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Association of Taxation and Management Accountants

18 April 2011

The Productivity Commission
Inquiry into Caring for Older Australians
Productivity Commission
GPO Box 1428 Canberra City ACT 2601

Email: agedcare@pc.gov.au

Medical Expenses Tax Offset & the Productivity Commission Report

The Association of Taxation and Management Accountants (ATMA) is writing in relation to the release of the draft inquiry report on 21 January 2011, titled "***Caring for Older Australians***" proposing a number of measures.

One of the measures proposed is that aged care costs should be excluded from the medical expense tax offset.

The ATMA has concerns with this proposal. There are many seniors who have been "impounded" in Aged Care Centers that rely on this rebate. Seniors can be forced to pay high fees due to owning their own home or when they have a partner at home. In addition they may now have Land Tax obligations levied on them in NSW due to this proposed measure.

We would like the Productivity Commission to reconsider this recommendation and its impact on seniors before implementation.

Yours faithfully

On behalf of ATMA
Robert Duncan
President ATMA

The Small Business Professionals

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