

## Adam Brooks MP

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Adam Brooks MP, issues on payroll tax

4.39 p.m.]

**Mr BROOKS** (Braddon) - I just wanted to speak to motion 53, including [Mr Gutwein's](#) amendment, of course. [Mr Morris](#) has covered many of the State tax issues in his submission. One I want to touch on briefly is payroll tax. Just so we get this straight, we tax employers to employ people - it is a really good idea, it works well. It is a great idea but why does [Tasmania](#) not make it the highest taxing State for payroll tax and that way we would win, we would beat all the other States! Let us charge the highest payroll tax of the States, the second highest of any State or Territory, for the privilege to employ people and then let us all sit around and scratch and wonder why companies move from [Tasmania](#) elsewhere - very good. In my opinion I do not think it is a good idea.

The Government says that if you come to [Tasmania](#) they will welcome you but if you want to do business here they will charge you a certain fee for the right. They are going to charge a toll, a tax, or a fee to employ people and you have to pay them, or as some have said, bribe them for the privilege of employing people and setting up business here. What do we do? We send the Government a cheque every month for the privilege of being here once certain businesses get over a certain amount. What sort of incentive does that give for smaller businesses to grow and develop? It does not give any at all. It is an abhorrent tax on anyone that wants to grow.

There are some other taxes such as stamp duty on homes, licence fees including for business and land tax, which we have already had some discussions on. Even if we look at the land tax side of it, a lot of people have questioned it. I did do some significant doorknocking of businesses during the election campaign to see what they felt and see where their pain was. There are a lot out there however who say that land tax should not worry business because the landlord pays it. Unfortunately, in most commercial lease arrangements it is the tenant who pays the land tax component and all of the oncosts. That is also factored into the cost of running a business. I think it would certainly be good to sit down and have an open and frank discussion about where we need to head from a taxation point of view.

It is not just the taxes on their own, but it is also the compliance costs and requirements. I made a bit of a comment - and I think it was

yesterday by interjection - about people filling in a 40- to 60-page document for a rebate. It is totally ridiculous in this day and age. We trust people to run businesses, to employ people, to look after our kids but we cannot trust them to fill in a form and make it simple and easy. I would like this motion to include a look at the compliance of these taxes or what taxes we need.

I fully support the idea that major reform needs to be done and I think this is a really good start towards having a discussion on where the State needs to go on future taxation.