

**From:** [Alex Cook](#)  
**To:** [Tax Board](#)  
**Subject:** Feedback on Tax concessions for small business.  
**Date:** Thursday, 12 July 2018 6:09:14 PM

---

Hi,

You asked for my feedback on tax concessions that affect small business so I thought I would give you some.

I note that for the 2018 financial year you have finally increased the luxury car tax limit. This is well over due but is still way under what it should be! Years ago, when this tax was introduced, \$57,000 would buy you a reasonably nice car. Today, its a mid range commodore if that! Even with the increased limit of \$66,331.00, its not a very "Luxury" car.

I think it would be reasonable to make a distinction between people who just drive a car to their office, and those that use the car as their office. I run two small business, both in a sales / project management role. I drive a lot. In fact, I spend more time in my car than I do in my office. I easily drive 60,000 km / year, often 85,000 km. It is a necessary part of my business that I have a vehicle that is equipped with the latest technology to allow me to safely contact my clients while I am in my mobile office, that is comfortable to drive, fuel efficient and capable of pulling a 3 tonne trailer so that I can move materials around from one job site to another. I have had two operations on my back, at a cost of about \$40,000.00 each and I don't want to spend 8 hours a day, sitting in a ute! It ends up taking me out of the work force and reduces my income significantly. As a result, I drive a vehicle what in the eyes of the tax office, is a "Luxury" car. I pay additional luxury car tax, additional tax on insurance, stamp duty (state tax) etc. I can't claim back all of the GST and it takes a big hit on my bottom line. I think this is unreasonable.

Here is another one that seems stupid. State government Fire Services Levy and then stamp duty on top. I recall many years ago when GST was introduced to "Simplify the tax system" that the states were to abolish the various stamp duties, state level taxes that we had accumulated over the years. Its been more than 10 years now, I live in NSW and am still paying stamp duty on many products, in addition to GST. I even pay GST on the stamp duty!

I have two business, each with 1 vehicle. One business gets an exemption from the state government stamp duty, the other does not because the turn over is just over 2 M! That is stupid! Should I transfer the registration of both vehicles into the same business name? This would save me about \$500.00 / year.

Lets look at some taxes that are imposed on us personally. My home and contents insurance on my home (which happens to be my business address also) just increased by 50% in one year! Why? Easy, tax!

My insurance premiums are around \$2100.00 / year. To this the NSW Govt. added a fire services levy of almost \$500.00 then I have to pay GST on the total of the insurance premium and the fire services levy and then a NSW stamp duty on top! Are you serious? There is 50% tax on my insurance! So now, I have to earn money, pay 10% of my gross profit in GST to the government, then after all business expenses, if I am lucky enough to make a profit, I have to pay income tax at a rate of about 50%, then when I spend what is left, I get to pay another 50% tax as I go! Seriously guys, that's just stupid!

As a business owner, my insurance premiums are easily my largest expense. I pay about \$30,000 / year in insurance. If 50% of that is tax, then I am paying heaps in tax in addition to my income tax.

It would be nice if the tax office recognised my efforts in business, creating employment for my family as well as the hundreds of sub contractors I engage annually and gave me a bit of a break! My alternative is to pack it all in and join the doll cue. My insurance would then be much less and I would have a lot more time on my hands!

Regards,

Alex Cook  
Director  
Sold On Service Pty Ltd

Mob: (+61) 0417-255-756

This Email may contain confidential and/or privileged information and is intended solely for the addressee(s) named. If you have received this information in error, or are advised that you have been posted this Email by accident, please notify the sender by return Email, do not redistribute it, delete the Email and keep no copies.