <https://www.roger-scruton.com/articles/239-conservationism-you-can-believe-in>

Is water a commodity like oil or a right, like air. I have researched this extensively for a submission on Te Waikoropū Springs and Associated Waterbodies. Without Iwi rights many of our natural resources would have already been sold to China and now we are still seeing individuals trying to profiteer off a natural resource in water exports and councils granting irrigation with no understanding. Implications are nitrogen application. Farming and water in NZ is suffering the “tragedy of the commons” - an economic theory of a situation within a shared-resource system where individual users acting independently according to their own self-interest behave contrary to the common good of all users by depleting or spoiling that resource through their collective action.

The average annual rainfall in Takaka (where springs are) is 2019mm. My partner, a second generation farmer, suggested that the farmer unable to farm with this rainfall, displays a competence level so low, they shouldn't be allowed to farm. To qualify - [1] family have farmed in Manakau, Levin since 1980s. Their annual rainfall is 1141mm, Nitrogen/Urea fertiliser free and no irrigation farming at 1.4 stocking units. Cambridge/Waikato - dairy farm country annual rainfall average 1214mm per annum.

### **Flawed Farming Methods** - Farming is in a diastrophic spot.

In 2007 Richard Mulvaney, Saeed Khan, and Tim Ellsworth of the University of Illinois announced the disaster of Synthetic Nitrogen fertiliser. The Marrow Plots, the oldest experimental fields studying soil fertility est. in 1876. Synthetic Nitrogen fertiliser, used on the plot since 1967, had significantly reduced the organic soil matter and nitrogen - the opposite of what it thought to do.

A German grassland study (begun 2002) found as species diversity increases so does annual biomass - more than using fertiliser. Even when nitrogen rates increased to 200kg/ha, plant diversity trumped biomass production. Biomass production kept doubling with pasture plots up to 60 species. As species increased so did soil carbon whereas soil carbon declined with monocultures.

Current farming practices include a problematic monoculture of rye and clover, this has transitioned to further problematic annuals that require yearly tilling and replanting - further increasing loss of carbon. There is an insistence of farmers (agricultural and horticultural) to grab surface water, then aquifers. For some reason - NZ has not identified farming practices requiring irrigation - where none should be needed.

Due to the synthetic nitrogen, there is a loss of carbon in soil. Therefore the soil no longer has any structure and the soil water holding capacity is significantly reduced. Precious topsoil is washed away in rain and the soil soaked with inorganic nitrogen provides plant and algae structure in the water the same “growth burst” as the do the plant on land - explaining the massive algae blooms. The plants may look fine but the edifice that supports them is crumbling. (This is particularly problematic with forestry.)

Nestle produces in three days what Fonterra produces in a year. China has built the worlds biggest dairy farm on the Russian border and since this time NZ milk prices have dropped. Fonterra has been satisfied to push farmers to intensification, increasing yield and reducing payouts for short term and unsustainable gain. Whether Fonterra will still exist in ten years time is questionable if milk powder to china is aim. Instead of innovation, A2/allergenic and grassfeed, grass finished, hormone and antibiotic free, permaculture, regenerative products into higher end markets is not pursued and lowering processing cost and increasing farmer payouts.

NZ Farmers today have been satisfied to haemorrhage their profits to fertiliser, irrigation companies and other associated chemicals & gadgets ... they have lost touch with the health of the land and with the desire of the consumer for low pollution organic produce. (The regenerative farming model mixes organic style land practices based on ancient prairie grazing with modern treatment of the cow. )It further supports the health of local and demands for our high quality exports.

Dr Christine Jones

: <https://www.youtube.com/watch?v=S3rhjqzVrRc&index=5&t=13s&list=PL4tNPdK4jtOxHIm1Hy5eQqHbbEBNqWxDW>

Soil Carbon Cowboys Movie : <https://vimeo.com/80518559>

The role of soil in watersheds [http://harvardforest.fas.harvard.edu/sites/harvardforest.fas.harvard.edu/files/grazing/Collins\\_Harvard%20Forest%202.pdf](http://harvardforest.fas.harvard.edu/sites/harvardforest.fas.harvard.edu/files/grazing/Collins_Harvard%20Forest%202.pdf)

## **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on ‘interest’ that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

## **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

....

Another innovator - the dark web Eric and Bret Weinstein, both due to come to NZ, Auckland .. this is worth a watch

Personal responsibility solutions fail. Not only are they inadequate, they actually make things get worse, faster. . But invest your goodness budget in the most effective way possible

<https://www.youtube.com/watch?v=EsBvI9oSD1g>

Good governance an evolutionary approach <https://www.youtube.com/watch?v=rpb-COhbMIM&t=525s> ...  
the fourth frontier: discovering humanities future <https://www.youtube.com/watch?v=AIWlsSOubts>  
One of the failures of capitalism/free market - a fridge that lasts 5 years vs a fridge that last 30 years. The second option is a far better use of resources, but on the market looks like a failure because the number of fridges sold, drops. How can we use transparency to support companies that are using resources better ?

I am an artist just outside Otaki, living with a second generation farmer. Between us, we have encountered bureaucratic bullying and with too much time have tried to think clearly about the structural changes both coming from anti authoritarian, but opposing left/right view point. Our communiity is struggling with a corrupt council, that has numerous complaints, cost overruns and lack of transparency and individual blocking outside voices to protect their own interests- blocking competition as one only can in small conservative communities.

English common law works so well, because it is bottom up - but the last few years ignorance of economics and overload of self interested politicians and government funded "non profits" and companies have caused a more french "top down" attitude from all levels of government. This has impeded individual freedom and grass roots actions. And may well be contributing to overuse of resources in farming... lets get back to a country where our independance and innovation is not blocked by overburdened tax and regulation.

Thank you fro taking the time to read this, it is longer and rambling, disorganised to questions and leaves out much.

Beyond the points made above, I loosely endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Soraya Bradley and Michael Kay

---

**From:** Desmond Lam [1]  
**Sent:** Monday, 30 April 2018 2:15 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Desmond Lam

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**From:** Roger Coombs [1]  
**Sent:** Monday, 30 April 2018 2:09 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be honoured.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on interest and dividends that, in practice, partially just reflect the effects of inflation. The current system offers no real incentives for people to save for their retirement.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Roger Coombs

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**From:** Stephan van Os [1]  
**Sent:** Monday, 30 April 2018 2:05 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

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### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Stephan van Os



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**From:** Beatrice Hodgkiss [1]  
**Sent:** Monday, 30 April 2018 2:05 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it. Those on fixed incomes will suffer most from increased tax rates. The proposed petrol tax is going to be devastating as it will impact on all aspects of life and services, not just petrol at the pump. I never go to Auckland and resent paying for transport in that region. Should be user pays. Have you considered a system as in Singapore?

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

## **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent. Sanitarium is a classic example of a large profitable organisation ripping of the tax system.

## **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

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I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

## **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

I suggest a reduction or removal of GST on 'fresh food' - not processed. Fruit, veg, raw meat, dairy produce

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Beatrice Hodgkiss

---

**From:** Andrew McIntyre [1]  
**Sent:** Monday, 30 April 2018 1:49 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

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I submit that the Government should not implement such a tax.

### **Taxes on savings**

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Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Andrew McIntyre



---

**From:** Alvin Watson [1]  
**Sent:** Monday, 30 April 2018 1:45 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

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### **Bracket creep / fiscal drag**

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I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

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I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

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Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely

---

**From:** Elizabeth Abernethy [1]  
**Sent:** Monday, 30 April 2018 1:35 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

Please note this has been customised to fit my views.

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

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I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

## Capital gains tax

I agree with **Capital Gains tax**, for a short period of time. This will, in time, effectively stop the rich/non-New Zealanders from buying houses and renting, opening up opportunities for NZ first home buyers to secure a home in NZ.

I submit that instead of Capital Gains Tax, persons who are not NZ Citizens are not able to purchase land, houses, apartments, or any related living area/s that would take homes away from New Zealanders. This would result in a possible short-term financial change (downward), but would be securing the future of New Zealanders, and effectively make buying a home a possible prospect for many.

## Taxes on savings

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

## Environmental taxes

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

I submit that any companies/iwi owned water/springs should be taxed if NZ water is being sold to off-shore parties

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

## Lifestyle taxes

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Elizabeth Abernethy



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**From:** Glenn Rust [1]  
**Sent:** Monday, 30 April 2018 1:19 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Peter Carston [1]  
**Sent:** Monday, 30 April 2018 1:05 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

P Carston

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**From:** Murray Fletcher [1]  
**Sent:** Monday, 30 April 2018 12:55 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Adam Taylor [1]  
**Sent:** Monday, 30 April 2018 12:55 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This submission on New Zealand future tax regime, made with particular reference to the proposals and questions set out in the Tax Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld as a matter of Sir Michael's credibility.

### **Revenue neutrality**

Where new taxes and further tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers with a view to making sure all New Zealanders share the burden of tax, and not just the few. This is the basis of equity and equality.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a policy that allows politicians to tax New Zealanders further and harder, without ever having campaigned on it and obtained a mandate from the electorate.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. It is note-worthy that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy. Countries with low company tax rates see company-driven investment, profits for the community, and an increased overall company tax-take due to an increase in business activity.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

## **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors. This would be an equitable action.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

## **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

## **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

## **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

## **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise. Overseas experience shows these taxes are counterproductive and don't address behaviour as desired

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Adam Taylor

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**From:** Richard Bowes [1]  
**Sent:** Monday, 30 April 2018 12:34 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Richard Bowes

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**From:** Robert Tait [1]  
**Sent:** Monday, 30 April 2018 12:29 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase of operating equipment or over the first 2-3 years of purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax. However if such a tax is introduced there should be no exemption for any Maori authorities, incorporations or trusts.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group carefully consider the expansion of behavioural taxes and the likely impact on our most vulnerable communities. However, there should be disincentives to consume some foods that have been proven to have an adverse health impact. The consequences of some foods such as sugar have a cost to all New Zealanders who make a conscious effort to manage their weight and health.

revenue gathered from such taxes should be used to target education campaigns to reduce the health impact of such foods as sugar.

Specifically: I support the introduction of a sugar tax, but oppose at this time any other form of additional tax on food products. I oppose varying GST for different products.

I support the increases to tobacco excise.

Generally I support the review of the New Zealand tax system but strongly recommend that all New Zealanders be treated equally, specifically that Maori be not given any special treatment and that businesses operating through a charitable trust structure be taxed the same as all other businesses and only exempted from tax for income distributed for charitable purposes to genuine beneficiaries.

Yours sincerely,

Rob Tait

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**From:** Wayne Mackie [1]  
**Sent:** Monday, 30 April 2018 12:19 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Arwen Heyworth [1]  
**Sent:** Monday, 30 April 2018 12:15 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

**As a Government employee working in the education sector, my salary has not kept up with inflation. Living costs have increased but my pay has remained the same for the last 4 years. I have a mortgage in Auckland and I am barely scraping by each month. If I have \$3 left to my name at the end of each pay fortnight, I consider myself lucky. Now Phil Goff wants to add additional unnecessary taxes in addition to a rates increase. In fact, Aucklanders may soon be paying more tax per litre of petrol, than actually paying for the petrol itself! Auckland Council is management heavy, all receiving fat bonuses and pay increases despite regularly falling short on set goals. They need to trim the fat in Council to find the additional funds, not go digging in my back pocket for more money! Especially when they are discussing REDUCING essential services like waste collection.**

**It frightens me to hear Sir Michael discussing capital gains taxes, taxing MY hard earned savings etc. There are other ways to raise funds, taxing the hard working portion of the population into poverty SHOULD NOT BE YOUR FIRST CHOICE!**

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

## **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Arwen Heyworth

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**From:** Linda Hamilton [1]  
**Sent:** Monday, 30 April 2018 12:06 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Blaise Sinko [1]  
**Sent:** Monday, 30 April 2018 12:05 PM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Sem de Visser [1]  
**Sent:** Monday, 30 April 2018 11:58 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Rosjier Hall [1]  
**Sent:** Monday, 30 April 2018 11:54 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Rex Nicholls [1]  
**Sent:** Monday, 30 April 2018 11:48 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

I am making this submission as an individual but using and adapting the Taxpayer Union submission. First, I wish to make three points of principle:

1. This Tax Working Group was not set up to raise more revenue for the Government and Sir Michael has said as much. The promise that there will be no increase in total tax take should be upheld. That is, where new taxes and tax hikes are recommended by the Working Group, the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.
2. Humans react to incentives and disincentives; that is a basic animal behaviour set into our genes. Tax on income is a disincentive on productivity. Why earn more money once you have enough to support your family if you only get to keep 2/3 of it...?
3. Taxes should be taken at source. Overseas companies should pay tax on the income they earn in NZ in a fair manner. There should be GST charged on all purchases, in an equal manner, be they at a shop in NZ or on-line. The system should be as simple as possible and fair.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is negative to taxpayer motivation. It also allows higher tax take without the same removal of tax elsewhere.

I ask that the Working Group recommend legislating annual income tax threshold adjustments indexed to the general CPI. Many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

I suggest it is better to tax unproductive capital.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of productive-capital purchases. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

As soon as Maori land claims have all been settled, which should occur soon after your Tax Working Group reports back and Government begins to implement new tax policy, the 17.5% income tax rate for Maori Commercial Authorities should be abolished to make them equal to normal businesses. This will allow Maori to consider themselves equals. They were once a very commenrcial people and Ngai Tahu prove they can be again once they re-gain that confidence.

All companies and money making ventures owned by charities including, religious bodies, should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically and transarently applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on commercial capital gains discourages investment. It stifles wage growth and distorts the economy. It also causes a 'lock-in' effect, meaning investors are discouraged from shifting capital out of unproductive investments into more productive ones, particularly in the area of property.

I recommend, however, that there needs to be a capital gains tax on unproductive assets. All houses, non-government land not including productive farms, and unproductive assets need a yearly capital tax applied. This would be tiny but would incentivise older people to move to smaller homes freeing up larger homes for families, etc. There is no shortage of rooms in NZ, just too many unused rooms in large houses. Personal effects are probably too hard to tax. In Denmark this leads to the rich investing in art etc, but this is a negligible cost against the rest of the population and they will already be paying a considerable amount of tax.

### **Taxes on savings**

The tax system should not discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water. Exported water is negligible and the income derived from wages and export earnings outweigh the 'jealousy' effect.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise. Already the tobacco tax covers far more than the cost of the health effects of tobacco.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Rex Nicholls

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**From:** Greg Gimblett [1]  
**Sent:** Monday, 30 April 2018 11:45 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase, excluding buildings. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

I submit that earthquake strengthening to commercial buildings be able to be depreciated. This will encourage owners to save historic building and bring all building up to code. Currently the cost is too high for many property owners, many of who are investing for their retirement.

## **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

## **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that no water tax be introduced, except for bottling plants.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

Beyond the points made above, I mostly endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Greg Gimblett

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**From:** Beverley Redshaw [1]  
**Sent:** Monday, 30 April 2018 11:39 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

BA Redshaw



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**From:** Paul Chambers [1]  
**Sent:** Monday, 30 April 2018 11:25 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Paul

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**From:** Carolyn Clark [1]  
**Sent:** Monday, 30 April 2018 11:05 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Carolyn Clark

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**From:** Philip Royal [1]  
**Sent:** Monday, 30 April 2018 10:58 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets should be avoided.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The risk is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a ‘lock-in’ effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on ‘interest’ that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers’ Union*.

Yours sincerely,

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**From:** Mark White-Robinson [1]  
**Sent:** Monday, 30 April 2018 10:39 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld. **Further, it should be noted that New Zealanders make many future decisions on how to structure their lives based on the rules that the government sets. Any changes to those rules (of which tax is one such rule with a disproportionate effect) should not be taken lightly. Your decisions have the ability to significantly disrupt hardworking New Zealanders (who have acted prudently and within the rules and structures dictated by the government) lives and undermine plans that can be decades in preparation and execution. Tinkering to create a 'perfect' tax system (which is unobtainable) should be avoided given the significant costs and disruption it will give to hard working and prudent New Zealanders. Changes will undermine the stability of those people who work hard to keep New Zealand prosperous and stable.**

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers. As far as possible the tax burden on individuals should remain neutral and not be used to increase the burdens on one group.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it. Further it provides a perverse incentive to politicians to undermine the monetary system to increase tax (thus becoming an incredibly destructive tax increase)

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via saving or investing.

### **Taxes on accruals**

Taxes should only be levied on actual gains (in income or capital, noting that I submit that no capital gains tax be recommended). Any taxes on deemed gains or accruals is arbitrary - as no gain is actually made until a transaction occurs - and is merely the tax authority forcing what they believe the value of an asset is in place of the actual owner of the asset. Without an underlying income flow, taxes on accruals could also force sale on anyone subject to the tax in order to meet tax obligations. This is distortionary and unfair and would affect those who are asset rich / income poor significantly.

Further any such tax on an accrual will significantly complicate the tax system.

I submit all taxes should only be levied on actual income flows and not on accruals or accounting gains or losses.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise. Such taxes will needlessly complicate a simple tax system.

### **Simplicity**

Ordinary people and businesses must be able to understand and follow the tax rules without specialist help. Changes should not create complicated rules that force ordinary people to rely on specialist advice (particularly given the penalties for non-compliance with tax law are severe).

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Mark White-Robinson

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**From:** Graeme Bain [1]  
**Sent:** Monday, 30 April 2018 10:35 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

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I submit that the Government should not implement such a tax.

### **Taxes on savings**

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I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to alcohol excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Brett Cottle [1]  
**Sent:** Monday, 30 April 2018 10:25 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

I agree with all the below points from the TPU and have one point to add...I'm a struggling 1st home owner in Auckland and the last thing I need is more tax. How come the middle class always lose?

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

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I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

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The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

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I submit that the Government should not implement such a tax.

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### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Richard Tweedie [1]  
**Sent:** Monday, 30 April 2018 10:09 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

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As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

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Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** ROSS WEBB [1]  
**Sent:** Monday, 30 April 2018 10:05 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

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Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Ross Webb

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**From:** Soraya Bradley [1]  
**Sent:** Monday, 30 April 2018 10:05 AM  
**To:** TWG Submissions  
**Subject:** Submission - Added to ...

Dear Sir Michael and members of the Tax Working Group,

Previously send via taxpayers union - but it was unclear whether it was directed to taxpayer group or taxpayer union - so I have reworked and resubmitted directly - apologies

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Future of tax & Purpose of tax**

Liberal myth, government spending more and doing more is best. Conservative myth, government doing less and spending less is best. Business myth, running government like a business is best. People myth, hiring better people is best - its not the people its the system... Actual answer is to increase effectiveness, adaptability, and capacity to innovate. Achieved by changing their purpose, incentives and accountability, power structure and culture within department.

Presently NZ is too high in taxpayers and companies who are publically funded. For the country to flourish the portion of private companies, and taxpayers needs to increase as these are the ones who bring profit to the country. Presently (at least locally) there is a view to selling off capital/ natural resources to gain profit - this is a best a short term fix and longterm disaster. This model needs to be stopped.

"Banishing Bureaucracy, The Five Strategies for Reinventing Government, which details how to permanently change public administrations to increase their effectiveness, efficiency, and capacity for innovation. "

**Presently NZ has many opportunities**, if a clear clean way forward is enabled. With Britain leaving the EU, the commonwealth could become the "powerhouse".

Overwhelming taxation and regulations have caused startups, businesses and investment have flooded to London and ignored Paris and other European capitals. I propose NZ engage in a free speech, "low, but strict regulation" and reasonable taxation. Lets encourage start ups, innovations and free thinkers to start here.

Why the commonwealth could become the new superpower <https://www.youtube.com/watch?v=pN9Tn1QRBTc>

Why Macron will destroy the EU <https://www.youtube.com/watch?v=mScTjRlbgQ>

## **Exports**

NZ organic and food quality is not up to UK standards. Last year Russia dropped our beef due to contamination with a chemical often added to pork feed. We have the tracking technology to identify where this came from but no MPI effort bothered. We need to start now breaking apart failed MPI and reintroducing the high standards and infrastructure our imports and exports had previously. Sustainable permaculture advocated by "intergrity soils" removing pollutants of nitrogen fertiliser, roundup and restoring soil/humus and soil microbes and reducing dependence on irrigation are perfect commercial alternatives to organic and implementation of these measures now would lead to a higher demand for our exports and the specialised products demanding higher cost. It would address water quality issues where effective by rural contamination of nitrogen fertiliser.

Additionally NZ and Australia lamb and beef export to one another push each others prices down - this seems like a complete waste of time.

Rigour and high standard government testing vital, a strong brand - beef raised on organic pasture/ beef raised on organic silvopasture/ organic grass feed - Allowing a clear strictly controlled dairy. beef & lamb both locally and internationally, requiring industry to pay producers a higher price and process brand separately allows consumers to choose well produced humane products

(Labelling ritually slaughter meat has been suggested - so I may choose not to buy it as I think its inhumane, just like I don't buy tested on animal products.)

## **taxing right things & housing more affordable & matters most**

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers. The failure of government departments to meet goals/obligations results in more money and extension of the departments, in the marketplace - companies fail when they fail to meet obligations.

We need to set up a new mentality within government departments with a new set of obligations - with clear economic analysis to stem tide of fiscal irresponsibility. Additionally a surgeon may spend less than 25% of their time in surgery - 75% paperwork. That is an inefficient use of human resource - yet every layer of bureaucracy with the health system creates a new report/ health & safety the surgeon must complete. It is vital we strip back these wasteful bureaucratic layers. The same can be said for teachers and many other productive vs bureaucratic/health and safety layers.

It seems fairly straightforward that electing members of the public to run a hospital - does not work and its very expensive. Board members are so entrenched now ... I say we get rid of elected boards and put surgeons, doctors and nurses back in charge of hospitals .... Under the governance of state run services with a yearly audit/warrant of fitness. Then hospitals only get access to full budget if they improve their ratings. Its no point throwing money at the health system till we fix the systems that enabled the problem. So overloaded with bureaucratic paperwork/ health and safety that they missed the building rotting around them.

....

For example, this year my partner recieved a glossy full color survey to complete for government funded "sport NZ" ... he had at least three reminders to complete the intrusive 20 page Orwellian study, with a \$500 lucky dip reward - what is the cost to taxpayer of this department. Additionally our local Horowhenua

council has employed at least one nutritionist full time - to advise on local health ... Meanwhile in another expensive bureaucratic layer - an advisory board to local council is trying to sell off local parks and community halls because of lack of funding .... all these layers of bureaucracy for national to local are removing the actual resources from the local community, which is the worst possible outcome for the health and well being of community and financial resources are being misapplied.

Why is the government spending funds on anti- smoking campaigns still, speeding campaigns ... Nannys and nudgers, government agents engaging in proganda about how individuals should spend their lives, smoking is just one example. It is an offense to individual liberty and personal responsibility and those funds could be far better spent elsewhere. How much per taxpayer is spent on advertising propaganda? \$50? \$100? Wouldn't people rather have that in their pocket ?

## **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

(I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.)

Professor Mark Blythe discusses how the tax department is the favourite department in Sweden, because they make it transparent where taxes go and make it easy to meet obligations. In NZ we are blocked from understanding where taxes go. How much welfare goes to the poor and how much is spent on mantaining staff and offices? Would waste go down if departments were more transparent about spending and had a clear economic analysis of spending/results. Funding outcomes, not inputs. [https://www.youtube.com/watch?v=Vnr7GN5T\\_tg](https://www.youtube.com/watch?v=Vnr7GN5T_tg)

I have pondered whether NZ would be best to implement 20% flat tax rate, income, company and gst. (First \$10,000 tax free personal) Close off loopholes and offsets for high income earners or overseas investors. Easy implementation, transparency and same across every class and avoidance prosecuted harshly.

I have idea how to rework ACC/health which is not suited here but in terms of charging, I would simplify \$800 fee for a builder. \$600 for a plumber a set fee for each employee of each job. With a 10% discount for no serious workplace injuries in laast 2 years. The billing for acc is confusing and tries to fleece based on profit, not on a good safety record .. it should not cost extra for profitable business, it should reward safety and it should be utterly easy for small business to factor cost of new staff. I would dissolve the ACC case managers etc. and reassign this funding to health. Would start a traffic light system for surgery treatment eliminating acc approvals etc. Lets take this funding for treatment and put it fully into the health system for treatment. Maybe still it over charges - which it currently does, but having a no/minimal wait time for treatment - whether that be an accident or cancer or appendicitis.

Urgent and accident - Red,

Accident, and mixed origin with good change of recovery back to work - orange,

Mid to longterm problem - significant improvement to life - yellow

Longterm problem - green.

Non urgent waiting list - blue

(Additionally acc and health & safety are trying to manage for the average in so doing they have become obstructive for the competent and profoundly clever - have you seen Parkour or freerunning, it does not make sense to to and dumb these people down, for the help of the most clumsy. Health and safety was started so companies had to provide safe environments and not require undue risk taking for staff to cut costs. Nowadays the biggest bully in a company will be a workplace health and safety officer. We need to dial this back and encourage individual competence and freedom, realising accidents will always happen.

Its a similar thing I noticed in my teacher training, failure to allow kids to flourish in their own ways according to their strengths, the goal was to keep everyone average. )

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

Additionally charties should be obligated to provide a public breakdown of dollar distribution. I should know what percentage of my of donation reaches the end user and how much goes to sustain the charity or on advertising/propganda. This way public will be able to support charities that are fulfilling their stated purpose and hopefully those that squander will fail.

(I am sure greenpeace functions in such a way, where funding goes to advertising/campaigns and very little goes into research and development or supporting green causes on the ground. )

### **Capital gains tax - Housing**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax. Should the government - could the capital gains tax only apply to foreign investors/foreign companies and not to local people and local companies.

(We have seen this implemented in other countries and it most negatively effects family farms and working class families who inherit a home.)

I would suggest at most, should a productive farm or inherited farm be subdivided into lifestyle blocks or a subdivision, that a capital gains tax of some form may be applicable ...

...

I would suggest that local councils that receive excessive substantial complaints, increases rates over the costs of inflation, refuses transparency needs to automatically have audit and oversight.

We need to urgently close local body government - these are expensive to run. They are creating several layers of bureaucracy to avoid dealing with the public and public concerns and protecting their own interests. Boards and advisory boards are being mismanaged, participants are selected based on thinking the same as the aims of organiser - not have a variety of innovators and diverse industries. They are bullies in how they are being implemented.

Additionally government / environmental and ratepayers should be able to put an injunction on councils to granting any new resource consents/new builds if the infrasture of water and sewage is struggling to cope.

As an option, I as a a government option to councils to fund the design and a project manager to oversea correct implementation of water and sewage plant with green/sustainable design. Perhaps in new locations - such as Horowhenua waste is it still going in lake for over 20years - relocation priority. This would allow a cheaper design cost buy government funding in bulk, but also demand a high standard and better quality than any individual small council can obtain on its own ... This is a company that has worked in NZ before and indicates the ideal, while a cost it and provides benefits in employment, tourism, environmentalism, and cultural - NZ part starts about halfway through. <https://www.youtube.com/watch?v=9VIY-3V63yI&t=0s&list=PL4tNPdK4jtOxHIm1Hy5eQqHbbEBNqWxDW&index=6>

## **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

Is water a commodity like oil or a right, like air. I have researched this extensively for a submission on Te Waikoropupū Springs and Associated Waterbodies. Without Iwi rights many of our natural resources would have already been sold to China and now we are still seeing individuals trying to profiteer off a natural resource in water exports and councils granting irrigation with no understanding. Implications are nitrogen application Farming and water in NZ is suffering the “tragedy of the commons” - an economic theory of a situation within a shared-resource system where individual users acting independently according to their own self-interest behave contrary to the common good of all users by depleting or spoiling that resource through their collective action.

The average annual rainfall in Takaka (where springs are) is 2019mm. My partner, a second generation farmer, suggested that the farmer unable to farm with this rainfall, displays a competence level is so low, they shouldn't be allowed to farm. To qualify - Michaels family have farmed in Manakau, Levin since 1980s. Their annual rainfall is 1141mm, Nitrogen/Urea fertiliser free and no irrigation farming at 1.4 stocking units. Cambridge/Waikato - dairy farm country annual rainfall average 1214mm per annum.

Farming is in a diastorous spot. **Flawed Farming Methods** -

In 2007 Richard Mulvaney, Saeed Khan, and Tim Ellsworth of the University of Illinois announced the disaster of Synthetic Nitrogen fertiliser. The Marrow Plots, the oldest experimental fields studying soil fertility est. in 1876. Synthetic Nitrogen fertiliser, used on the plot since 1967, had significantly reduced the organic soil matter and nitrogen - the opposite of what its thought to do.

A German grassland study (begun 2002) found as species diversity increases so does annual biomass - more than using fertiliser. Even when nitrogen rates increased to 200kg/ha, plant diversity trumped biomass production. Biomass production kept doubling with pasture plots up to 60 species. As species increased so did soil carbon whereas soil carbon declined with monocultures.

Current farming practices include a problematic monoculture of rye and clover, this has transitioned to further problematic annuals that require yearly tilling and replanting - further increasing loss of carbon. There is an insistence of farmers (agricultural and horticultural) to grab surface water, then aquifers. For some reason - nz has not identified farming practices are requiring irrigation - where none should be needed.

Due to the synthetic nitrogen, there is a loss of carbon in soil. Therefore the soil no longer has any structure and the soil water holding capacity is significantly reduced. Precious topsoil is washed away in rain and the soil soaked with inorganic nitrogen provides plant and algae structure in the water the same “growth burst” as the do the plant on land - explaining the massive algae blooms. The plants may look fine but the edifice that supports them is crumbling. (This is particularly problematic with forestry.)

Nestle produces in three days what Fonterra produces in a year. China has built the worlds biggest dairy farm on the Russian border and since this time NZ milk prices have dropped. Fonterra has been satisfied to push farmers to intensification, increasing yield and reducing payouts for short term and unsustainable gain. Whether Fonterra will still exist in ten years time is questionable if milk powder to china is aim. Instead of innovation, A2/allergenic and grassfeed, grass finished, hormone and antibiotic free, permaculture, regenerative products into higher end markets is not pursued and lowering processing cost and increasing farmer payouts.

NZ Farmers today have been satisfied to haemorrhage their profits to fertiliser, irrigation companies and other associated chemicals & gadgets ... they have lost touch with the health of the land and with the desire of the consumer for low pollution organic produce. (The regenerative farming model mixes organic style land practices based on ancient prairie grazing with modern treatment of the cow. )

I submit that any taxes on water should operate only on irrigation, (drip irrigation should be excluded). And commerical industries.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

Dr Christine Jones :

<https://www.youtube.com/watch?v=S3rhjqzVrRc&index=5&t=13s&list=PL4tNPdK4jtOxHIm1Hy5eQqHbEbBNqWxDW>

Soil Carbon Cowboys Movie : <https://vimeo.com/80518559>

The role of soil in watersheds [http://harvardforest.fas.harvard.edu/sites/harvardforest.fas.harvard.edu/files/grazing/Collins\\_Harvard%20Forest%202.pdf](http://harvardforest.fas.harvard.edu/sites/harvardforest.fas.harvard.edu/files/grazing/Collins_Harvard%20Forest%202.pdf)

## **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on ‘interest’ that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

## Lifestyle taxes

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

....

Another innovator - the dark web Eric and Bret Weinstein, both due to come to NZ, Auckland .. this is worth a watch tho

Personal responsibility solutions fail. Not only are they inadequate, they actually make things get worse, faster. . But invest your goodness budget in the most effective way possible

<https://www.youtube.com/watch?v=EsBvI9oSD1g>

Good governance an evolutionary approach <https://www.youtube.com/watch?v=rpb-COhbMIM&t=525s> ...

the fourth frontier: discovering humanities future <https://www.youtube.com/watch?v=AIWlsSOubts>

One of the failures of capitalism/free market - a fridge that lasts 5 years vs a fridge that last 30 years. The second option is a far better use of resources, but on the market looks like a failure because the number of fridges sold, drops. How can we use transparency to support companies that are using resources better?

I am an artist just outside Otaki, living with a second generation farmer. Between us, we have encountered bureaucratic bullying and with too much time have tried to think clearly about the structural changes both coming from anti authoritarian, but opposing left/right view point. Our communiity is struggling with a corrupt council, that has numerous complaints, cost overruns and lack of transparency and individual blocking outside voices to protect their own interests- blocking competition as one only can in small conservative communities.

English common law works so well, because it is bottom up - but the last few years ignorance of economics and overload of self interested politicians and government funded "non profits" and companies have caused a more french "top down" attitude from all levels of government. This has impeded individual freedom and grass roots actions. And may well be contributing to overuse of resources in farming... lets get back to a country where our independence and innovation is not blocked by overburdened tax and regulation.

English common law works so well, because it is bottom up - but the last few years ignorance of economics and overload of self interested politicians and government funded "non profits" and companies have caused a more french "top down" attitude from all levels of government. This has impeded individual freedom and grass roots actions. And may well be contributing to overuse of resources in farming... lets get back to a country where our independence and innovation is not blocked by overburdened tax and regulation.

Thank you fro taking the time to read this, it is longer and rambling, disorganised to questions and leaves out much.

Beyond the points made above, I loosely endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Soraya Bradley and Michael Kay

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**From:** Russell Braham [1]  
**Sent:** Monday, 30 April 2018 10:05 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld. **Unfortunately however we know only too well that the so called Tax Working Groups "raison d'etre" is to dream up as many new taxes as their imaginations will allow. It's a clever ploy by the Government to devolve responsibility for the tax hikes that are to come because they (the Government) will only be implementing the recommendations of the TWG. We have already seen the PM renege on her promise of no new tax in this Parliament. This whole process of consultation is a complete sham; the decisions to recommend a raft of new taxes have already been made. I really don't know why I am wasting my time making this submission.**

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers. Wouldn't that be amazing....revenue neutrality but it will never happen for the reasons I have already indicated.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it. NZ must be one of the few "civilized" countries world wide to get away with this outrageous scam. Not only that taxing the first dollar of everyones income (even children!) is an absolute disgrace!

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different. I will go further and say that low income families should be taken out of the income tax loop completely as is the norm in societies that do more than just pay lip service to eradicating child poverty and actively encourage the work ethic.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small. The plan of course with a two tier system is to deliberately make it more complicated and expensive to administer....more non productive jobs for civil servants, less transparency and the propagation of tax hikes for all business disguised as tax incentives!

## **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

## **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors. I only very recently discovered this discriminatory approach; it's racist and quite deplorable.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent and not be siphoned off to line the pockets of individuals or promote pet projects.

## **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax; it's divisive and introduces unwelcome artificial skewing of the economy.

## **Taxes on savings**

We should not allow the tax system to discourage saving. Savers including children (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

## **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

Protection of the environment is a core responsibility of both National and local government if that responsibility is as we know not being properly discharged then either step down or learn to manage the public purse properly and stop wasting taxpayers money on empire building, junkets and ludicrous projects.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise. This is big brother saying we know what's best for the "populace" but experience should have told us tax hikes are not an effective tool and impact on the poorer members of our society. What's needed here is for Government to actually SPEND MONEY wisely on education but when was common sense ever likely to win the day.....regretfully sometime NEVER!

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Russell Braham

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**From:** Olga Roche-Kerr [1]  
**Sent:** Monday, 30 April 2018 9:59 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Peter Were [1]  
**Sent:** Monday, 30 April 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael Cullen has said that the Tax Working Group is **not about how to raise more revenue for the Government**. I submit that this promise should be upheld.

### **Revenue neutrality**

I submit that the Working Group should identify areas where the tax burden can be reduced to compensate taxpayers where new taxes and tax hikes are recommended by the Working Group.

### **Bracket creep / fiscal drag**

Many government benefits and entitlements are indexed; income tax thresholds should be no different. I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital and increase wages.

### **Maori Authorities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages. I submit that the 17.5% income tax rate for Maori Authorities be abolished so Maori Authorities are not provided with a cashflow advantage over non-Maori competitors.

### **Charities**

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

There are CGT provisions already in place. I submit that the Government should not implement any changes to such a tax, but more rigorously police its collection.

### **Taxes on savings**

The tax system discourages saving. I submit that there should be no taxable income applied to long term saving.

### **GST**

I oppose varying GST for different products.

Yours sincerely,

Peter Were

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**From:** John Hester [1]  
**Sent:** Monday, 30 April 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Neil Parker [1]  
**Sent:** Monday, 30 April 2018 9:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Al Armiger [1]  
**Sent:** Monday, 30 April 2018 9:54 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

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I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

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Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Al Armiger

---

**From:** Bharat Bhana [1]  
**Sent:** Monday, 30 April 2018 9:48 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

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Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Bharat Bhana

---

**From:** Darryl Green [1]  
**Sent:** Monday, 30 April 2018 9:48 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

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### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. This is a crazy idea as there is no fixed retail price for items such as fruit and vegetables there is no possibly way to actually measure if any savings are being passed on to the consumer to encourage more healthy choices.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Darryl Green



---

**From:** Richard Kean [1]  
**Sent:** Monday, 30 April 2018 9:45 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

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I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

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Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Martin French [1]  
**Sent:** Monday, 30 April 2018 9:45 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

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I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

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I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

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Yours sincerely,

---

**From:** Phil Rennie [1]  
**Sent:** Monday, 30 April 2018 9:38 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

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Yours sincerely,

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**From:** Mark Penn [1]  
**Sent:** Monday, 30 April 2018 9:35 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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Yours sincerely,

---

**From:** Peter Dallas [1]  
**Sent:** Monday, 30 April 2018 9:19 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

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Yours sincerely,

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**From:** Dave Chambers [1]  
**Sent:** Monday, 30 April 2018 9:19 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Dave Chambers



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**From:** Robert Davey [1]  
**Sent:** Monday, 30 April 2018 9:15 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

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### **Expensing of capital**

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I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

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A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

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As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

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Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Dinesh Bhana [1]  
**Sent:** Monday, 30 April 2018 9:14 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

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Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Dinesh Bhana

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**From:** Don Mathieson [1]  
**Sent:** Monday, 30 April 2018 9:09 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

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Yours sincerely,

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**From:** Rene Koome [1]  
**Sent:** Monday, 30 April 2018 9:05 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

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Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers’ Union*.

Yours sincerely,

---

**From:** Soraya Bradley [1]  
**Sent:** Monday, 30 April 2018 8:59 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

**Presently NZ has many opportunities**, if a clear clean way forward is enabled. With Britain leaving the EU, the commonwealth could become the "powerhouse".

Overwhelming taxation and regulations have caused startups, businesses and investment have flooded to London and ignored Paris and other European capitals. I propose NZ engage in a free speech, "low, but strict regulation" and reasonable taxation. Lets encourage start ups, innovations and free thinkers to start here.

Why the commonwealth could become the new superpower <https://www.youtube.com/watch?v=pN9Tn1QRBTc>

Why Macron will destroy the EU <https://www.youtube.com/watch?v=mScTjRlbsgQ>

(NZ organic and food quality is not up to UK standards. Last year Russia dropped our beef due to contamination with a chemical often added to pork feed. We have the tracking technology to identify where this came from but no MPI effort bothered. We need to start now breaking apart failed MPI and reintroducing the high standards and infrastructure our imports and exports had previously. Sustainable permiculture advocated by "intergrity soils" removing pollutants of nitrogen fertiliser, roundup and restoring toilsil/humus and soil microbes and reducing dependance on irrigation are perfect commercial alternatives to organic and implementation of these measures now would lead to a higher demand for our exports and the specialised products demanding higher cost. It would address water quality issues where effective by rural contamination of nitrogen fertiliser. Rigour and high standard government testing vital, a strong brand - beef raised on organic pasture/ beef raised on organic silvopasture/ organic grass feed )

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers. The failure of government departments to meet goals/obligations results in more money and extension of the departments, in the marketplace - companies fail when they fail to meet obligations.

We need to set up a new mentality within government departments with a new set of obligations - with clear economic analysis to stem tide of fiscal irresponsibility. Additionally a surgeon may spend less than 25% of their time in surgery - 75% paperwork. That is an inefficient use of human resource - yet every layer of bureaucracy with the health system creates a new report/ health & safety the surgeon must complete. It is

vital we strip back these wasteful bureaucratic layers. The same can be said for teachers and many other productive vs bureaucratic/health and safety layers.

It seems fairly straightforward that electing members of the public to run a hospital - does not work and its very expensive. Board members are so entrenched now ... I say we get rid of elected boards and put surgeons, doctors and nurses back in charge of hospitals.

Under the governance of state run services with a yearly audit/warrant of fitness. Then hospitals only get access to full budget if they improve their ratings. Its no point throwing money at the health system till we fix the systems that enabled the problem. So overloaded with bureaucratic paperwork/ health and safety that they missed the building rotting around them.

"Banishing Bureaucracy, The Five Strategies for Reinventing Government, which details how to permanently change public administrations to increase their effectiveness, efficiency, and capacity for innovation. "

....

For example, this year my partner recieved a glossy full color survey to complete for government funded "sport NZ" ... he had at least three reminders to complete the intrusive 20 page Orwellian study, with a \$500 lucky dip reward - what is the cost to taxpayer of this department. Additionally our local Horowhenua council has employed at least one nutritionist full time - to advise on local health ... Meanwhile in another expensive bureaucratic layer - an advisory board to local council is trying to sell off local parks and community halls because of lack of funding .... all these layers of bureaucracy for national to local are removing the actual resources from the local community, which is the worst possible outcome for the health and well being of community and financial resources are being misapplied.

Why is the government spending funds on anti- smoking campaigns still, speeding campaigns ... Nannys and nudgers, government agents engaging in proganda about how individuals should spend their lives, smoking is just one example. It is an offense to individual liberty and personal responsibility and those funds could be far better spent elsewhere. How much per taxpayer is spent on advertising propaganda? \$50? \$100? Wouldn't people rather have that in their pocket?

.....

Liberal myth, government spending more and doing more is best. Conservative myth, govenment doing less and spending less is best. Business myth, running government like a business is best. People myth, hiring better people is best - its not the people its the system... Actual answer is to increase effectivness, adaptability, and capacity to innovate. Achieved by changing their purpose, incentives and accountability, power struncture and culture within department.

Presently NZ is too high in taxpayers and companies who are publically funded. For the country to flourish the portion of private companies, and taxpayers needs to increase as these are the ones who bring profit to the country. Presently (at least locally) there is a view to selling off capital/ natural resources to gain profit - this is a best a short term fix and longterm disaster. This model needs to be stopped.

## **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

Professor Mark Blythe discusses how the tax department is the favourite department in Sweden, because they make it transparent where taxes go and make it easy to meet obligations. In NZ we are blocked from understanding where taxes go. How much welfare goes to the poor and how much is spent on maintaining staff and offices? Would waste go down if departments were more transparent about spending and had a clear economic analysis of spending/results. Funding outcomes, not inputs.

[https://www.youtube.com/watch?v=Vnr7GN5T\\_tg](https://www.youtube.com/watch?v=Vnr7GN5T_tg)

I have pondered whether NZ would be best to implement 20% flat tax rate, income, company and gst. (First \$10,000 tax free personal) Close off loopholes and offsets for high income earners or overseas investors. Easy implementation, transparency and same across every class.

I have idea how to rework ACC/health which is not suited here but in terms of charging, I would simplify \$800 fee for a builder. \$600 for a plumber a set fee for each employee of each job. With a 10% discount for no serious workplace injuries in least 2 years. The billing for acc is confusing and tries to fleece based on profit, not on a good safety record .. it should not cost extra for profitable business, it should reward safety and it should be utterly easy for small business to factor cost of new staff.

(Additionally acc and health & safety are trying to manage for the average in so doing they have become obstructive for the competent and profoundly clever - have you seen Parkour or freerunning, it does not make sense to to and dumb these people down, for the help of the most clumsy. Health and safety was started so companies had to provide safe environments and not require undue risk taking for staff to cut costs. Nowadays the biggest bully in a company will be a workplace health and safety officer. We need to dial this back and encourage individual competence and freedom, realising accidents will always happen.

Its a similar thing I noticed in my teacher training, failure to allow kids to flourish in their own ways according to their strengths, the goal was to keep everyone average. )

### **Expensing of capital**

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### **Charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

Additionally charities should be obligated to provide a public breakdown of dollar distribution. I should know what percentage of my of donation reaches the end user and how much goes to sustain the charity or on advertising/propganda. This way public will be able to support charities that are fulfilling their stated purpose and hopefully those that squander will fail.

I am sure greenpeace functions in such a way, where funding goes to advertising/campaigns and very little goes into research and development or supporting green causes on the ground.

## Capital gains tax

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax. Should the government - could the capital gains tax only apply to foreign investors/foreign companies and not to local people and local companies.

(We have seen this implemented in other countries and it most negatively effects family farms and working class families who inherit a home.)

I would suggest at most, should a productive farm or inherited farm be subdivided into lifestyle blocks or a subdivision, that a capital gains tax of some form may be applicable ...

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## Environmental taxes

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

Is water a commodity like oil or a right, like air. I have researched this extensively for a submission on Te Waikoropupū Springs and Associated Waterbodies. Without Iwi rights many of our natural resources would have already been sold to China and now we are still seeing individuals trying to profiteer off a natural resource in water exports and councils granting irrigation with no understanding. Implications are nitrogen application Farming and water in NZ is suffering the "tragedy of the commons" - an economic theory of a situation within a shared-resource system where individual users acting independently according to their own self-interest behave contrary to the common good of all users by depleting or spoiling that resource through their collective action.

The average annual rainfall in Takaka (where springs are) is 2019mm. My partner, a second generation farmer, suggested that the farmer unable to farm with this rainfall, displays a competence level is so low, they shouldn't be allowed to farm. To qualify - Michaels family have farmed in Manakau, Levin since 1980s. Their annual rainfall is 1141mm, Nitrogen/Urea fertiliser free and no irrigation farming at 1.4 stocking units. Cambridge/Waikato - dairy farm country annual rainfall average 1214mm per annum.

Farming is in a diastorous spot. **Flawed Farming Methods** -

In 2007 Richard Mulvaney, Saeed Khan, and Tim Ellsworth of the University of Illinois announced the disaster of Synthetic Nitrogen fertiliser. The Marrow Plots, the oldest experimental fields studying soil fertility est. in 1876. Synthetic Nitrogen fertiliser, used on the plot since 1967, had significantly reduced the organic soil matter and nitrogen - the opposite of what its thought to do.

A German grassland study (begun 2002) found as species diversity increases so does annual biomass - more than using fertiliser. Even when nitrogen rates increased to 200kg/ha, plant diversity trumped

biomass production. Biomass production kept doubling with pasture plots up to 60 species. As species increased so did soil carbon whereas soil carbon declined with monocultures.

Current farming practices include a problematic monoculture of rye and clover, this has transitioned to further problematic annuals that require yearly tilling and replanting - further increasing loss of carbon. There is an insistence of farmers (agricultural and horticultural) to grab surface water, then aquifers. For some reason - nz has not identified farming practices are requiring irrigation - where none should be needed.

Due to the synthetic nitrogen, there is a loss of carbon in soil. Therefore the soil no longer has any structure and the soil water holding capacity is significantly reduced. Precious topsoil is washed away in rain and the soil soaked with inorganic nitrogen provides plant and algae structure in the water the same "growth burst" as the do the plant on land - explaining the massive algae blooms. The plants may look fine but the edifice that supports them is crumbling. (This is particularly problematic with forestry.)

Nestle produces in three days what Fonterra produces in a year. China has built the worlds biggest dairy farm on the Russian border and since this time NZ milk prices have dropped. Fonterra has been satisfied to push farmers to intensification, increasing yield and reducing payouts for short term and unsustainable gain. Whether Fonterra will still exist in ten years time is questionable if milk powder to china is aim. Instead of innovation, A2/allergenic and grassfeed, grass finished, hormone and antibiotic free, permaculture, regenerative products into higher end markets is not pursued and lowering processing cost and increasing farmer payouts.

NZ Farmers today have been satisfied to haemorrhage their profits to fertiliser, irrigation companies and other associated chemicals & gadgets ... they have lost touch with the health of the land and with the desire of the consumer for low pollution organic produce. (The regenerative farming model mixes organic style land practices based on ancient prairie grazing with modern treatment of the cow. )

I submit that any taxes on water should operate only on irrigation, drip irrigation should be excluded. And commerical industries.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

Dr Christine Jones :

<https://www.youtube.com/watch?v=S3rhjqzVrRc&index=5&t=13s&list=PL4tNPdK4jtOxHIm1Hy5eQqHbEBNqWxDW>

Soil Carbon Cowboys Movie : <https://vimeo.com/80518559>

The role of soil in watersheds [http://harvardforest.fas.harvard.edu/sites/harvardforest.fas.harvard.edu/files/grazing/Collins\\_Harvard%20Forest%20202.pdf](http://harvardforest.fas.harvard.edu/sites/harvardforest.fas.harvard.edu/files/grazing/Collins_Harvard%20Forest%20202.pdf)

## **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

I am an artist just outside Otaki, living with a second generation farmer. Between us, we have encountered bureaucratic bullying and with too much time have tried to think clearly about the structural changes both

coming from anti authoritarian, but opposing left/right view point. Our communiity is struggling with a corrupt council, that has numerous complaints, cost overruns and lack of transparency and individual blocking outside voices to protect their own interests- blocking competition as one only can in small conservative communities.

English common law works so well, because it is bottom up - but the last few years ignorance of economics and overload of self interested politicians and government funded "non profits" and companies have caused a more french "top down" attitude from all levels of government. This has impeded individual freedom and grass roots actions. And may well be contributing to overuse of resources in farming... lets get back to a country where our independance and innovation is not blocked by overburdened tax and regulation.

Thank you fro taking the time to read this, it is longer and rambling and leaves out much. I come from

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Soraya Bradley & Michael Kay

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**From:** Peter Evans [1]  
**Sent:** Monday, 30 April 2018 8:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

I will keep this short.

An ever shrinking pool of us is being asked to fund everyone else's lifestyle. The very rich structure their affairs so they pay no tax. The very poor and families take more in entitlements than they give back in revenue. That leaves professionals such as myself funding everyone and busting my a\*\* to do so. At the moment I bare a very high tax burden. I am willing to do it because someone has to. But any attempts at getting me to pay even more will just lead me to restructure my affairs in the most cynical but still legal way possible such that I don't pay any more.

I wish you the best of luck in making the system fair.

Pete

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**From:** Garima Bhatia [1]  
**Sent:** Monday, 30 April 2018 8:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

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### **Bracket creep / fiscal drag**

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I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

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I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

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A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

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Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

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Yours sincerely,

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**From:** Amrut Bhana [1]  
**Sent:** Monday, 30 April 2018 8:39 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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Yours sincerely,

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**From:** Ben Guerin [1]  
**Sent:** Monday, 30 April 2018 8:35 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Michael Miners [1]  
**Sent:** Monday, 30 April 2018 8:29 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

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I submit that the Government should not implement such a tax AND to do so in addition to a change in negative gearing legislation would be to impact heavily on private, middle class investors who have made significant sacrifices and taken on risk in a bid to support their own futures, independent of central government support.

### **Taxes on savings**

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Yours sincerely,

---

**From:** Janet Branfield [1]  
**Sent:** Monday, 30 April 2018 8:29 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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yours sincerely

Shirley Branfield

---

**From:** Sharon Fann [1]  
**Sent:** Monday, 30 April 2018 8:29 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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Yours sincerely,

Sharon Fann



---

**From:** Steven Wright [1]  
**Sent:** Monday, 30 April 2018 8:19 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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**From:** Caleb Wylie [1]  
**Sent:** Monday, 30 April 2018 8:09 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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Caleb Wylie

---

**From:** Sian mcbride [1]  
**Sent:** Monday, 30 April 2018 8:05 AM  
**To:** TWG Submissions  
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### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

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I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

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### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

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### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Chris Logan [1]  
**Sent:** Monday, 30 April 2018 7:54 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

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Yours sincerely,

---

**From:** John Burrill [1]  
**Sent:** Monday, 30 April 2018 7:54 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

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Yours sincerely,

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**From:** Michael McCook [1]  
**Sent:** Monday, 30 April 2018 7:49 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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**From:** Steve Freeman [1]  
**Sent:** Monday, 30 April 2018 7:49 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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**Sent:** Monday, 30 April 2018 7:45 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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**From:** lawrie knight [1]  
**Sent:** Monday, 30 April 2018 7:35 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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Yours sincerely,

lawrie knight

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**From:** David Dunlop [1]  
**Sent:** Monday, 30 April 2018 7:25 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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**From:** Jan van Zyl [1]  
**Sent:** Monday, 30 April 2018 7:19 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

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### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers. Increasing fuel tax on the one side and then on local councils also increasing their tax is double the blow for the same promised improvements.

### **Bracket creep / fiscal drag**

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### **Capital gains tax**

A tax on capital gains is needed to prevent the house prices from sky rocketing. It should only be implemented on a dwelling that you not reside in or is an investment (second dwelling). Capital gains tax needs a time frame for turn around. Property investors purchase a house at a low cost, repair and then selling it off with a huge profit, that needs to be taxable, that's in come.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** john obrien [1]  
**Sent:** Monday, 30 April 2018 7:15 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Kathy Houtami [1]  
**Sent:** Monday, 30 April 2018 6:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

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I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Beth Marshall [1]  
**Sent:** Monday, 30 April 2018 6:55 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

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I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

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I submit that the Government should not implement such a tax.

### **Taxes on savings**

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### **Environmental taxes**

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I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

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Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** Lauren James [1]  
**Sent:** Monday, 30 April 2018 6:35 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

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### **Maori Authorities and charities**

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I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

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Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

---

**From:** James Wilson [1]  
**Sent:** Monday, 30 April 2018 6:15 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

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### **Expensing of capital**

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I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

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Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

James Wilson

---

**From:** Nic Bonaventure [1]  
**Sent:** Monday, 30 April 2018 5:19 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **No mandate**

The leading party of the government coalition which set up this working group received less than 37% of the vote. This government has no moral mandate to make sweeping changes to the tax system. This government would have no political mandate if it weren't for MMP, which as a system is a disgrace. The reason you will ignore the issue of mandate is that you are rabid Socialists intent on wealth re-distribution at all costs and pandering to the United Nations. You have no interest in promoting self-sufficiency or individual liberty. You are mainly interested in boosting your voter base by providing 'free' and undeserved income and other benefits to those who haven't earned them.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

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I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

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I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

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I submit that the Government should not implement such a tax.

### **Taxes on savings**

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### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Nic Bonaventure

---

**From:** Yvonne Carleton [1]  
**Sent:** Monday, 30 April 2018 5:05 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

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### **Company taxation**

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I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

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I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose fuel tax but support instead toll roads.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

Yvonne Carleton

---

**From:** Stewart Hawkins [1]  
**Sent:** Monday, 30 April 2018 4:39 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different. I believe FAILURE to prevent bracket creep will continue a dishonest course from all parties.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

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I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments. The FIF tax is ALREADY discouraging individuals from diversifying their investments beyond the limited and vulnerable markets of NZ and Australia.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

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I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

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Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,



---

**From:** Martin Derksen [1]  
**Sent:** Monday, 30 April 2018 4:39 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Hugh WIFFEN [1]  
**Sent:** Monday, 30 April 2018 4:09 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes and tax hikes are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed — income tax thresholds should be no different.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantages.

I submit that the 17.5% income tax rate for Maori Authorities should be abolished – so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments.

I submit that the Government should not implement such a tax.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savers (namely those with retirement funds and investment schemes) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via long term saving.

### **Environmental taxes**

I submit that any proposed environmental taxes should come with recommendations which make them revenue neutral.

I submit that any taxes on water should operate in a similar way to water rights pricing and be sector neutral – politicians should avoid targeting specific industries or uses of water.

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union*.

Yours sincerely,

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**From:** Martin Scott [1]  
**Sent:** Monday, 30 April 2018 12:19 AM  
**To:** TWG Submissions  
**Subject:** Submission to Tax Working Group

Dear Sir Michael and members of the Tax Working Group,

This is a submission on the future of tax in New Zealand, with particular reference to the proposals and questions set out in the Working Group's Background Paper. I do not wish to appear before the Working Group.

Sir Michael has said that the Tax Working Group is not about how to raise more revenue for the Government. I submit that this promise should be upheld.

### **Revenue neutrality**

Where new taxes, tax hikes or tax rebalancing are recommended by the Working Group, I submit that the Working Group should identify other areas where the burden can be reduced to compensate taxpayers.

### **Bracket creep / fiscal drag**

The effect of inflation pushing taxpayers into higher income tax brackets is a dishonest policy that allows politicians to tax New Zealanders harder, without ever having campaigned on it.

I submit that the Working Group recommend legislating annual income tax threshold adjustments indexed to changes in average earnings, or, at minimum, inflation. I note that many government benefits and entitlements are indexed; income tax thresholds should be treated no differently.

### **Company taxation**

New Zealand has one of the highest company tax rates in the OECD. The result is a low-investment, low-productivity economy, and with a higher than necessary dependence on foreign capital.

I submit that if the Government is interested in encouraging greater investment and growth in our productive sector, it should cut the headline business rate. This is preferable to the Background Paper's proposal of just cutting rates just for smaller businesses, creating a two-tier business tax regime with the associated complexities and additional running costs, and incentives for business to stay small.

### **Expensing of capital**

The Government must be committed to increasing New Zealand's productivity and allowing for greater growth in incomes.

I submit that the Working Group recommend allowing all businesses full capital expensing within the first year of capital purchase. This would increase incentives for business to invest in capital (accelerating productivity growth) and increase wages (productivity growth is the most relevant factor in determining income growth).

### **Maori Authorities and Charities**

New Zealand's company tax system should not include loopholes that give certain groups competitive advantage.

I submit that the 17.5% income tax rate for Maori Authorities be abolished, so that Maori Authorities are not provided with a cash flow advantage over non-Maori competitors.

I submit that companies owned by charities should only be allowed to have the charitable tax deduction for profits actually distributed back to the parent charity, or specifically applied to the charitable purpose of the parent.

### **Capital gains tax**

A tax on capital gains would discourage investment, stifling wage growth and distorting the economy. It would also cause a 'lock-in' effect, meaning investors would be discouraged from shifting capital out of unproductive investments. The low-investment, low-productivity economy would not improve and savers would not feel secure in their possessions.

I submit that the Government should not implement taxes of this nature, and should repeal existing taxes on (unrealised and realised) capital gains.

### **Land tax**

The implementation of tax on land (no different to savers' other accumulated capital), purchased with after tax savings, could well be confiscatory in nature. Low productivity land or land used for investments such as forestry may have a low or negative cashflow for extended periods, yet a land tax will no doubt be continuous in nature. It's inherently unreasonable, and landowners large or small are hardly going to view a policy that allows the State to facilitate other people seizing those assets, potentially at a distressed price, favourably.

### **Taxes on savings**

We should not allow the tax system to discourage saving. Savings form the capital needed for investment in the future and more productive economy. Savers' savings (capital) has already been taxed at source and savers (namely those with retirement funds, investment schemes, deposits for a house, or accumulated capital to start a business) currently pay tax on 'interest' that, in practice, partially just reflects the effects of inflation.

I submit that we should allow taxpayers to deduct inflation from taxable income earned via saving, and that the Government should not implement any taxes on citizens' capital.

### **Environmental taxes**

As an alternative to recommending specific environmental taxes, I submit that the Working Group develop an objective framework for future proposed environmental taxes to be measured against. Such framework to have a clear and demonstrable scientific basis, and respecting property rights.

### **Lifestyle taxes**

I submit that the Working Group recommend against the expansion of behavioural taxes, and instead outline the regressive financial damage they inflict on our most vulnerable communities.

Specifically: I oppose the introduction of a sugar tax, a fat tax, or any other form of additional tax on food products. I oppose varying GST for different products. I oppose increases to tobacco excise.

Beyond the points made above, I endorse the [broader submission](#) made by the *New Zealand Taxpayers' Union* with the exclusion of sections 132-139 inclusive, concerning a Land Tax

Yours sincerely,

Martin Scott.