2nd April 2006

Clare Takes the Loaf and Gives Back Crumbs

After receiving hundreds of millions of dollars in extra GST funding and after raising Territory Taxes by $100 million dollars per year from Territorians the Chief Minister is about to announce a $5 million tax break for businesses this budget.

"Even after you allow for these concessions this government will still take more than they’re planning to give back.", Shadow Treasurer Terry Mills said.

"At the next budget the Government will announce a small cut to payroll tax ($3 million) and the abolition of leasing duties and the non-quoted marketable securities ($2 million) and that’s it.

"I’m sure that business will appreciate a $5 million dollar tax reduction, however this injection to the Territory economy represents 0.06 cents (or 0.0006%) in the dollar from this Government’s boundless largess.

"If small business is truly the backbone of the Territory economy, as the Treasurer often says, they are not receiving the support to truly capitalise on the potential that SME’s can deliver for the Territory economy through more substantial tax breaks.

"Since the introduction of the GST this Government has received an extra $750 million in GST revenues than they would have received under the old arrangements and their annual Territory tax take has gone up by $100 since coming to power.

"The reward for Territorians is a $5 million dollar hand back.

"On the other hand I remain concerned that Territory families will continue to be hit by rising costs through rising taxes, fees and charges. Mr Mills said.

"I have never had a Territorian walk into my office and complain that their tax bill on non-marketable securities was too high. I regularly hear that stamp duty on cars and houses is too high and I regularly hear people complaining about their registration costs and other taxes.”
“The other thing is that taxes and charges will be raised by the back door of regulations. Security License fees, and Builder’s Registrations have recently been hiked up.

“This Government has been raking it in and services haven’t been improving in Government areas of delivery such as hospitals.

“It would be nice to know that Territory families are getting something from this government other than the projected extra tax they will have to pay on their rego, stamp duty and other taxes next year.” Mr Mills said.