Creating a more dynamic and resilient economy inquiry

Questionnaire response 96

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Submission date: 6/06/2025

1. Support business investment through corporate tax reform

1. What features of the Australian business environment have encouraged or restrained investment over the past 10 years?

The participant did not respond to this question.

2. What elements of the corporate tax system encourage and/or discourage investment and risk-taking?

The participant did not respond to this question.

3. Which parts of the corporate tax system do you find the hardest, or most time or cost-intensive to comply with? How could the compliance burden of the business/company tax system be reduced?

The participant did not respond to this question.

2. Reduce the impact of regulation on business dynamism

1. What areas of regulation do you see as enhancing business dynamism and resilience? What are the reasons for your answer?

The participant did not respond to this question.

2. How has your regulatory burden changed over time?

The participant did not respond to this question.

3. What regulations do you find time-consuming, overly complex or otherwise constraining business dynamism and resilience? What are the reasons for your answer?

6/6/2025

Title: Streamline GST

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There is far too much complexity with current GST management for retail businesses.

The mix of gst-free and gst-inclusive product types creates a material overhead of complexity, not only because there are two processes to support, but also because it is not always apparent whether products should or should not have GST included, which creates additional overhead to be constantly looking up reference material.

For all businesses, there is also an increasing level of complexity with a creeping increase in the number of exeptions to earlier rules that all financial service fees should be exempt from gst.

It would be faster and easier to have gst applied uniformly to everything.

The historic rationale that essential items should be exempt was based on the perception that the tax would unfairly be worn by low income earners. This can be offset with a once-off, parallel, adjustment to welfare payments, pension withdrawal rates and the entry-point for incurring low income tax.

All Australians recognise that the increasing geopolitical threats require increased finance to counter by boosting Australian defence.

Streamlining GST will ultimately reduce business operating costs, especially small businesses managing a mix of exempt and non-exempt pricing, which will flow through to consumers as a result of slower increases to operating costs.

The current requirements for reconciling financial reporting of mixed expense types is a wasteful and unnecessary liability to productivity.

4. Can you share any specific examples of where you think a regulator has done a good or bad job of understanding and reducing regulatory burden on businesses and why?