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PER CAPITA
**TAX
SURVEY
2019**

BY Emma Dawson

WITH Tim Thornton

percapita
FIGHTING INEQUALITY IN AUSTRALIA



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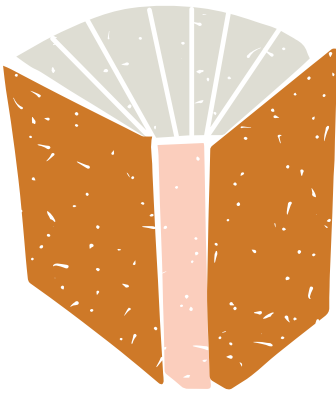
About the Authors

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Much of Tim's recent academic research has been on pluralism and interdisciplinarity in economics. He has published articles in The Age, Sydney Morning Herald, and The Guardian as well as participating in media interviews, roundtables and various other speaking events. Tim is a Research Fellow at the Global Development and Environment Institute at Tufts University, Boston.



Executive Summary

This is the ninth Per Capita Tax Survey, which has been conducted annually since 2010, with the exception of 2013. The results provide a snapshot of the Australian public's attitudes towards taxation and public expenditure, and a long-term view of trends in public opinion on our tax and transfer system.

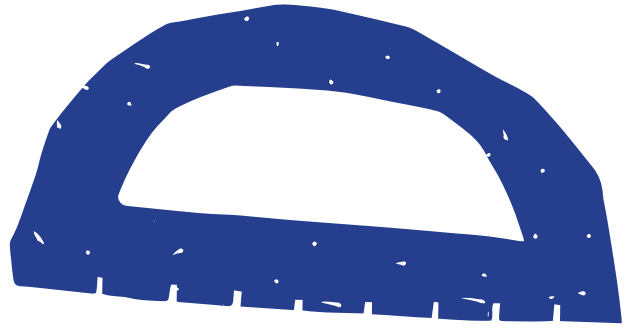
As in previous surveys of recent years, the 2019 Survey finds a high level of public support for increased spending on public services, particularly in health and aged care, education and social security.

Consistently throughout the Survey's history, respondents have reported feeling that high-income earners and big business do not pay their fair share of tax, and that tax avoidance by large corporations undermines the fairness of our tax and transfer system. These findings are repeated in 2019.

The proportion of Australians who believe they pay too much tax has increased by almost ten percent over the last five years. At the same time, we have seen a decrease in the proportion of respondents who said they were personally willing to pay more tax to fund services in health and education. These changes in attitudes have occurred during a period when wage growth has stagnated across the economy and revelations of tax avoidance and minimisation by wealthy individuals and companies have increased markedly.

The strong sense in successive Tax Surveys that the wealthy are not paying their fair share of tax is again reflected in overwhelming support for the so-called "Buffet rule". Australians strongly support measures that will see tax minimisation by high-income earners reduced. This also applies to measures that will close existing tax loopholes, such as the abolition or restriction of negative gearing, which continues to enjoy a high level of support amongst respondents to the survey.

For the first time, we asked Survey participants this year whether they supported an increase in the rate of Newstart, the unemployment benefit, and found that a majority did so. Views on this measure differ considerably according to voting intention, with Labor voters and supporters of other parties and Independents far more likely to support raising the rate than Coalition voters.



Introduction

Australia's tax and transfer system is relatively progressive, with tightly targeted spending on government services and social security, relatively low marginal tax rates for low income earners and relatively high marginal tax rates on high incomes.

After many years in which both major parties have baulked at serious tax reform, we enter the 2019 election year with arguably the sharpest difference in tax policies between the Coalition Government and Labor Opposition in two decades.

The Coalition will go to the polls promising a radical flattening of the progressive income tax scale, abolishing the 37% tax bracket from 2024, so that the vast majority of Australians will pay the same 32.5 per cent marginal rate of tax on their incomes between \$41,000 and \$200,000 per year.

Labor, meanwhile, heads into the election brandishing its own uncompromising crack down on tax concessions for negative gearing and capital gains tax, and a controversial removal of franking credit tax rebates for non-taxpayers.

Both parties are promising personal income tax cuts, but Labor's are aimed at low and middle-income earners with the reinstatement of the so-called "budget repair levy" on high-income earners, while the Coalition promises significant tax breaks across the board, and continues to advocate

for tax reductions for big business and large corporations.

Perhaps inevitably, given this increasingly pitched policy battle, public debate about the funding of government services, spending and taxation are too often considered through a purely political lens, gathered in snap polls which seek opinions on isolated policy proposals.

Per Capita's annual Tax Survey is offers a more illuminating perspective. It offers a broad-based understanding of public sentiment towards Australia's tax system and the provision of public services, and builds a picture over time of changes in community attitudes. At the same time, we canvass views on current policy issues, which allows respondents to consider these against the backdrop of a broader consideration of our tax and transfer system.

This is the ninth Per Capita Tax Survey. As in previous years, we asked a representative sample of Australians for their views on range of questions.

We seek opinions on the quality and effectiveness of public services, the fairness of the overall tax and transfer system and of individual and business tax contributions, and on a range of other measures that have been at the fore of recent policy debate.

Each year we retain a core of roughly two-thirds of the questions, allowing us to build up a time-series trend of attitudes towards tax, services and spending. The remaining questions are focused on surveying responses to current policy proposals, with some questions being asked over two or three years if the issue remains central to the public debate. A full list of the questions asked in this year's survey can be found in the Appendix.

This year's fieldwork was undertaken between 9 and 19 January through Dynata (formerly Research Now). It was conducted as an online survey of 1,523 Australians with nationally representative samples by gender, age and state or territory.

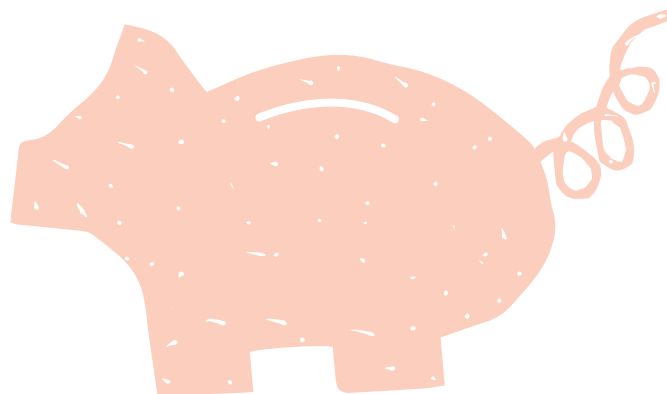
The survey has a sampling margin of error of 2.6% at a 95% confidence level for answers given by all respondents. When considering answers by particular subgroups, the margin of error is likely to be higher given that the sample size for a subgroup is necessarily less than the total sample size of 1,523 people. Where results are described as essentially unchanged from previous years, this indicates any change is not statistically significant.

The Survey findings are structured as follows:

- Section I outlines respondents' attitudes to the level and quality of public services, and levels of debt;
- Section II presents individuals' perceptions of their own tax contributions;
- Section III presents respondents' perceptions of the fairness of the overall tax system;
- Section IV canvasses views on a range of individual tax and spending issues that are pertinent to the current policy debate, including retirement incomes, negative gearing, a "Buffett rule" to limit tax minimization, land tax, the repeal of the budget repair levy and company tax cuts;
- Section V covers people's perceptions of tax and spending levels in Australia relative to those in other OECD countries; and
- Section VI presents an overall interpretation of this year's responses.

The annual Per Capita Tax Survey is the only comprehensive study focused on community attitudes to public services and tax in Australia. It provides policy makers with a valuable assessment of the Australian public's views of taxation and the provision of government services, and a rare insight into the nation's values and expectations of our tax and transfer system. All nine Tax Surveys are available on the [Per Capita website](#).





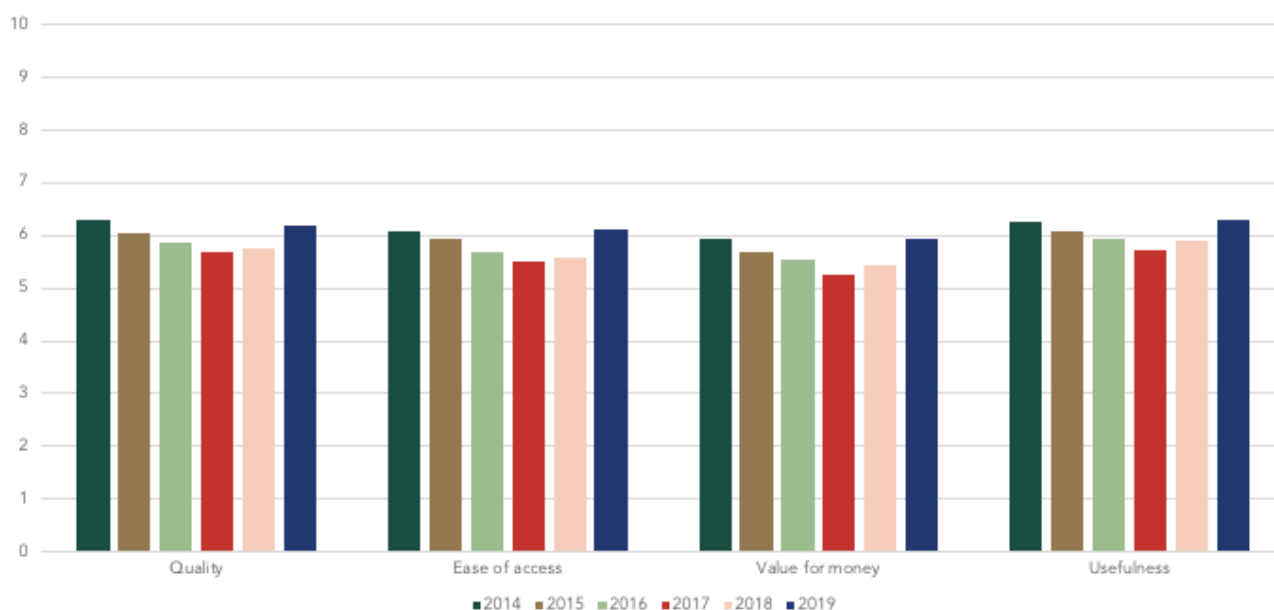
Section I: Attitudes to Public Spending and Debt

The Survey begins by seeking respondents' views on various aspects of public service delivery in Australia: quality, ease of access, value for money and usefulness. We ask respondents to score these aspects on a scale of 0-10 (see Figure 1). Since 2014, we have found the same ranking of these different aspects: Australians score our public services highest for quality and usefulness, followed by ease of access and then value for money.

After a slight improvement in the score for all measures in 2018, following years of sustained decline, the 2019 figures continue this marginal upwards trend. The rating for quality has increased to 6.2, its highest level since 2014, while for usefulness it has increased to 6.3, the highest level we have seen in five years. Similarly, the ratings for ease of access and value for money have increased by .6 and .5 respectively, putting these also at a five year high.

Nevertheless, these changes are statistically negligible, and respondents' views of Australia's public services have remained notably consistent since 2014.

FIGURE 1. PERCEPTIONS OF AUSTRALIA'S PUBLIC SERVICES



The Survey then proceeds to record people's views on government spending on public services (see Figure 2). 69.5% of respondents believe the government should spend more on public services, down from 71.7% last year, but almost five percentage points lower than the 2017 result of 74.3%. At the same time, only 6.1% of those surveyed believe the government should spend less, down from 8% last year and 9.6% in 2017. Those who believe spending should increase "a lot" dropped from 44.9% last year to 40.5% this year, while those who felt it should increase "a little" increased from 26.8% to 29.1%. The proportion of people who think the government spends about the right amount on services increased almost a full percentage point, from 14.4% last year to 15.3%, while the number of those who answered "not sure" showed a marked increase from 5.9% last year to 9.1%, the highest figure since 2012.

The Survey then asks respondents for their preferences for the allocation of public expenditure (see Figure 3). As in all previous Tax Surveys, health has the most support from respondents as the area

that should attract more government spending, followed by education. However, the proportion of respondents supporting more spending on health has dropped by over four percentage points, from 87.2% in 2018 to 82.9% this year. An even greater fall was recorded among those who support more spending on education – this number was down from 77.6% last year to just 71%, the lowest figure in the history of the survey.

For the second year in a row, a majority of respondents support an increase in spending on social security. The 2018 survey saw a marked increase in this number from 48.7% in 2017 to 55.1%. The 2019 figure is slightly lower, at 53.5%, but still represents a significant shift in support for more government spending on pensions and other income support measures than was recorded in the early years of this decade, when the number sat around 40%.

Support for greater spending on defence has decreased a statistically negligible .9 points from 35.8% to 34.9% over the last year while support for spending on foreign aid has recovered 2.5 points from 13.9% in 2018 to 16.4% this year.

FIGURE 2. OVERALL VIEWS ON PUBLIC SPENDING “WHICH OF THE FOLLOWING STATEMENTS BEST DESCRIBES YOUR VIEWS? GOVERNMENTS SHOULD SPEND....”

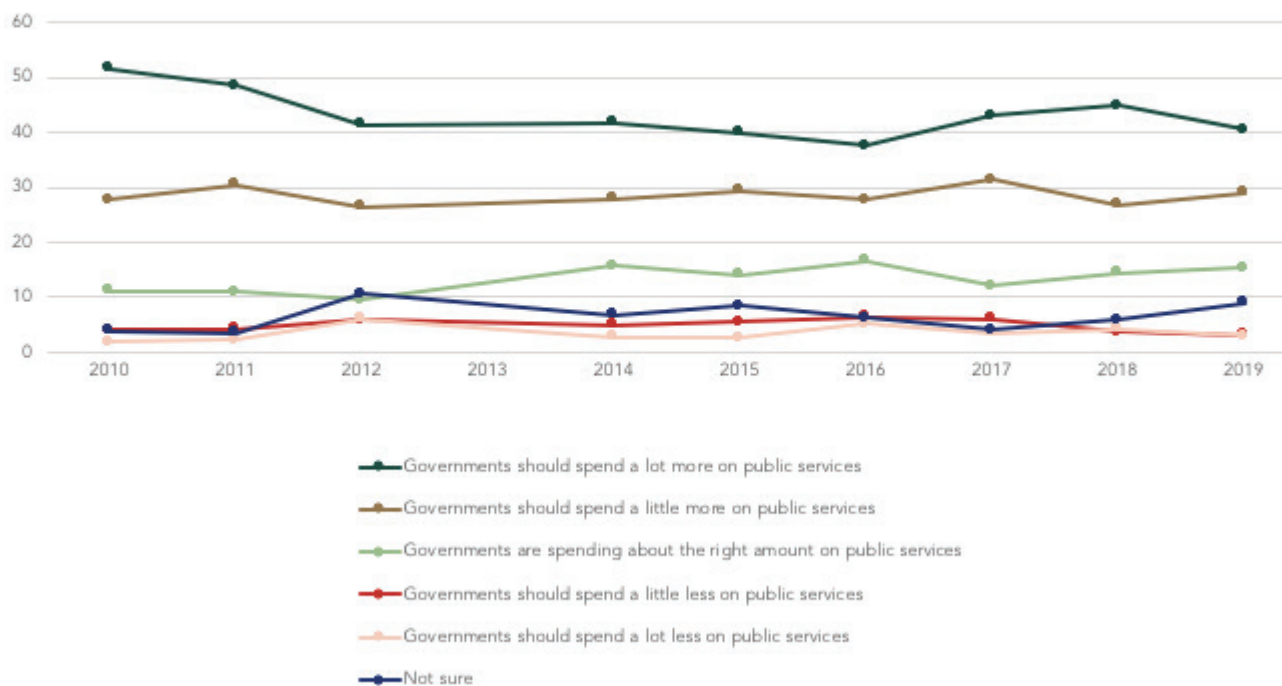
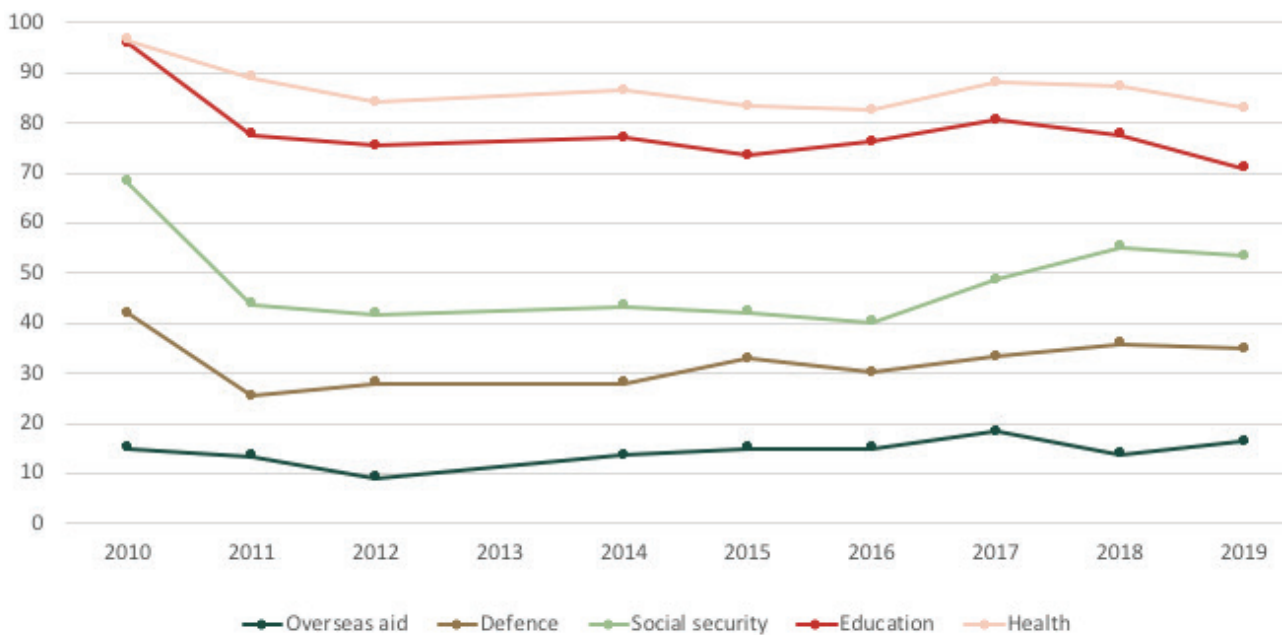


FIGURE 3. “WOULD YOU LIKE TO SEE MORE OR LESS GOVERNMENT SPENDING IN....” PERCENTAGE OF RESPONDENTS ANSWERING EITHER “A LITTLE MORE” OR “A LOT MORE”



The next question asks respondents for which, of a number of different policy outcomes, they would personally be willing to pay higher taxes (see Figure 4).

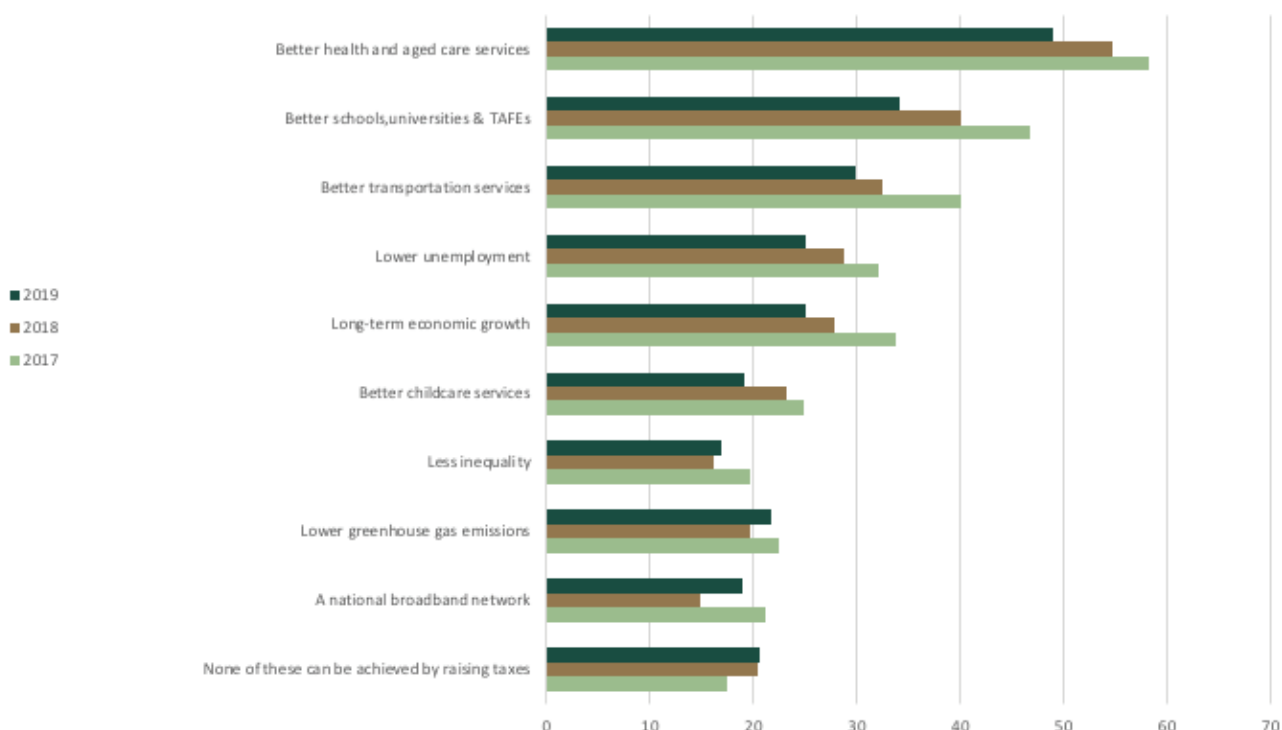
The results of the 2019 survey for this question are notable. In previous years, a clear majority of respondents were personally willing to pay more tax for better health and aged care services; in 2019, that majority has been lost, with just 48.9% saying they would pay higher taxes for this outcome, a fall of almost 6 points from 2018.

There was a similar drop in the proportion of those willing to pay more tax for better educational institutions, from 40.1% last year to just 34.2 this year. Significantly, this number has collapsed by over 12 points from the 2017 figure of 46.7%.

The 2018 Tax Survey revealed that the willingness to pay more tax for all the categories surveyed had fallen for the first time since 2014. This trend has continued in 2019. The only exception is that people are now more willing to pay more tax to reduce greenhouse gas emissions, which is an increase of two percentage points on last year's figure of 21.7%.

The proportion of respondents willing to pay higher taxes to achieve long term economic growth is at its lowest ever at 25.1%, down from a high of 42.8% in 2016, the year of the last federal election.

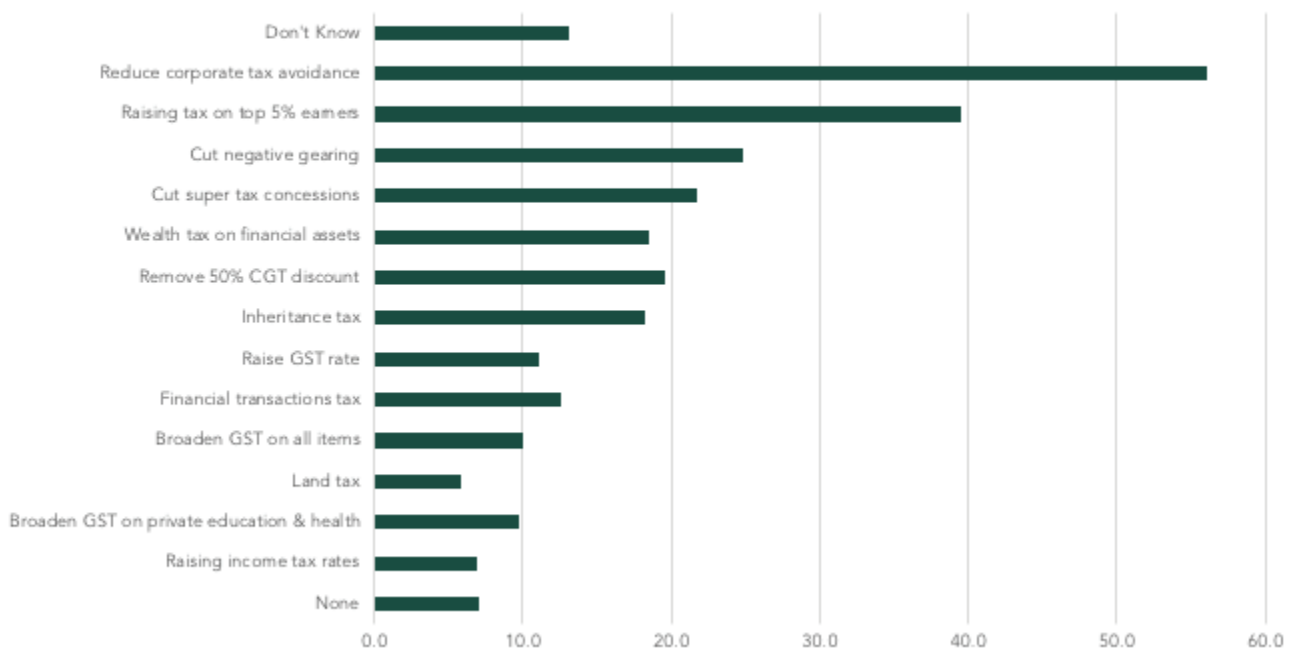
FIGURE 4. WHICH OF THESE OUTCOMES WOULD YOU BE PREPARED TO PAY HIGHER TAXES TO ACHIEVE? (RESPONDENTS COULD CHOOSE MULTIPLE OPTIONS)



Given that a clear majority of respondents believe the government should spend more on services, as demonstrated in Figure 1, but most are not personally willing to pay more tax themselves to fund such spending, we ask respondents for their views about what other taxation measures the Government should implement to raise revenue (see Figure 5). As it has been since the commencement of the survey in 2010, reducing corporate tax avoidance remains the most popular option when people are asked how the government should raise additional tax revenue.

However, support has fallen by more than six points from 62.8% in 2018 to 56.1% this year. Other preferred options, as in previous years, are to raise tax on the top 5% of income earners (39.5%), and to cut tax concessions on negative gearing (24.9%) and superannuation (21.7%). Notably, almost one in five Australians supports the introduction of an inheritance tax, a tax deployed in many other OECD countries such as the United Kingdom, but removed from the Australian taxation system in 1979.

FIGURE 5. "IF YOU WANTED TO RAISE MORE TAX IN AUSTRALIA TO PAY FOR QUALITY PUBLIC SERVICES, WHICH OF THE FOLLOWING APPROACHES WOULD YOU SUPPORT? (RESPONDENTS COULD CHOOSE MORE THAN ONE OPTION)"

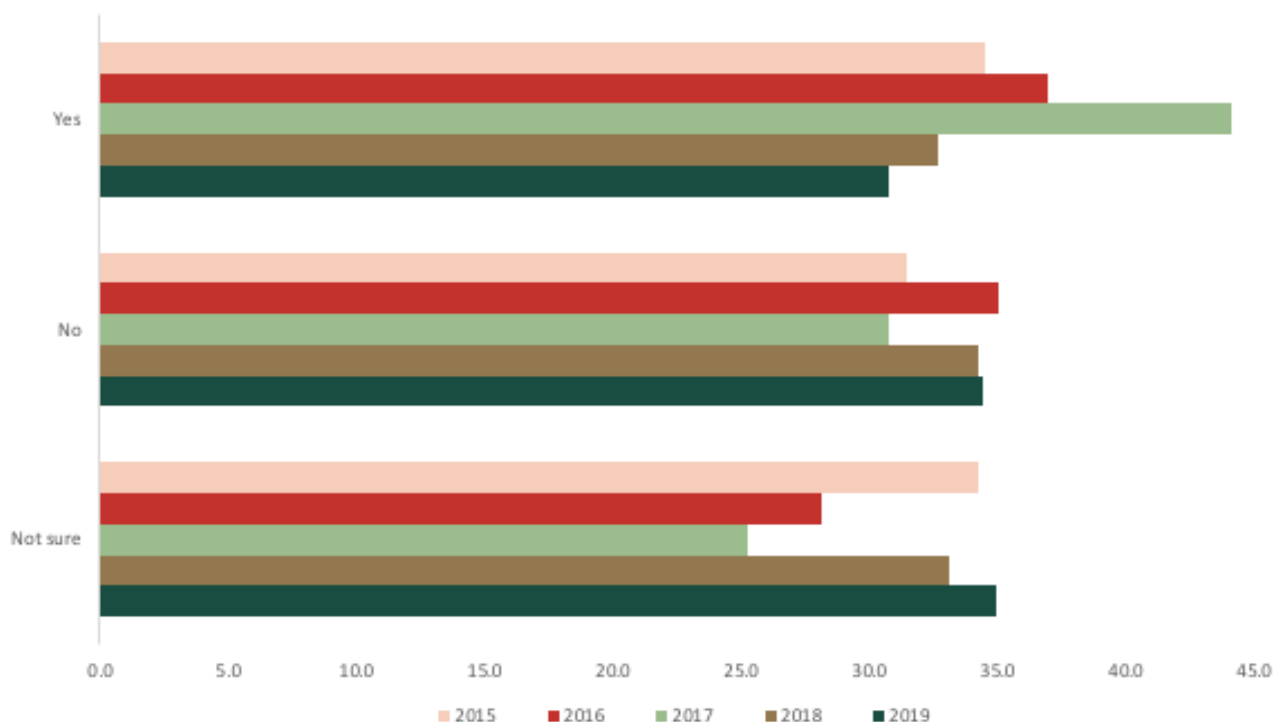


The survey also seeks respondents' views on governments debt, asking whether they support the government borrowing for long-term investment (see Figure 6). This year's results are close to those recorded last year and in line with historical findings that are fairly evenly split between support for such borrowing (30.7%), opposition (34.4%) and those who don't know (34.9%).

The responses to the first section of the Survey give us a view of public attitudes to the funding of government services. The findings suggest that a significant majority of respondents still believe that governments should spend more on public services, with a majority again supporting greater public

spending on health, education and social security. However, 2019 respondents are less willing to pay higher taxes themselves to support this. Instead, most Australians want to see higher taxes on big business and high-income individuals, and a crack-down on corporate tax avoidance, to fund public services. It is interesting to note that the continuing downward trend in the proportion of people willing to personally pay more tax to support policy outcomes over the last three to five years coincides with the period of stagnant wage growth, cost-of-living pressure across the economy and increasing revelations of tax avoidance and minimization by large companies and wealthy individuals.

FIGURE 6. IN THE PAST, GOVERNMENTS HAVE BORROWED FOR LONG-TERM INVESTMENT IN THE SAME WAY PEOPLE TAKE OUT A MORTGAGE FOR A HOUSE. ARE YOU IN FAVOUR OF SUCH BORROWING?



Section II: Personal Tax Obligations

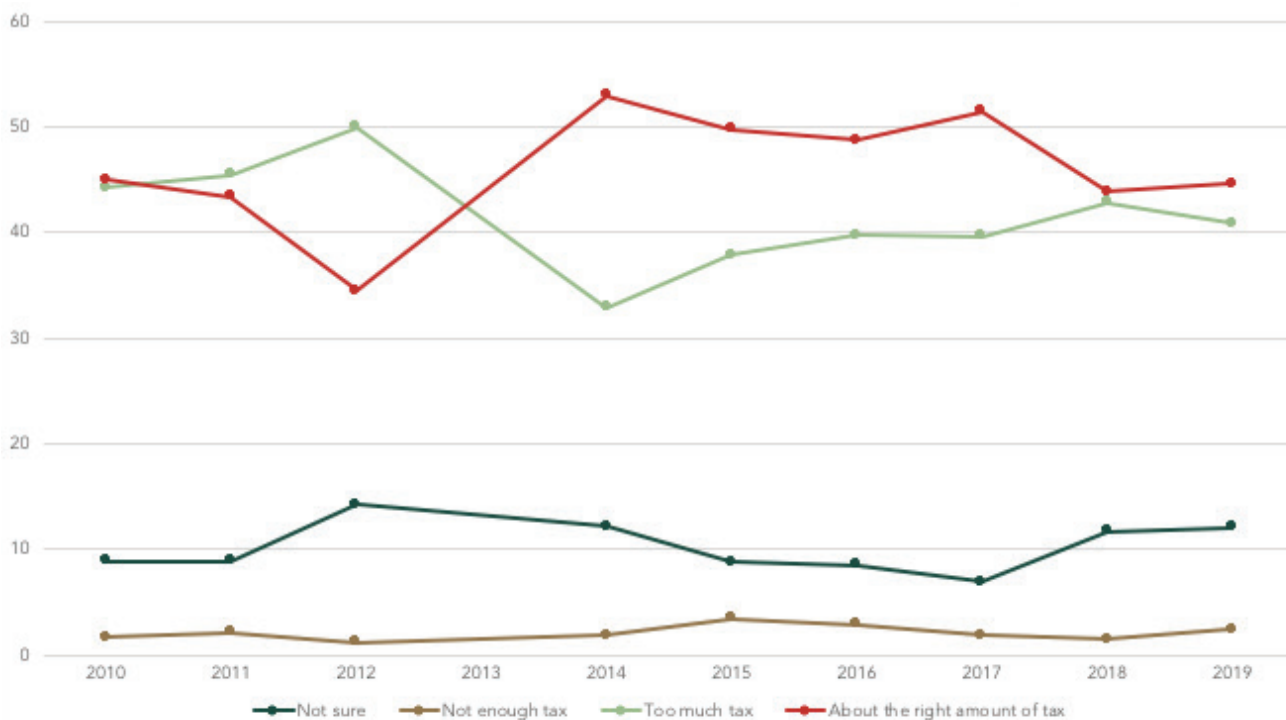


The second part of the Survey seeks to understand people's attitudes towards their own personal tax obligations, and those of others. This is the heart of the annual Tax Survey: the questions in this section have been included since the first survey in 2010. They allow us to build a longitudinal study of people's feelings about their interactions, and those of their fellow citizens, with Australia's tax and transfer system.

We first ask respondents for their views on their own tax contributions (see Figure 7). The findings from this question in 2018 revealed a significant drop in the proportion of those who believed they paid about the right amount of tax, from 51.5% in 2017 to 43.9%. In 2019, we can see that the number of those with this sentiment remains relatively unchanged, at 44.6%.

The proportion of respondents who believe they pay too much tax has fallen slightly, from 42.8% in 2018 to 40.9% this year, while the figure for those who believe they don't pay enough tax has increased almost a full percentage point, from 1.5% last year to 2.4% in 2019. The shift in the proportion of respondents who are "not sure" remains relatively small, changing from 11.7% in 2018 to 12.1% in 2019.

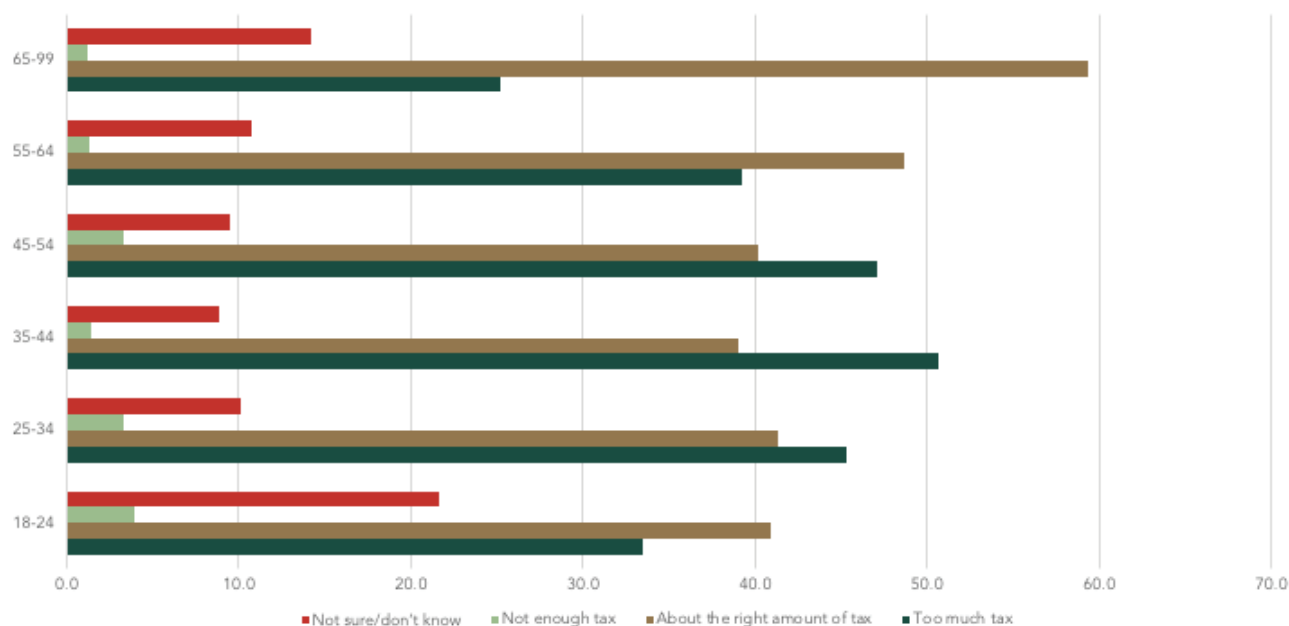
FIGURE 7. "IN YOUR OPINION TO DO YOU PAY?"



We then look at attitudes to individual tax contributions by age (see Figure 8). These findings display a distinct pattern, constant over the nine years of the survey, in which a majority of only those aged over 65 (the bulk of whom pay little to no tax at all) believe they pay about the right amount of tax, while those age brackets who make up the bulk of full-time pay-as-you-go taxpayers are more likely to say they pay too much.

As in previous years, those aged 18-24 are more unsure of their views about the level of their own tax contribution.

FIGURE 8. "IN YOUR OPINION DO YOU PAY?" (RESPONSES CATEGORISED BY AGE BRACKET)



We also measure people's feelings about their own tax payments by household income (Figure 9). The results of this analysis in 2019 reveal some interesting findings.

Until 2017, in each income category up other than those earning over \$200,000 a year, the proportion of those who felt their tax contribution was about right exceeded those who said they pay too much tax.

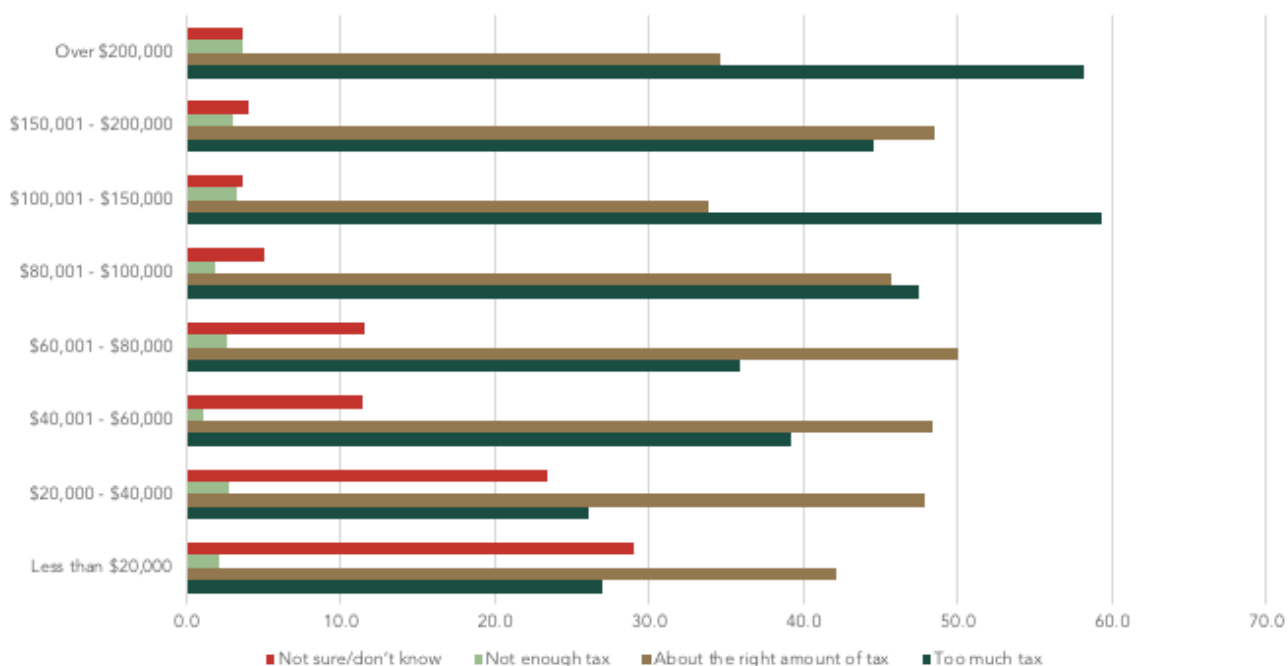
In 2018, the income cut off at which more people believed they were paying too much tax rather than the right amount dropped to \$80,000. That is, more respondents in all income brackets over \$80,000 in 2018 believed they were paying too much tax rather than the right amount. In fact, in all income brackets over \$80,000, an absolute majority of respondents, of at least 55%, believed they were paying too much tax last year.

In 2019, those earning between \$80,001 and \$100,000 are still more likely to say they pay too much rather than about the right amount of tax, but those believing they pay too much are no longer in the majority, at 47.5%.

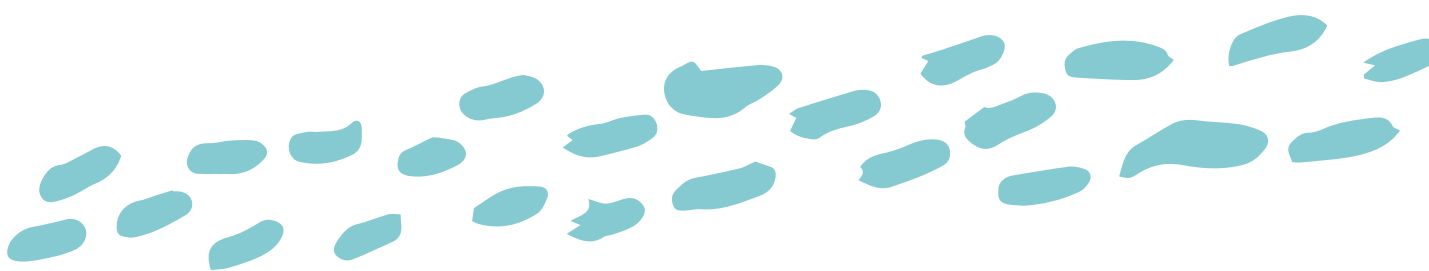
The change is even more marked for those earning between \$150,001 and \$200,000, where more respondents now say they are paying about the right amount of tax (48.5%) than that they are paying too much (44.6%).

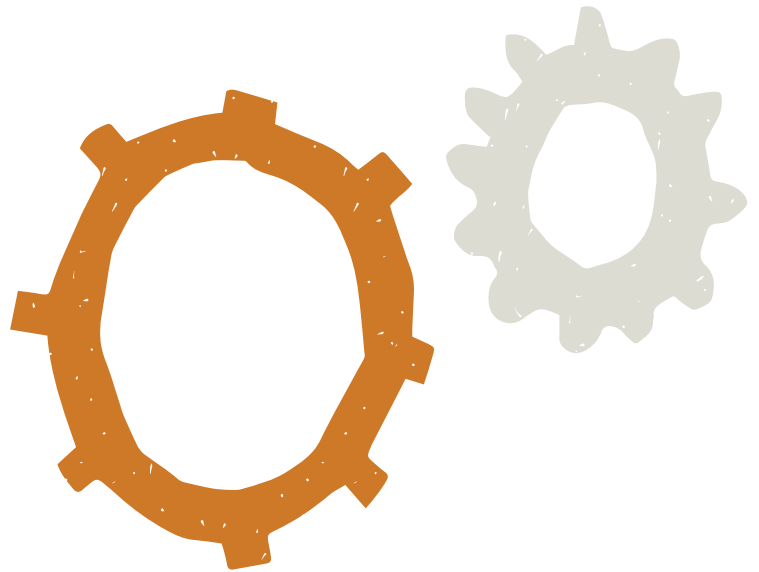
Significantly, the highest degree of dissatisfaction with their tax contribution is now found in those respondents earning between \$100,001 and \$150,000, where 59.4% believe they are paying too much tax and only 33.9% believe their tax contribution is about right. The findings for this income bracket demonstrate, for the first time, a greater level of unhappiness with their tax contribution than even those earning over \$200,000 per year (58.2% saying they pay too much tax, 34.5% saying they pay about the right amount), which has historically been the income bracket most likely to report unhappiness with their tax contribution.

FIGURE 9. "IN YOUR OPINION DO YOU PAY?" (RESPONSES CATEGORISED BY ANNUAL HOUSEHOLD INCOME BRACKET)



A possible explanation for these 2019 findings is that households in the upper-middle income brackets are feeling more financially pressured. Indeed, it is interesting to note that more respondents in this upper-middle income bracket are reporting dissatisfaction with their tax contribution than those paying the highest marginal tax rate.





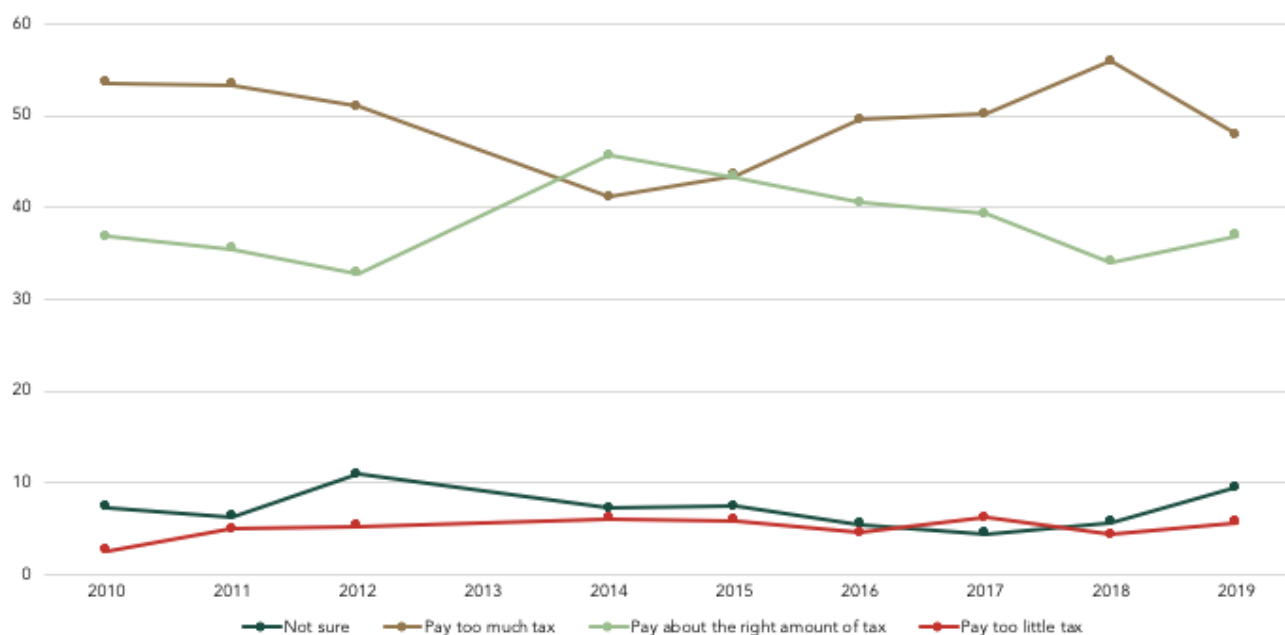
Section III: Fairness of the Tax System

The third section of the Survey is concerned with the integrity of Australia's tax and transfer system. We ask respondents for their views of the relative fairness of contributions from low-, middle- and high-income earners, and from small and big businesses. The majority of these questions have been asked since the first Survey in 2010, allowing us to build a picture of trends in popular sentiment over time.

In 2018, the proportion of those who said low-income earners paid too much tax was at an all-time high of 55.9%; this year, that has dropped back to a more historically consistent figure of 47.9% in 2019 (see Figure 10). The percentage of respondents who believe low-income earners pay about the right amount of tax increased slightly

from 34% last year to 36.9%. The share who say they pay too little similarly increased from 4.4% to 5.7% this year. Uncertainty in this category rose significantly in 2019, from 5.7% to 9.5%, the highest level since 2012.

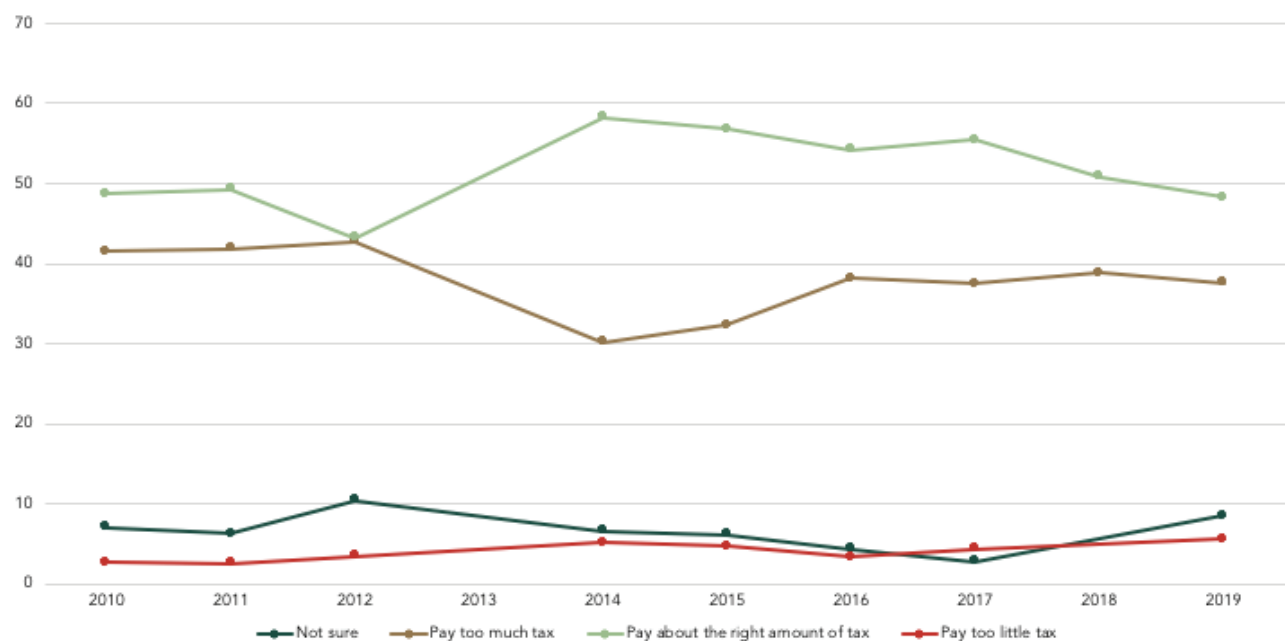
FIGURE 10. "IN YOUR OPINION, DO LOW INCOME EARNERS PAY TOO MUCH OR TOO LITTLE TAX?"



The percentage of respondents who believe that middle-income earners pay about the right amount of tax fell from 50.8% last year to 48.3% in 2019 – a drop of 10 percentage points in the last five years,

and the first time since 2012 that this proportion is in the minority (see Figure 11). The share who said that middle-income earners pay too much tax dropped from 38.8% to 37.6%.

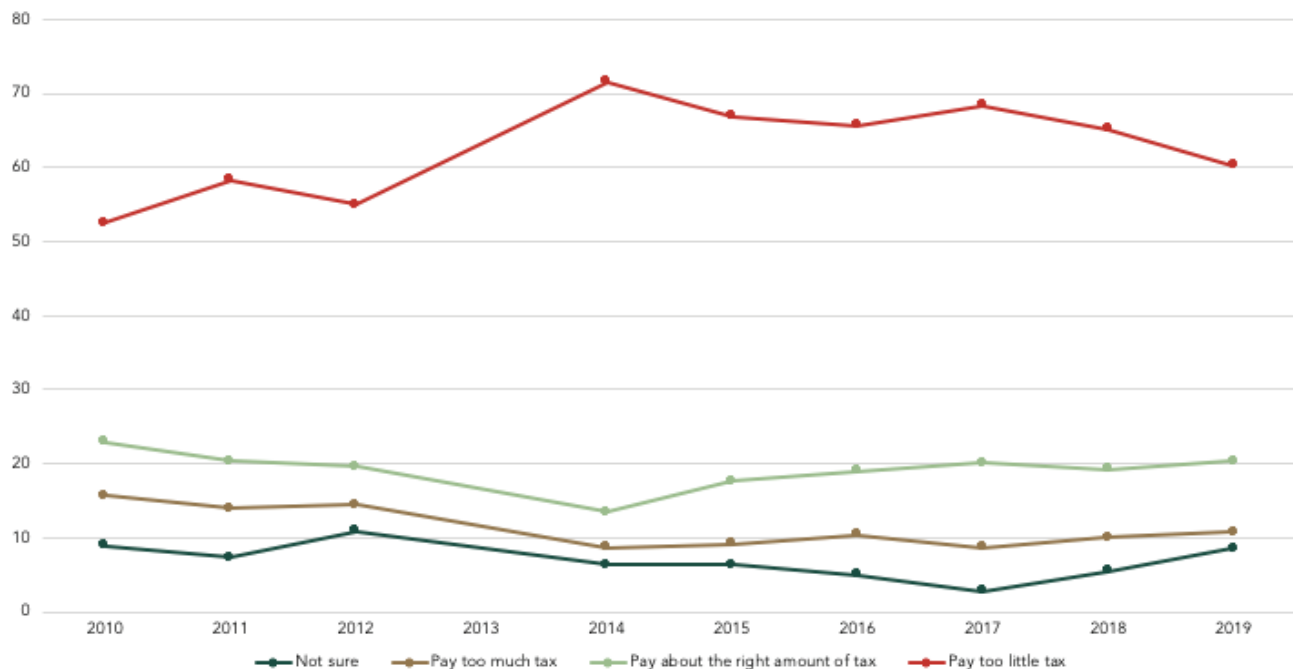
FIGURE 11. "IN YOUR OPINION, DO MIDDLE-INCOME EARNERS PAY TOO LITTLE OR TOO MUCH TAX?"



Throughout the history of the Tax Survey, the most strongly held view in this section has been that high-income earners do not pay enough tax, and the 2019 result continues that trend (see Figure 12). However, we have seen a notable decrease in this figure, down from 65.2% last year to 60.3%, a drop of almost five percentage points, and the lowest score since 2012.

Still, only one-fifth of people (20.3%) say that high-income earners pay about the right amount of tax, while 10.8% believe that they pay too much. Both these levels are similar to last year. Again, we have seen an increase in the proportion of respondents who are unsure, from 5.4% in 2018 to 8.6% in 2019.

FIGURE 12. "IN YOUR OPINION, DO HIGH-INCOME EARNERS PAY TOO LITTLE OR TOO MUCH TAX?"



As with previous surveys, we have analysed the gap between those who believe high-income earners pay too much and those who think they pay too little by age, household income and political persuasion.

Consistent with previous survey findings, the belief that high-income earners pay too little in tax tends to intensify with age. While last year a majority of respondents in all income brackets other than 18-24, where the figure was 49.2%, believed this to be true, the 2019 survey has found that younger age cohorts no longer hold a majority belief that high-income earners aren't paying enough tax (see Figure 13).

Only 42.4% of 18-24 year olds, and 45.7% of 25-34 year olds now hold this belief, whereas the

proportion of 35-44 year olds who say high-income earners pay too little tax is 58.2%; for 45-54 year olds it is 67.5% and it reaches its highest score among 55-64 year olds at 78%, before dropping back to 69.1% for those over 65.

A majority of respondents to this question in every income bracket also believes that high-income earners pay too little tax (see Figure 14). Interestingly, this includes for the first time those earning over \$200,000 per annum, where the figure is 56.4%, up eight points on last year's result. This group, perhaps less surprisingly, also has the greatest proportion of those who say high-income earners pay too much tax, at 27.3%.

FIGURE 13. "IN YOUR OPINION, DO HIGH-INCOME EARNERS PAY TOO LITTLE OR TOO MUCH TAX?" (RESPONDENTS CATEGORISED BY AGE BRACKET)

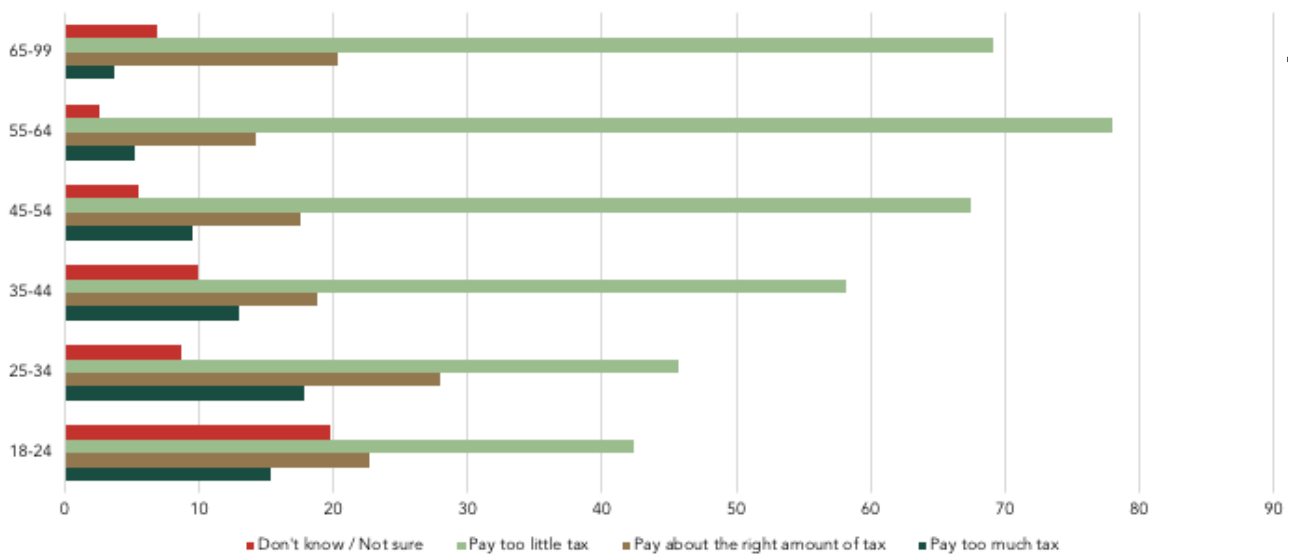
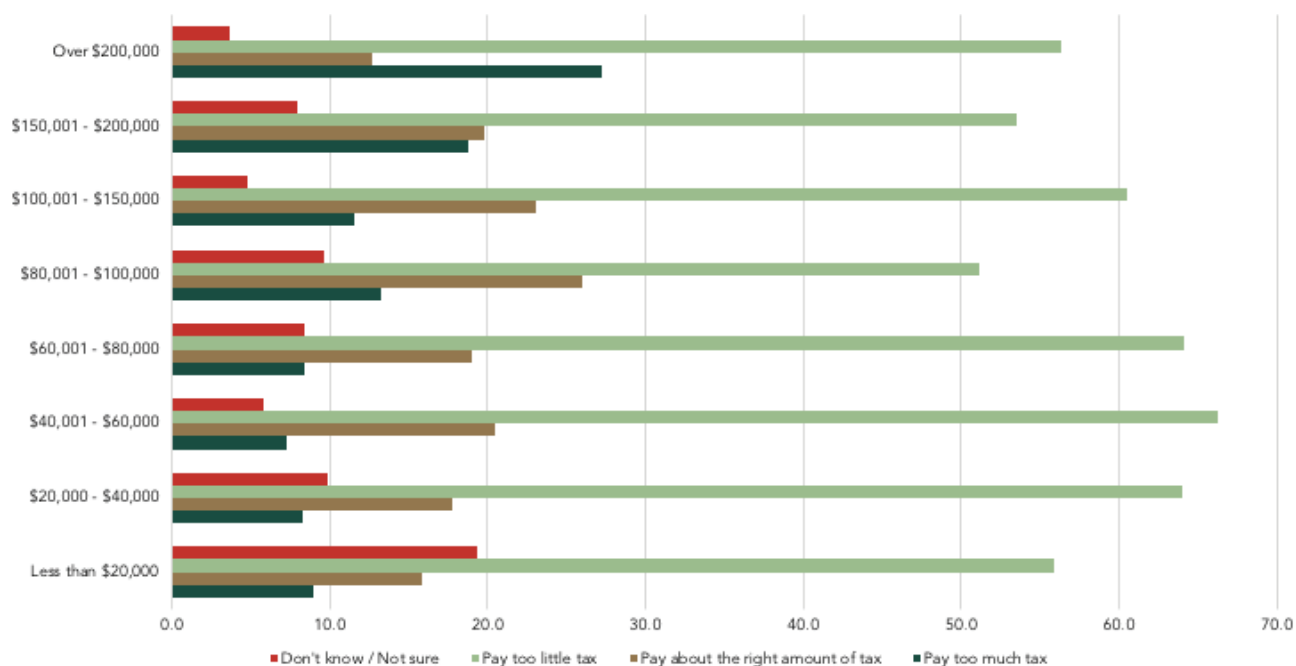


FIGURE 14. "IN YOUR OPINION, DO HIGH-INCOME EARNERS PAY TOO LITTLE OR TOO MUCH TAX?" (RESPONDENTS CATEGORISED BY HOUSEHOLD INCOME BRACKET)

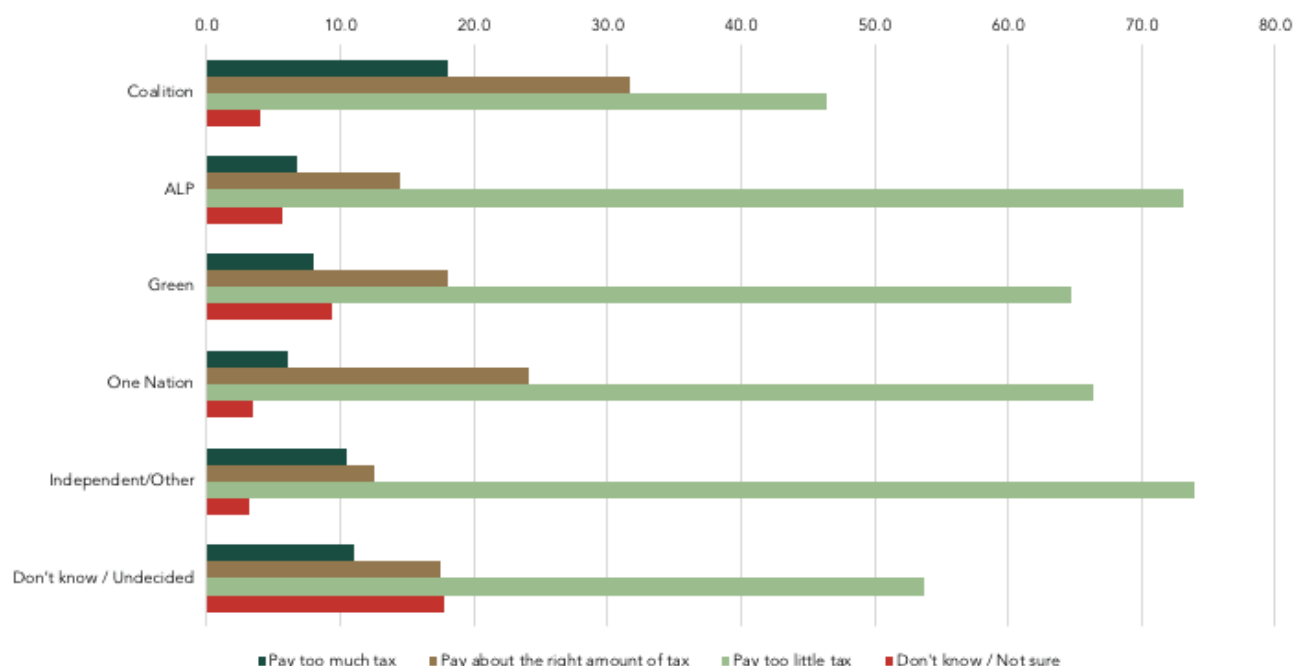


We also analyse the responses by voting intention at the next Federal election (see Figure 15). A significant majority of the supporters of all non-Government parties and independents believe that high-income earners pay too little tax. However, only 46.3% of Coalition voters agree, while 18% believe they pay too much.

The perception that those at the top of the income scale are making inadequate contributions to the national budget held most strongly by those who intend to vote for the ALP (73.2% say high income earners pay too little, and only 6.7% believe they pay too much) and voters who indicate their support for independent candidates (74% believe high income earners pay too little, and 10.4% say they pay too much).

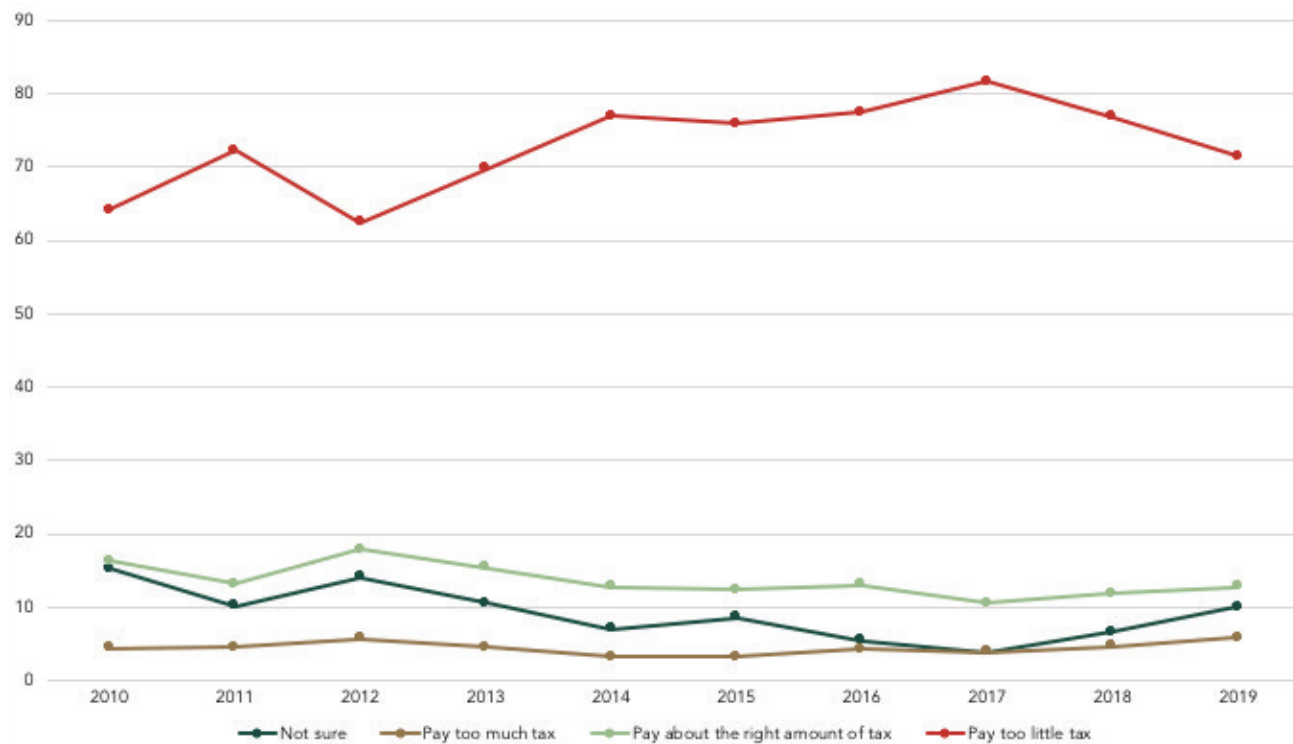
Interestingly, the closest alignment in views on this question is between voters for The Greens and One Nation. More than half of undecided voters believe that high income earners are not paying their fair share of tax.

FIGURE 15. "IN YOUR OPINION, DO HIGH-INCOME EARNERS PAY TOO MUCH OR TOO LITTLE TAX?" (RESPONDENTS CATEGORISED BY VOTING INTENTION)



The Survey then looks at public attitudes towards tax contributions by business. While a strong majority (71.5%) still say that big businesses and corporations don't pay enough tax, this result is down more than five percentage points since 2018 (76.8%) and a full 10 points since 2017 (81.7%) to its lowest share in six years (see Figure 16). 12.7% of respondents say that big businesses pay the right amount of tax, while 5.8% say they pay too much; both figures are virtually unchanged from last year. The number of respondents who were unsure about this question was a full 10%, up from 6.6% last year and 3.8% in 2017.

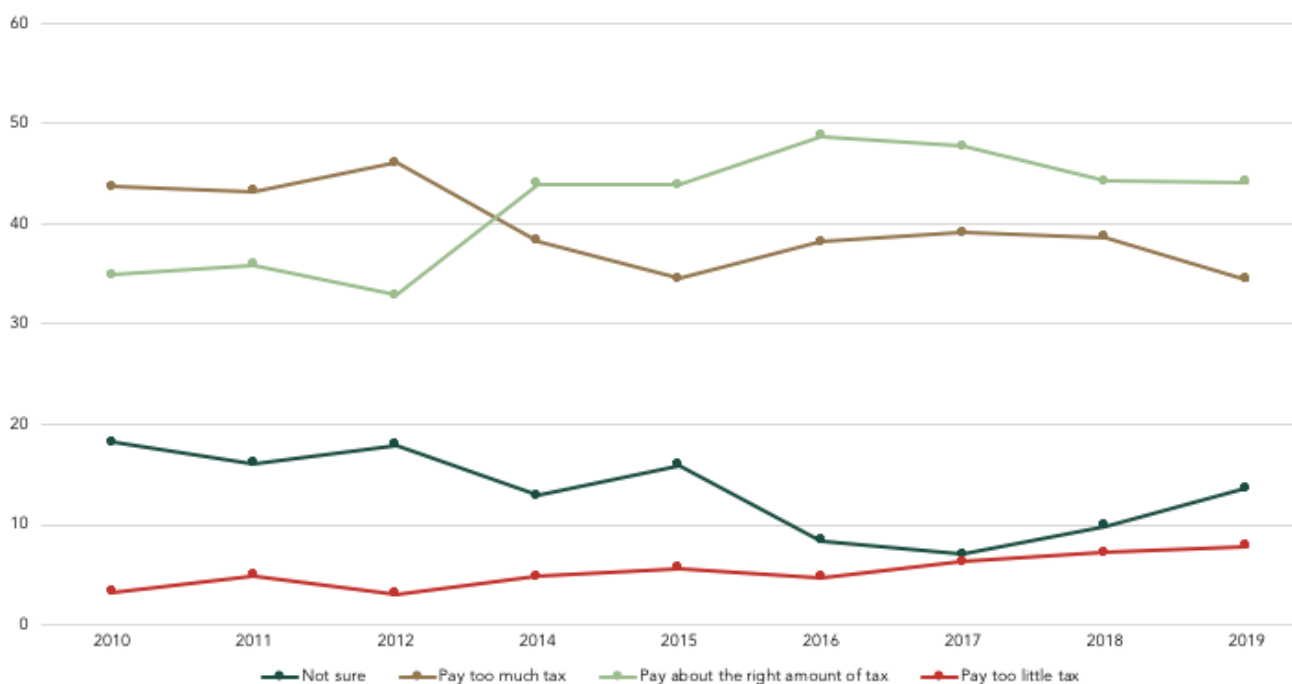
FIGURE 16. "IN YOUR OPINION, DO BIG BUSINESSES AND CORPORATIONS PAY?"



Australians hold different attitudes towards the taxation of small business than they do in relation to large corporations (see Figure 17). The proportion of respondents who believe that small businesses pay too little tax (7.9%) or about the right amount of tax (44.2%) were virtually unchanged from last year.

There was a drop of just over four percentage points in the share of those who believe small businesses pay too much tax, from 38.7% last year to 34.4%, and a lift in the proportion of respondents who said they weren't sure, from 9.9% in 2018 to 13.6% this year.

FIGURE 17. "IN YOUR OPINION, DOES SMALL BUSINESS PAY TOO LITTLE OR TOO MUCH TAX?"



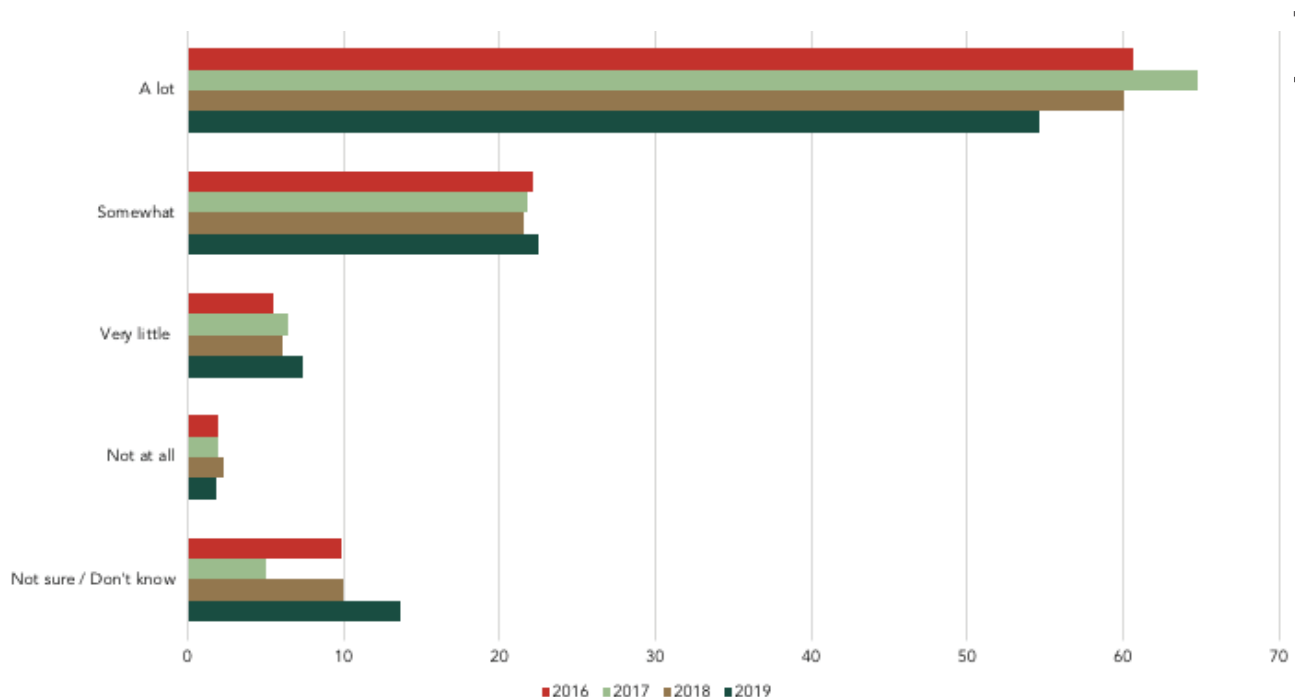
The last question in this section asks people whether they think corporate tax avoidance affects the fairness of the tax system (see Figure 18). Consistently throughout the history of the survey, a significant majority of respondents believe it does.

In 2019, 54.6% of respondents believe that corporate tax avoidance affects the fairness of the tax system a lot, down more than six percentage points from last year and a full ten point drop since 2017. Slightly more respondents in 2019 (22.5%) say it affects the system somewhat, while there

has been a marginal increase in the percentage of those who believe corporate tax avoidance only affects fairness a little, from 6% last year to 7.4%. 1.8% say corporate tax avoidance has no impact at all, while 13.7% are unsure, up from 10.2% in 2018.

In total, more than three quarters of the respondents to the Survey believe that corporate tax avoidance is affecting the fairness of Australia's taxation system.

FIGURE 18. "TO WHAT EXTENT DO YOU THINK CORPORATE TAX AVOIDANCE AFFECTS THE OVERALL FAIRNESS OF THE TAXATION SYSTEM?"

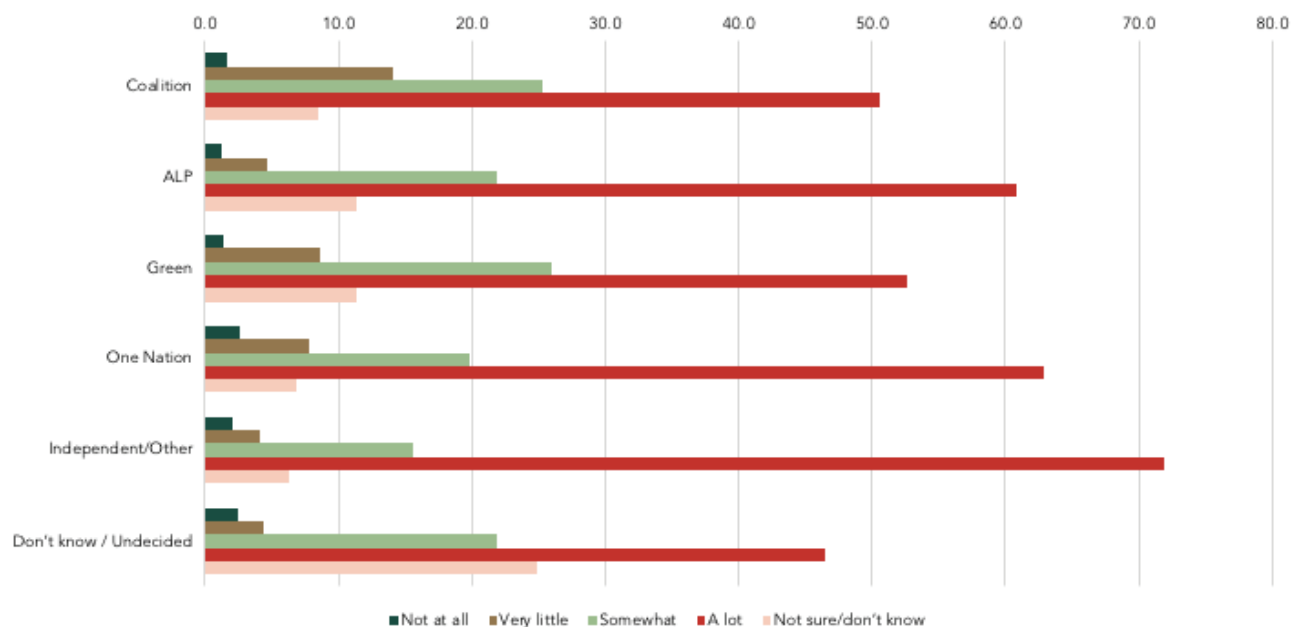


When we break responses to this question down by voting intention, we still find that at least three quarters of respondents in each voter group believe that corporate tax avoidance affects the fairness of the taxation system either somewhat or a lot (See Figure 19).

As in previous years, responses to this section of the Survey demonstrate significant public concern about the fairness of our tax system. A significant

majority of Australians think high earners don't pay enough tax and almost three quarters believe big business isn't contributing its fair share, although both these findings are down on last year's survey. In every age group, every political persuasion and every income bracket, more than three quarters of respondents believe that corporate tax avoidance reduces the fairness of the system either somewhat or a lot.

FIGURE 19. "TO WHAT EXTENT DO YOU THINK CORPORATE TAX AVOIDANCE AFFECTS THE OVERALL FAIRNESS OF THE TAXATION SYSTEM? (RESPONDENTS CATEGORISED BY VOTING INTENTION)"





Section IV: Current Issues in the Policy Debate

The fourth part of the Survey canvasses public views about issues in the current public policy debate. In 2019, we have retained questions from previous years' surveys that cover negative gearing and the so-called "Buffet Rule" to cap tax deductions for high-income earners.

We also kept a question asked in 2017 and 2018 asking for respondents' thoughts about the Government's tax cuts for business, both those already legislated for small business and those advocated by the Coalition for big business and corporations.

We removed the question posed in 2018 about the now-abandoned increase in the Medicare Levy to fund the National Disability Insurance Scheme (NDIS), and added one aimed at gauging public support for an increase in the rate of Newstart, the unemployment benefit.

As 2019 is an election year, we have broken responses to all the questions about current policy issues down by voting intention.

After dying down in 2017 and 2018, the political debate around reforming Australia's negative gearing system has heated up again as we enter an election year. The tax reforms the ALP took to the 2016 election remain its policy today: the restriction of negative gearing tax deductions to new-build investment properties and reducing the capital gains discount on assets held longer than 12 months from 50% to 25%. The Coalition government continues to attack these policies as a "housing tax", and thus far has signalled no intention to change the current negative gearing arrangements and capital gains tax concessions.

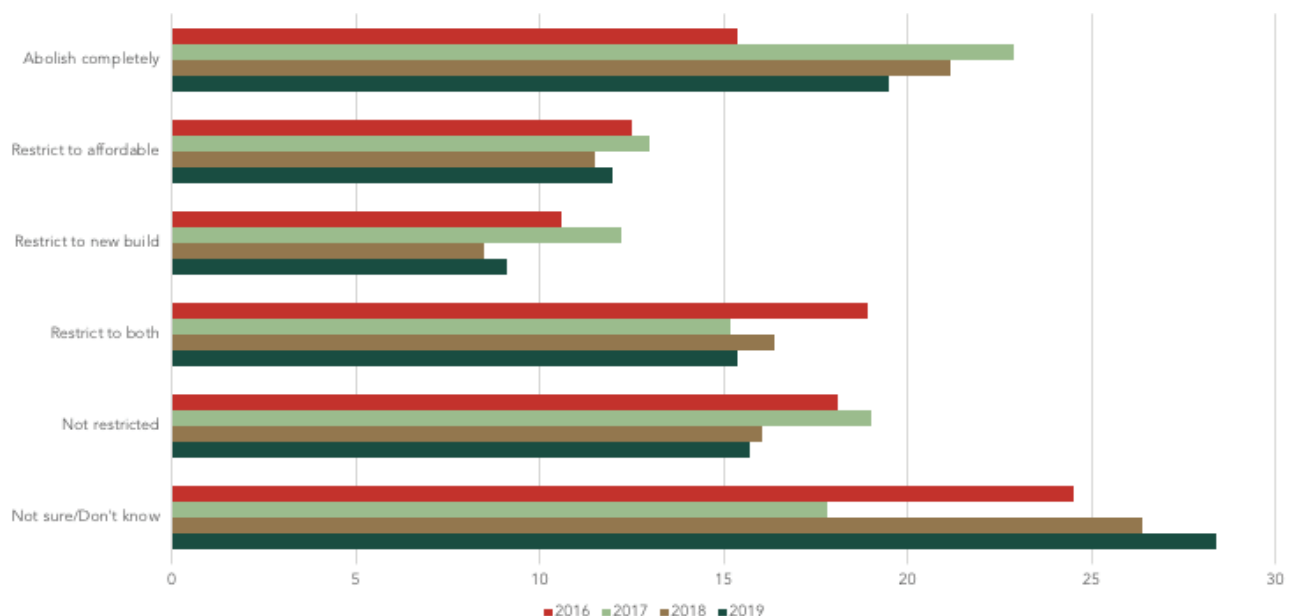
Negative Gearing

For the fifth year, the 2019 Tax Survey asked respondents which, if any, changes they would like to see made to negative gearing (see Figure 20). After dying down in 2017 and 2018, the political debate around reforming Australia's negative gearing system has heated up again as we enter an election year. The tax reforms the ALP took to the 2016 election remain its policy today: the restriction of negative gearing tax deductions to new-build investment properties and reducing the capital gains discount on assets held longer than 12 months from 50% to 25%. The Coalition government continues to attack these policies as a "housing tax", and thus far has signalled no

intention to change the current negative gearing arrangements and capital gains tax concessions.

Responses to this question have been broadly consistent over five years. While more than a quarter of respondents are still unsure of their views about this policy area, support for completely abolishing negative gearing remains most popular option for reform, at 19.5%. Support for restricting negative gearing to newly built housing is at 9.1%, while the percentage of those who believe it should be restricted to affordable housing is 12%, and support for restricting it to both affordable and newly built housing sits at 15.4%. The proportion of those who don't believe negative gearing should be restricted at is 15.7%. None of these results are significantly different from the 2018 survey findings.

FIGURE 20. NEGATIVE GEARING IS A FAVOURABLE TAX CONCESSION FOR THOSE WHO OWN INVESTMENT PROPERTIES. WHICH OF THE FOLLOWING RESTRICTIONS SHOULD BE MADE TO NEGATIVE GEARING?

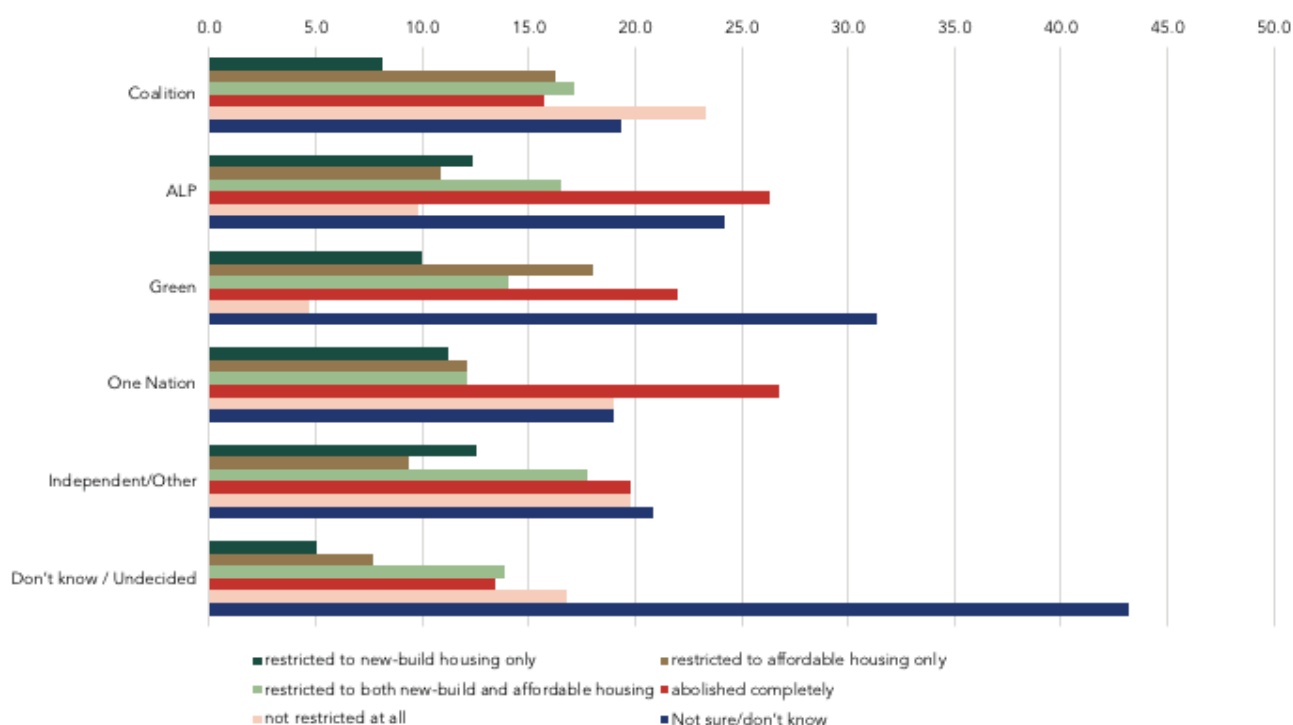


When we break the responses to this question down by voting intention, the results are as follow (see Figure 21).

Perhaps unsurprisingly, support for the ALP policy of restricting negative gearing to newly built housing has most support amongst Labor voters, with 12.4% of those respondents supporting this option, along with those who intend to vote independent at the next election, where the figure is 12.5%. This option is least popular amongst Coalition voters, at 8.1%.

More than a quarter of those who intend to vote Labor (26.3%) or One Nation (26.7%) at the next election favour abolishing negative gearing completely, and the same is true for more than one in five Greens voters (22%), while almost a quarter of Coalition voters (23.3%) do not believe negative gearing should be restricted at all. 43% of undecided voters responded that they were unsure of their views about negative gearing.

FIGURE 21. NEGATIVE GEARING IS A FAVOURABLE TAX CONCESSION FOR THOSE WHO OWN INVESTMENT PROPERTIES. WHICH OF THE FOLLOWING RESTRICTIONS SHOULD BE MADE TO NEGATIVE GEARING? (RESPONDENTS CATEGORISED BY VOTING INTENTION)



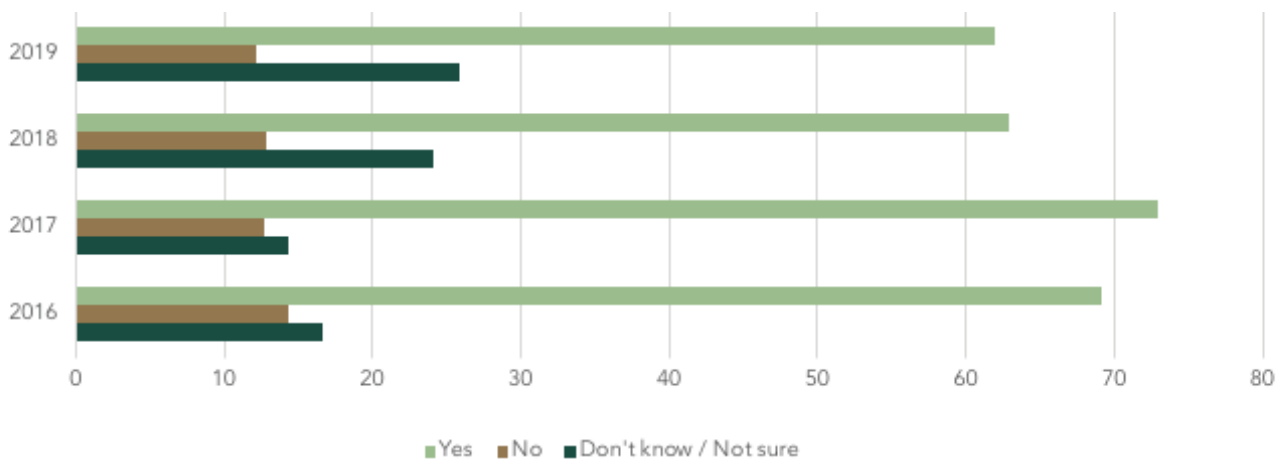
A 'Buffett Rule'

The Buffett Rule is named after American billionaire investor Warren Buffett and proposes that high-income earners should not pay a lower share of their income in tax than low and middle-income earners do. It is essentially a deductions cap: a simple measure by which tax law creates a floor under which high-income earners are unable to reduce their taxable income via deductions or other legal measures.

The idea is unlikely to become policy for either of the major parties in the foreseeable future, but it remains a popular policy measure amongst some on the ALP left.

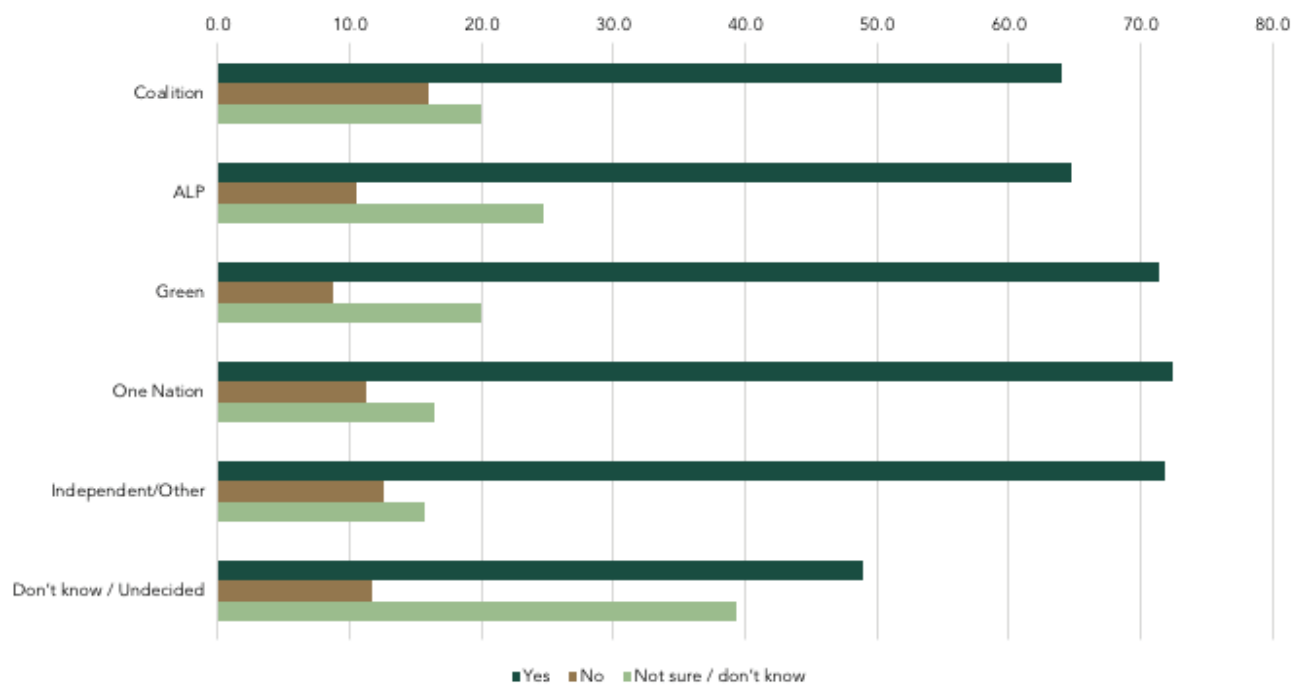
We first asked respondents to the Tax Survey whether there should be a minimum overall tax rate for very high-income earners, defined as the top 1% of earners, in 2016 (see Figure 22). A significant majority of respondents have supported this proposal over the four years we have been asking this question, although the figure has fallen from a high of 72.9% in 2017 to 61.9% this year, a drop of one percentage point since last year. The numbers opposing the idea have remained steady at 12.1%, while the proportion of those who are uncertain is also similar to last year's finding, at 25.9%.

FIGURE 22. SHOULD THERE BE A MINIMUM RATE OF TAX FOR VERY HIGH INCOME EARNERS (I.E. THE TOP 1%)?



When we break the results for this question down by voting intention, we see that there is a significant majority in support across the political spectrum, although undecided voters are less sure (see Figure 23).

FIGURE 23. SHOULD THERE BE A MINIMUM RATE OF TAX FOR VERY HIGH INCOME EARNERS (I.E. THE TOP 1%)? (RESPONDENTS CATEGORISED BY VOTING INTENTION)



Company Tax Cuts

For the third year, we asked people about their support for the Government's partially legislated company tax cuts from 30% to 25%.

As in previous years, we found significantly more support amongst the public for those tax cuts already legislated for small and medium businesses, than for the Government's now-abandoned efforts to cut taxes on big business and large corporations.

A majority (55.6%) of respondents in 2019 support cuts to company tax for businesses with an annual turnover of up to \$2million – 34.2% support and 21.4% strongly support this measure, largely unchanged from last year (see Figure 24). 23.4% of respondents were unsure.

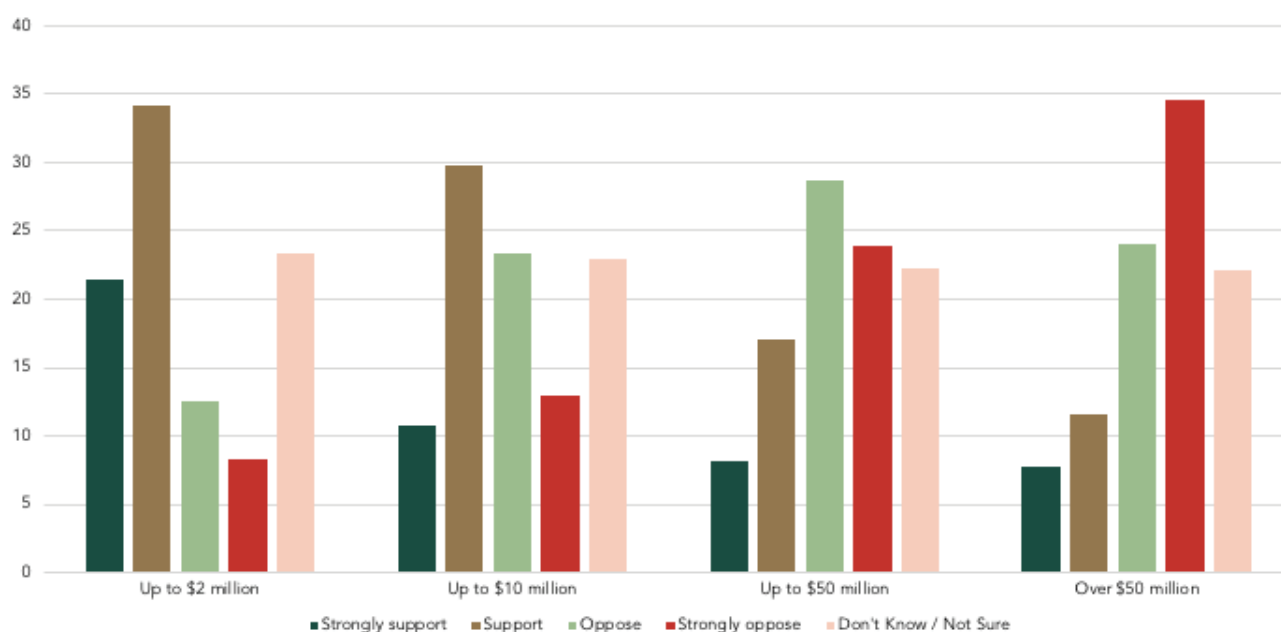
When we originally asked this question in 2017, a small majority (51%) supported cuts to company

tax for businesses with an annual turnover of up to \$10 million. Last year this figure dropped to 43.1%, and 2019 has seen a further fall to 40.6% (29.8% support, 10.8% strongly support), while the proportion of respondents who were unsure about tax cuts for businesses in this size bracket has increased significantly over three years, from 8% in 2017 to 22.9% in 2019.

The final tranche of the legislated tax cuts, for businesses with an annual turnover of up to \$50 million, remains opposed by a majority (54.6%) of respondents, of which 28.7% are opposed and 23.9% are strongly opposed. Just one quarter approve of these tax cuts, while 22.2% remain unsure.

Opposition is even stronger to the Government's aborted plan to cut tax for businesses with a turnover in excess of \$50 million per annum: 58.5% are opposed, 34.5% strongly, and just 19.4% support them, 7.8% strongly. 22.1% are unsure.

FIGURE 24. COMPANY TAX WAS RECENTLY CUT FROM 30% TO 25% FOR BUSINESSES WITH A TURNOVER OF LESS THAN \$50 MILLION PER ANNUM, COMING INTO FULL EFFECT BY 2026-27. DO YOU SUPPORT OR OPPOSE TAX CUTS FOR BUSINESSES WITH ANNUAL TURNOVERS OF...



Although the legislation to give effect to the extension of the tax cuts to businesses with an annual turnover of \$50 million has been withdrawn after failing to pass the Senate, it remains Coalition policy and could be expected to return should they win the upcoming federal election. Given this, we have broken down support for extending the cuts to large businesses by voter intention (see Figure 25).

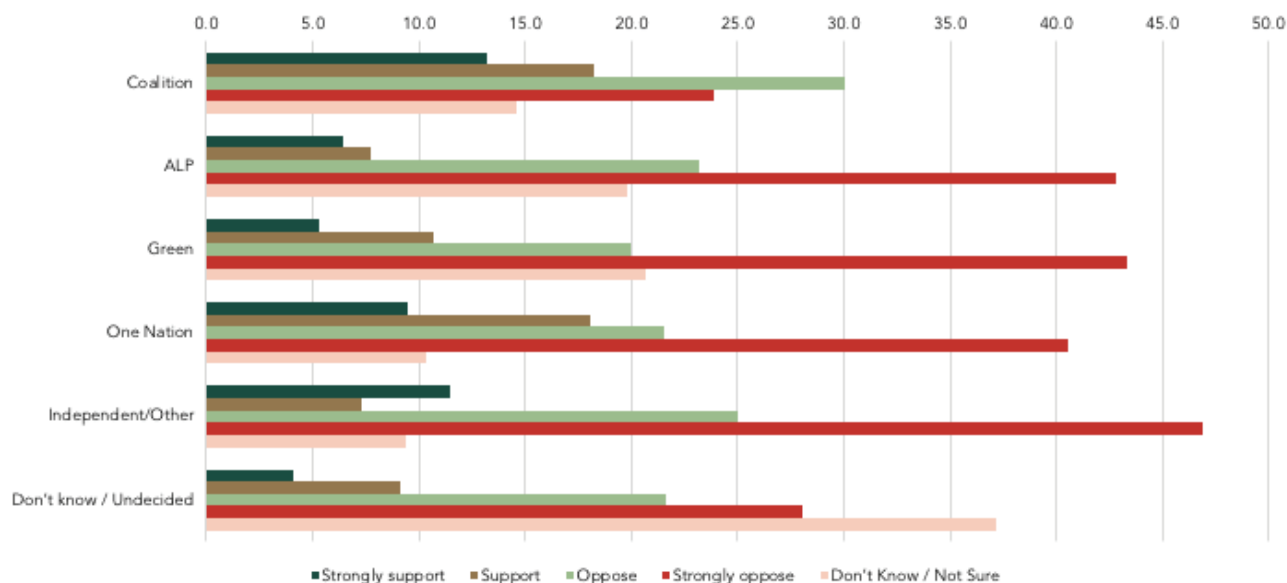
We found that support for a tax cut for big business is weak amongst supporters of all the Senate opposition and cross-bench parties.

63.3% of Greens party supporters oppose the final stage of the tax cut, while for Labor voters the figure is 66%.

71.9% of those intending to vote Independent/Other, which includes supporters of Central Alliance and Senators Derryn Hinch and Tim Storer, oppose tax cuts for big business, while 62.1% of One Nation voters also oppose them.

As we found last year, less than a third of Coalition voters support the extension of tax cuts to businesses with a turnover of more than \$50 million per annum, at just 31.5%, and a majority (54%) oppose it, with 23.9% strongly opposed.

FIGURE 25. COMPANY TAX WAS RECENTLY CUT FROM 30% TO 25% FOR BUSINESSES WITH A TURNOVER OF LESS THAN \$50 MILLION PER ANNUM, COMING INTO FULL EFFECT BY 2026-27. DO YOU SUPPORT OR OPPOSE TAX CUTS FOR BUSINESSES WITH ANNUAL TURNOVERS OF... (RESPONDENTS CATEGORISED BY VOTING INTENTION)



Newstart

There has been a strong campaign by social services and community advocacy organisations over the past twelve months to persuade political leaders to immediately increase the rate of the unemployment benefit, Newstart, by \$75 per week.

As social security is a core element of our tax and transfer system, we included a new question in 2019 to gauge the level of public support for an increase in Newstart in the context of broader considerations about taxation and spending.

The Survey found that a bare majority, 51.9%, of respondents, supported increasing Newstart by at least \$75 per week, with 12% believing it should be increased by even more (see Figure 26).

More than a quarter of respondents, 26.9%, believe the rate is sufficient as it is, while 6% believe it is

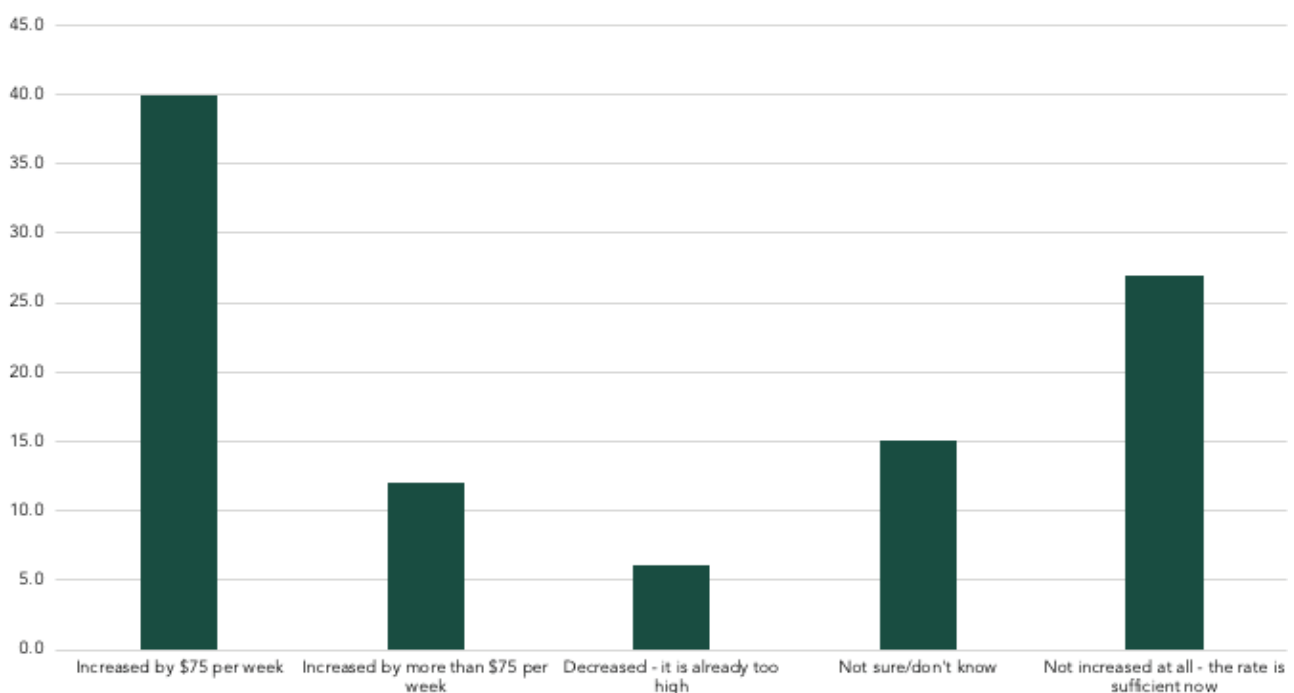
too generous and should be decreased. 15.1% of respondents were unsure.

Political parties have quite different positions on this question: The Greens are calling for an immediate increase, the ALP has committed to review the rate of Newstart to determine by what amount to increase it if elected this year, while the Coalition has ruled out lifting the unemployment benefit altogether.

In light of this, the breakdown of views according to voting intention is interesting (see Figure 27).

Support for increasing the rate of Newstart is highest amongst Labor voters, at 64.9% - 52.3% say it should go up by \$75 per week, while 12.6% support an even greater increase. Labor voters have the smallest share of those who believe the rate is sufficient as it is, at 21.4%, and of those who believe it should be decreased, at just 3.1%. 10.6% are unsure.

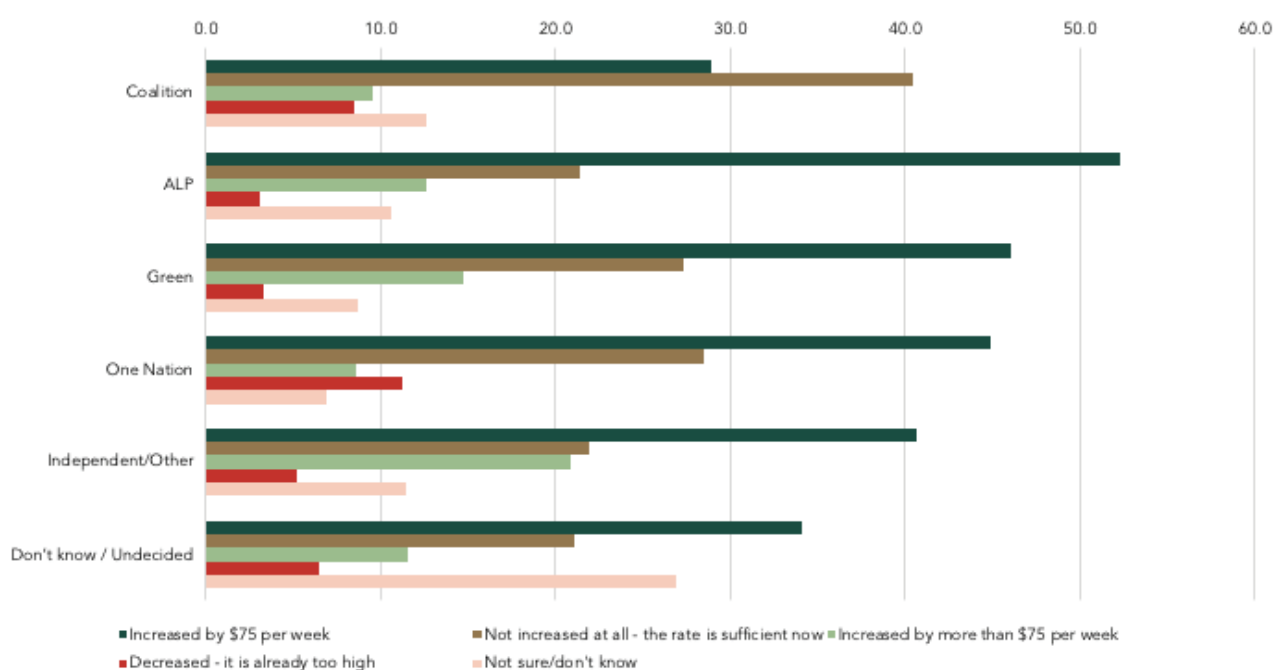
FIGURE 26. THE RATE OF NEWSTART (UNEMPLOYMENT BENEFIT) FOR A SINGLE PERSON IS CURRENTLY \$272.90 PER WEEK, OR JUST UNDER \$39 PER DAY. WHICH OF THE FOLLOWING CHANGES, IF ANY, DO YOU THINK SHOULD BE MADE TO NEWSTART?



Political parties have quite different positions on this question: The Greens are calling for an immediate increase, the ALP has committed to review the rate of Newstart to determine by what amount to increase it if elected this year, while the Coalition has ruled out lifting the unemployment benefit altogether.

In light of this, the breakdown of views according to voting intention is interesting (see Figure 27).

FIGURE 27. THE RATE OF NEWSTART (UNEMPLOYMENT BENEFIT) FOR A SINGLE PERSON IS CURRENTLY \$272.90 PER WEEK, OR JUST UNDER \$39 PER DAY. WHICH OF THE FOLLOWING CHANGES, IF ANY, DO YOU THINK SHOULD BE MADE TO NEWSTART?



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60.7% of those who intend to vote for the Greens support an increase in Newstart, 14.7% by more than \$75, while more than a quarter of Greens voters, 27.3%, believe the rate is sufficient now and 3.3% believe it should be decreased. 8.7% are unsure.

61.4% of Independent voters want to see the rate of Newstart raised, 20.8% by more than \$75 per week. 21.9% of this cohort believe it is sufficient at the current level and 5.2% believe it is too generous and should be decreased. 11.5% of Independent voters are unsure.

A majority (53.4%) of One Nation voters also believe the rate of Newstart should be increased, 8.6% by more than \$75 per week, although this cohort also has the highest proportion of those who believe it should be decreased, at 11.2%. More than a quarter (28.4%) of One Nation voters believe the rate should be left as it is, and 6.9% are unsure.

28.9% of Coalition voters support a raise in the rate, and 9.6% believe it should be raised by more than \$75 per week. 40.4% of Coalition voters, by far the largest proportion of any voting cohort, believe the rate is sufficient as it is, and 8.4% believe it is already too generous, while 12.6% are unsure.

45.6% of undecided voters also support an increase in the rate of Newstart, 11.5% of these voters believe it should be increased by more than \$75 per week, with 26.9% being unsure on this issue.





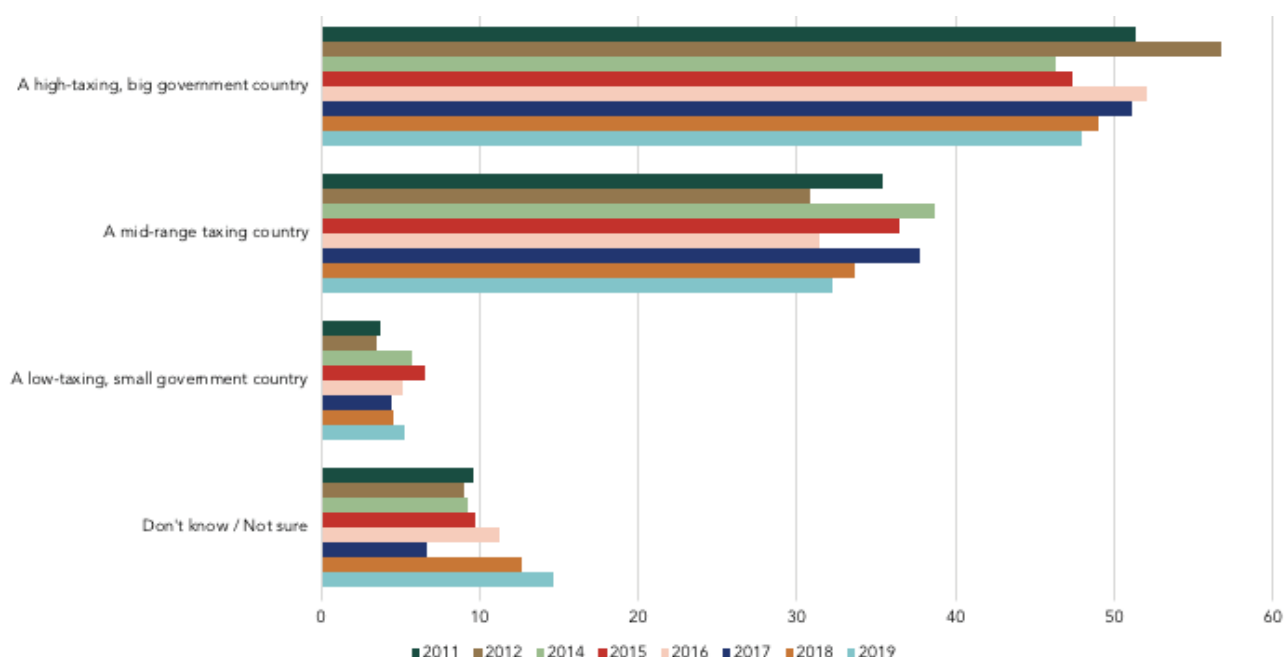
Section V: International Tax Comparisons

The last section of the Survey examines perceptions of tax and spending levels in Australia compared to those in other OECD countries. Given the increasingly different policies of the two major parties on tax and spending heading into a federal election this year, it is instructive to assess how Australians understand the current levels of taxation and spending in Australia, and how we compare to similar countries.

The responses to the final question in the Survey, as in previous years, show that Australians believe we live in a high-taxing, high-spending country (see Figure 28), although for the third year in a row there has been a slight drop in the proportion of respondents who believe this, from 49% in 2018 to 47.9% this year.

Roughly a third of people (32.3%, down a statistically insignificant 1.3 points from last year) say that Australia is a mid-range taxing country with a mid-sized government, while only a few people (5.3%, statistically unchanged from last year) believe Australia is a low-taxing, small government nation, while 14.6% are unsure.

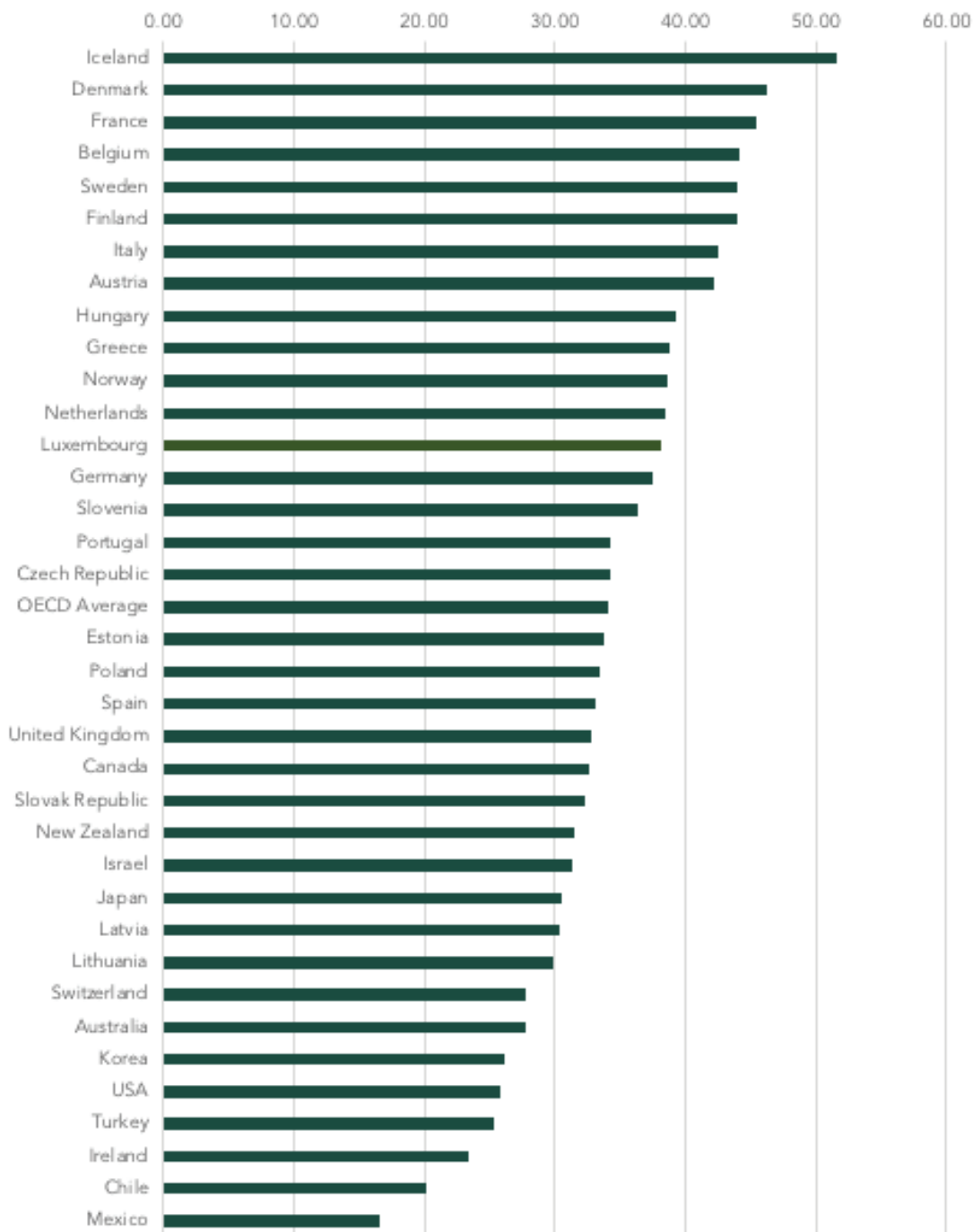
FIGURE 28. WHEN COMPARED TO OTHER DEVELOPING COUNTRIES DO YOU THINK AUSTRALIA IS...

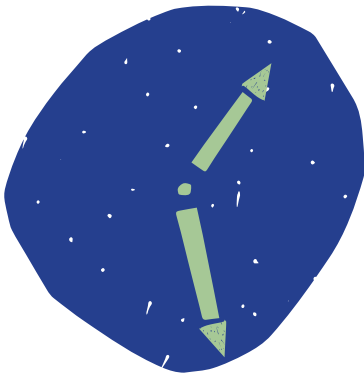


In reality, Australia is a low-taxing, small-spending nation, ranking 30th out of 36 OECD countries in size of government, as measured as the tax share of GDP (see Figure 29). Our tax-to-GDP ratio is 27.758% compared with an OECD average of 34.030% and a maximum level (for Iceland) of 51.595%. Of the 36 OECD countries, only South Korea, the United States, Turkey, Ireland, Chile and Mexico have lower tax-to-GDP ratios than Australia.

Less than one in 20 respondents correctly identify Australia as a low-taxing, small government country. This gulf between perception and reality continues to distort the national debate about appropriate levels of spending and taxation in Australia.

FIGURE 29. OECD COUNTRIES TOTAL TAX REVENUE AS A SHARE OF GDP 2016





Section VI: Concluding Thoughts and Considerations for Policymakers

As we enter a federal election year, the taxation policies of Australia's two major political parties are arguably more sharply divergent than they have been since the introduction of the Goods and Services Tax (GST) almost two decades ago. The Coalition goes into the election espousing a flattening of the income tax scales and cuts in company tax for big business combined with spending cuts across social and community services. By contrast, the opposition Labor Party is pursuing a number of reforms that will reduce or remove mechanisms in the existing tax system that see taxation revenue forgone to support investment returns by higher-income earners, with the aim of raising funds to increase public investment in health and education.

With a genuine choice in approach to our tax and transfer system before the Australian people at the election due in a few weeks, the 2019 Per Capita Tax Survey presents evidence of the Australian people's views on the operation of the current system, and the measures people say they prefer to balance public revenue and expenditure.

Five years after the delivery of the Abbott Government's widely unpopular first budget in 2014, evidence is consistent that Australians believe strongly that our tax and transfer system should be based on fairness. Successive surveys show that people want the Government to spend more money on the delivery of public services, particularly health, education and social security.

At the same time, the survey presents evidence that individual households feel unable to contribute more from their own budget to support this investment. More people, particularly in the upper-middle income brackets, feel that they pay too much tax and can't afford to make further contributions. The trend away from being personally willing to pay more tax for public services has solidified over the last five years. This has been a time of solid headline economic growth combined with stagnant wage growth, increased costs for non-discretionary household spending, and increased revelations of tax avoidance. It is reasonable to ponder a relationship between the shift in attitudes on personal taxation with the changes in these other variables.

The ninth Survey in our series shows, yet again, that most Australians believe that our taxation system is unfairly skewed in favour of the rich and against low and middle-income earners. As we noted in 2018, this prevailing sentiment cannot be dismissed as populist resentment: these findings have held firm since the Survey was launched almost a decade ago. The belief that our tax system unfairly advantages the wealthy and powerful is firmly embedded in public sentiment and can only corrode the public's trust in our tax and transfer system.

The findings from the section of the Survey that examines attitudes to current policy issues indicate that the majority of respondents are more likely to support policies that draw revenue from those more able to contribute, such as high-income earners and big business, and redistribute spending to those in need of public support.

There remains significant support for action to restrict, or even abolish completely, negative gearing tax concessions, and respondents overwhelmingly favour a cap on tax deductions for high income earners, in the form of the "Buffet Rule". These findings have been consistent for many years.

At the same time, there is little support for reducing the tax contribution of big businesses, and most respondents support an increase in the rate of Newstart, the unemployment benefit.

Political leaders and policy makers cannot ignore the consistent public sentiment, demonstrated over many years, that our current taxation system unfairly advantages wealthy individuals and large corporations at the expense of low and middle-income earners and those who find themselves on the margins of our society.

The damage this sentiment is doing to public trust in our tax system, and in government itself, undoubtedly contributes to a growing dissatisfaction with political leaders and democratic systems; one that could, if left unchecked, lead to the kind of backlash that has seen voters in other developed countries turn to hollow solutions advocated by demagogues.

Year on year, the Per Capita Tax Survey has shown that Australian citizens are highly informed and thoughtful about the political choices placed before them. Ours is a populace that is engaged with the public policy debate and alive to the impact of political decisions on their day-to-day lives.

Most important, perhaps, is the evidence the survey offers that Australians retain a strong belief in equality, and support a tax and transfer system that more evenly shares our national prosperity amongst all citizens.

Even in an era of low wage growth, and high costs for housing and essential services, Australians remain a fundamentally generous and fair-minded people. It is likely that policies that more equitably target taxation and spending will find favour with the electorate, and underpin the kind of society that the majority of people want to live in.

Appendix

Breakdown of Respondents to the 2019 Per Capita Tax Survey



TABLE 1. NUMBER OF RESPONDENTS FROM EACH STATE AND CAPITAL CITY

LOCATION	FREQUENCY	PERCENT
Australian Capital Territory	34	2.23
Greater Adelaide	86	5.65
South Australia - elsewhere	31	2.04
Greater Brisbane	151	9.91
Queensland - elsewhere	155	10.18
Greater Darwin	9	0.59
Northern Territory - elsewhere	2	0.13
Greater Hobart	13	0.85
Tasmania - elsewhere	20	1.31
Greater Melbourne	290	19.04
Victoria - elsewhere	97	6.37
Greater Perth	120	7.88
Western Australia - elsewhere	20	1.31
Greater Sydney	328	21.54
NSW - elsewhere	167	10.97
TOTAL	1,523	100

TABLE 2. NUMBER OF RESPONDENTS BY AGE AND VOTING INTENT

VOTE INTENT	18-24	25-34	35-44	45-54	55-64	65-99	TOTAL
Coalition	53	60	69	61	53	60	356
ALP	25	56	81	86	80	60	388
Greens	36	48	35	15	10	6	150
One Nation	8	17	19	26	24	22	116
Independent/Other	5	20	13	18	18	22	96
Don't know / Undecided	76	75	75	68	47	76	417
TOTAL	203	276	292	274	232	246	1,523

Questions for the 2019 Per Capita Tax Survey

1) THINKING ABOUT AUSTRALIA'S PUBLIC SERVICES GENERALLY (E.G. HEALTH AND EDUCATION), ON A SCALE OF 0 – 10 HOW WOULD YOU RATE THEM ON THE FOLLOWING FACTORS (WHERE 0 = POOR AND 10 = EXCELLENT):

- a) Quality
- b) Ease of access
- c) Value for money
- d) Usefulness to you

2) WHICH OF THE FOLLOWING STATEMENTS BEST DESCRIBES YOUR VIEWS ON GOVERNMENT SPENDING AND PUBLIC SERVICES?

- a) Governments should spend a lot more on public services
- b) Governments should spend a little more on public services
- c) Governments are spending about the right amount on public services
- d) Governments should spend a little less on public services
- e) Governments should spend a lot less on public services
- f) Not sure/don't know

3) WOULD YOU LIKE TO SEE MORE OR LESS GOVERNMENT SPENDING IN EACH OF THESE AREAS? (FOR EACH CHOICE, PROVIDE OPTIONS: SPEND MUCH MORE; SPEND A LITTLE MORE; SPEND THE SAME AS NOW; SPEND A LITTLE LESS; SPEND MUCH LESS; NOT SURE/DON'T KNOW)

- a) Health
- b) Education
- c) Defence
- d) Social security/welfare
- e) Overseas aid

4) FOR WHICH OF THESE OUTCOMES WOULD YOU BE PREPARED TO PAY HIGHER TAXES? PLEASE SELECT ALL THAT APPLY. [RANDOMISED ORDER]

- a) Better schools, universities & TAFEs
- b) Lower unemployment
- c) Less inequality
- d) Better health and aged care services
- e) Better childcare services
- f) Better transportation systems
- g) Lower greenhouse gas emissions
- h) A national broadband network
- i) Long-term economic growth
- j) None of these can be achieved by raising taxes

5) IF YOU WANTED TO RAISE MORE TAX IN AUSTRALIA TO PAY FOR QUALITY PUBLIC SERVICES, WHICH OF THE FOLLOWING APPROACHES WOULD YOU SUPPORT? (CHOOSE AS MANY AS YOU WISH):

- a) Raise personal income tax rates
- b) Raise income taxes on the top 5% of income earners
- c) Raise the rate of GST
- d) Broaden the GST base to include all items
- e) Broaden the GST base to include private education and private health insurance only
- f) Remove the 50% discount on capital gains tax
- g) Cut superannuation tax concessions, where over 50% of all concessions go to top one-fifth of income earners
- h) Cut negative gearing tax concessions, where over 50% of all concessions go to top one-fifth of income earners
- i) A broad-based tax on land ownership (a land tax)
- j) A financial transactions tax payable by institutional investors
- k) A wealth tax on financial assets
- l) Establish an inheritance tax on any part of an estate above \$1million
- m) A crackdown on corporate tax avoidance, such as the offshoring of profits to low-tax jurisdictions
- n) By borrowing more
- o) None of these

6) IN THE PAST, GOVERNMENTS HAVE BORROWED FOR LONG-TERM INVESTMENT IN THE SAME WAY PEOPLE TAKE OUT A MORTGAGE FOR A HOUSE. ARE YOU IN FAVOUR OF SUCH BORROWING?

- a) Yes
- b) No
- c) Not sure

7) IN YOUR OPINION, DO YOU PAY...?

- a) Too much tax
- b) About the right amount of tax
- c) Not enough tax
- d) Not sure/don't know

8) IN THINKING ABOUT THE OVERALL FAIRNESS OF THE TAX SYSTEM, DO THE FOLLOWING GROUPS PAY TOO LITTLE OR TOO MUCH TAX? (OPTIONS: PAY TOO MUCH TAX, PAY ABOUT THE RIGHT AMOUNT OF TAX, PAY TOO LITTLE TAX, NOT SURE/DON'T KNOW)

- a) Small businesses
- b) Big businesses and corporations
- c) Low-income earners
- d) Middle-income earners
- e) High-income earners

9) TO WHAT EXTENT DO YOU THINK CORPORATE TAX AVOIDANCE AFFECTS THE OVERALL FAIRNESS OF THE TAXATION SYSTEM?

- a) Not at all
- b) Very little
- c) Somewhat
- d) A lot
- e) Not sure/don't know

10) THE RATE OF NEWSTART (UNEMPLOYMENT BENEFIT) FOR A SINGLE PERSON IS CURRENTLY \$272.90 PER WEEK, OR JUST UNDER \$39 PER DAY, AND HAS NOT RISEN IN REAL TERMS FOR MORE THAN 20 YEARS. RAISING THE RATE OF NEWSTART BY \$75 PER WEEK WOULD COST THE FEDERAL BUDGET \$3.3BILLION PER ANNUM. WHICH OF

THE FOLLOWING CHANGES, IF ANY, DO YOU THINK SHOULD BE MADE TO NEWSTART?

Newstart should be:

- 1) Increased by \$75 per week
- 2) Not increased at all - the rate is sufficient now
- 3) Increased by more than \$75 per week
- 4) Decreased – it is already too high
- 5) Not sure/don't know

11) NEGATIVE GEARING IS A FAVOURABLE TAX CONCESSION FOR THOSE WHO OWN INVESTMENT PROPERTIES. WHICH OF THE FOLLOWING CHANGES, IF ANY, DO YOU THINK SHOULD BE MADE TO NEGATIVE GEARING?

- a) Negative gearing should be restricted to new-build housing only, to increase the supply of new housing
- b) Negative gearing should be restricted to affordable housing only, to increase the supply of affordable housing
- c) Negative gearing should be restricted to both new-build and affordable housing, to increase the supply of both
- d) Negative gearing should be abolished completely
- e) Negative gearing should not be restricted at all
- f) Not sure/don't know

12) SHOULD THERE BE A MINIMUM RATE OF TAX FOR VERY HIGH INCOME EARNERS (IE: THE TOP 1% OF INCOME EARNERS) UNDER WHICH THEY CANNOT REDUCE THEIR TAXABLE INCOME THROUGH TAX DEDUCTIONS? (THIS IS KNOWN AS THE "BUFFET RULE").

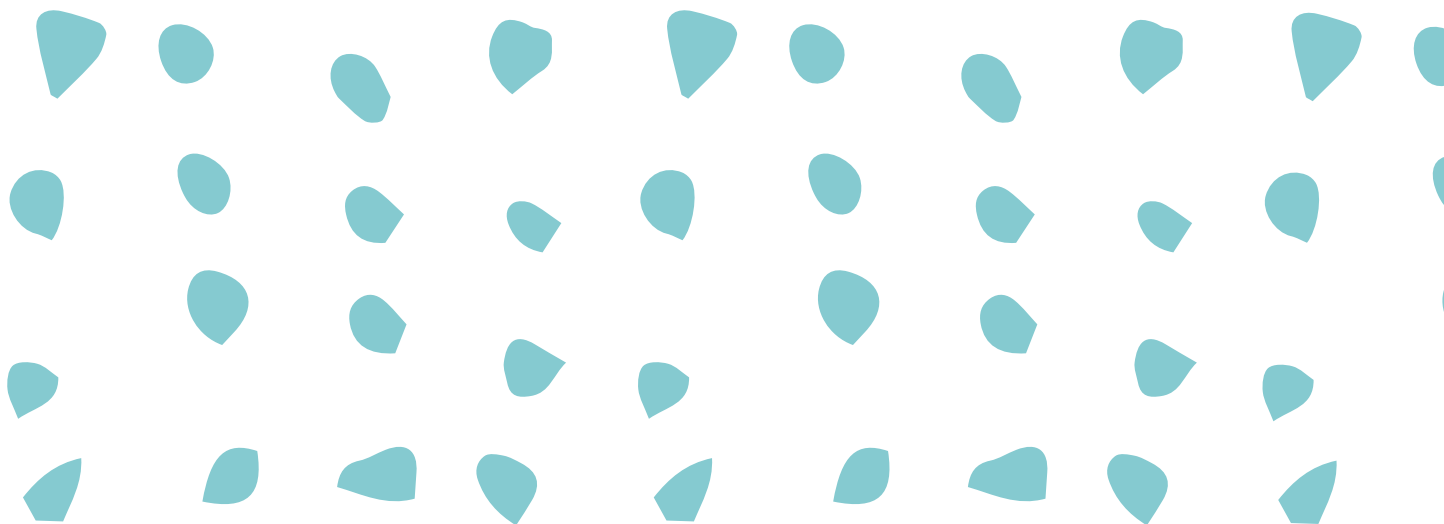
- a) Yes
- b) No
- c) Not sure / don't know

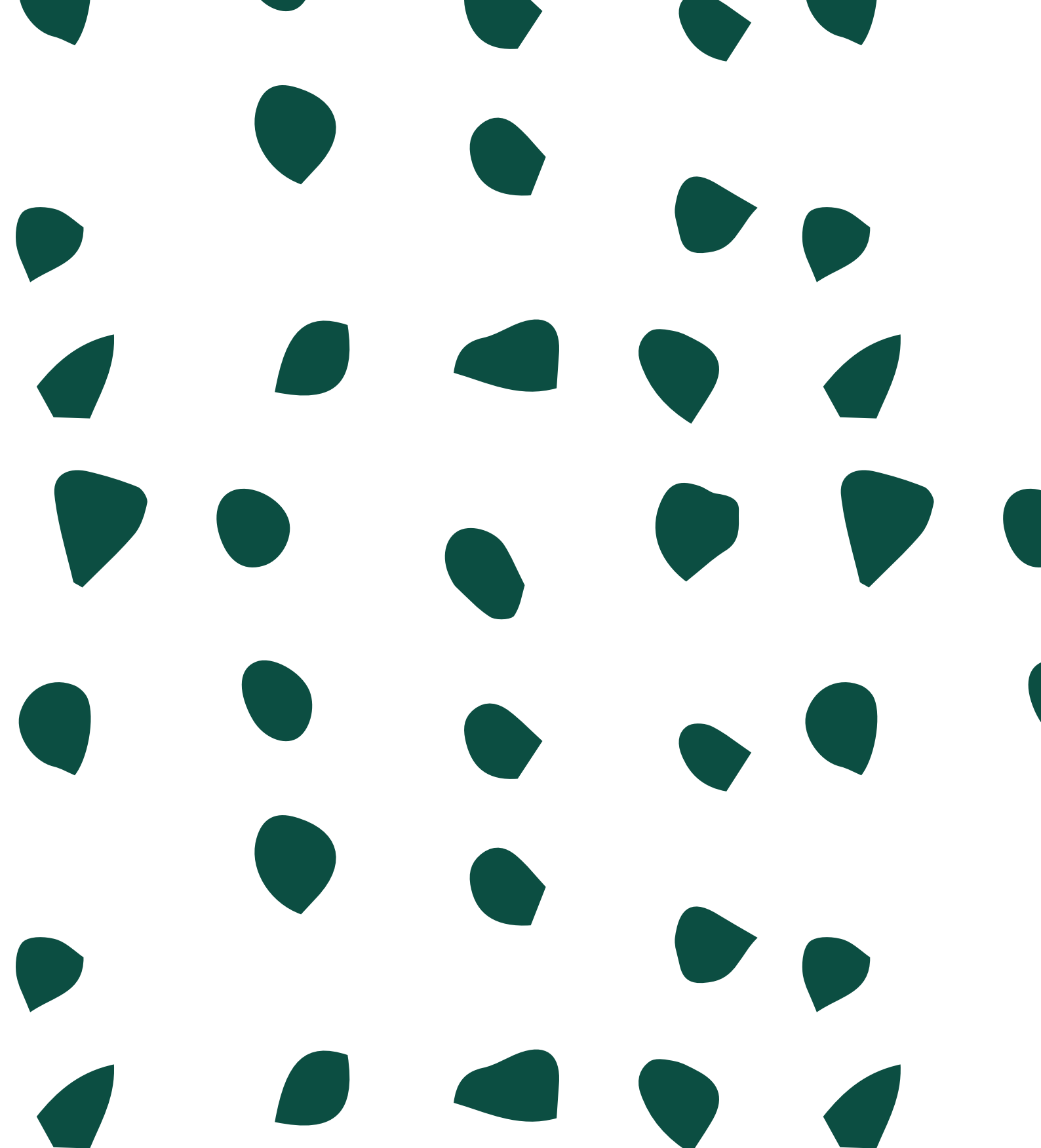
13) WHEN COMPARED WITH OTHER DEVELOPED COUNTRIES, DO YOU THINK AUSTRALIA IS...? [RANDOMISED ORDER]

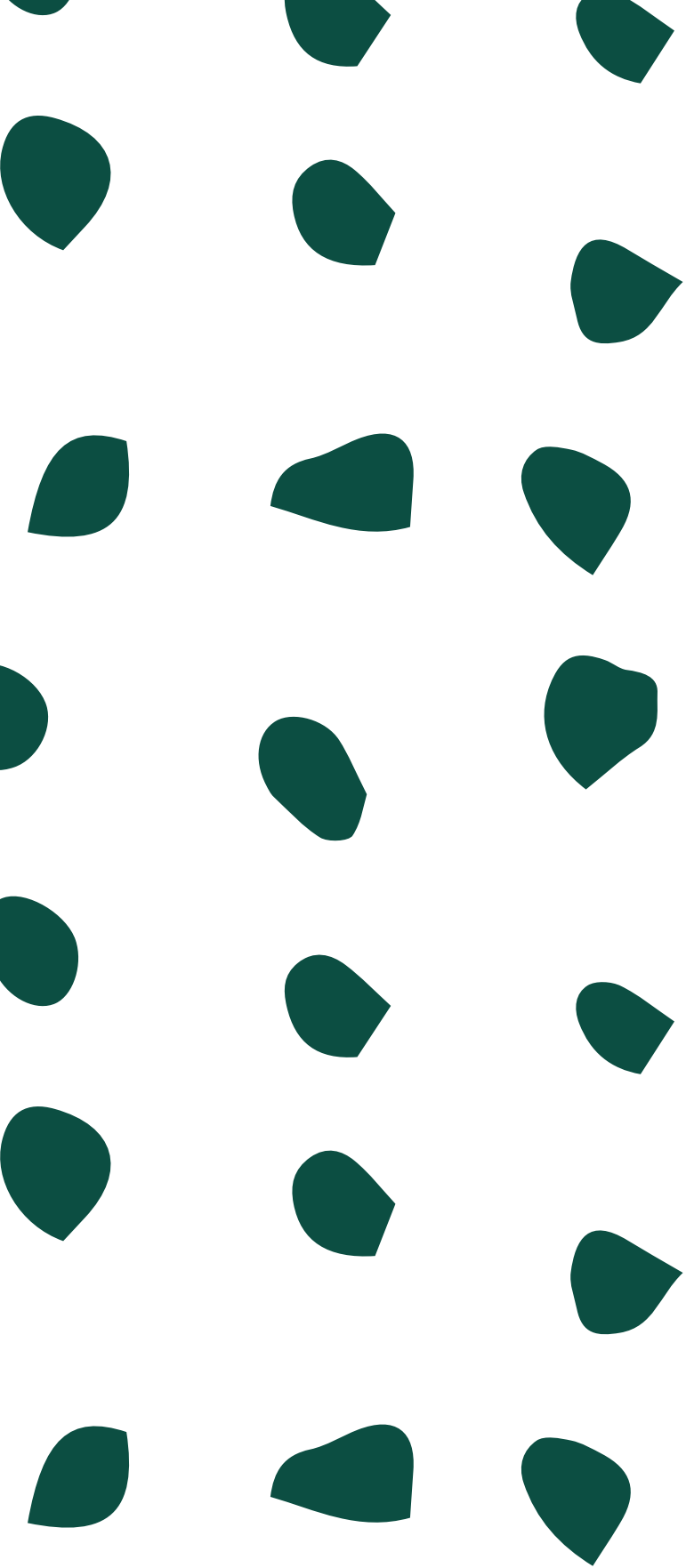
- a) A high-taxing, big government country
- b) A low-taxing, small government country
- c) A mid-range taxing country with a mid-sized government
- d) Not sure/don't know

14) LAST YEAR, LEGISLATION WAS PASSED TO CUT COMPANY TAX RATES FROM 30% TO 25% FOR BUSINESSES WITH A TURNOVER OF LESS THAN \$50 MILLION PER ANNUM, BY 2026/2027. DO YOU SUPPORT EXTENDING THESE TAX CUTS TO OTHER, LARGER BUSINESSES?

- a) Yes, I think the company tax cut should apply to all businesses, regardless of size.
- b) No, I think the cut off of a \$50 million turnover is appropriate.
- c) No, I think it should apply only to small businesses with a turnover of less than \$10 million per annum.
- d) No, I think tax cuts should apply only to Australian based businesses whose profits are not sent off shore.
- e) No, I do not think company taxes should be cut at all.
- f) Not sure/don't know









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