

Date: 2 May 2010

**Business
Coalition
for
Tax
Reform**

MEDIA RELEASE

BCTR welcomes Australia's Future Tax System

The Business Coalition for Tax Reform (BCTR) welcomes the Henry Review recommendations and Government's first wave of tax reforms.

Mr John Stanhope, BCTR Chairman, said: "The BCTR is encouraged by the Henry Review recommendations to abolish inefficient state taxes and reduce the corporate tax rate. We congratulate Government for adopting measures to reduce the corporate tax rate to 28% by 2015."

"The abolition of inefficient state taxes has not been adopted in the first wave of tax reform, and we encourage Government to timetable those reforms as soon as possible."

"Australian business is currently weighed down by an inefficient and overly complex tax system."

"State governments are critically over-reliant on inefficient business taxes which jeopardise jobs and hold back the economy."

"Inefficient state business taxes are volatile and unpredictable revenue sources which are difficult and costly to manage, unequally applied and harmful to business competitiveness."

"Replacing inefficient business taxes with better revenue sources is a crucial step toward improving the economic health of the nation."

"The tax reform agenda needs to be ambitious by slashing narrowly based, inefficient taxes in favour of broader-based taxes to raise revenue."

The BCTR also welcomes the Government's decision to increase the superannuation guarantee contribution from 9% to 12%, as well as giving older workers with insufficient savings the opportunity to make additional super contributions.

"These changes will help working Australians to achieve their retirement goals," Mr Stanhope said.

Contact: John Stanhope, Chairman BCTR 03 8647 4463