

Submission 2 to the Inquiry on First Home Ownership ; attached RTF file.
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To: the Productivity Commission, LB2 Collins Street East, Melbourne, 8003.
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From: Loris Erik Kent Hemlof, South Australia,
Email:
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I disagree with many of the other submissions, and agree with the treasurer Peter Costello, MP. Other submissions say that we should apply capital gains tax to owner occupier capital gains, remove negative gearing for investment property, and limit foreign investment. The last thing we need in a shortage is to reduce investment particularly in new housing. That is why I suggest that capital gains tax should be abolished and negative gearing should not only be continued but all income and profit taxes should be abolished, and foreign investment be allowed. To be replaced by a wealth tax, death duty, and GST. Except GST and stamp duty abolished on new housing and subdivisions for any purchaser including consumers, replaced with a 20% second hand housing [lived in for more than one year] sales tax for all purchasers. Vacant land yet to have subdivision purchased by developers exempt from consumption tax if an exempt purchaser or pay consumption tax if purchased by a non exempt purchaser, as with any other commodity subject to consumption tax. So 6 x more revenue than from the GST on new housing consumption while increasing the supply of housing. Long term inflation would increase if we have higher taxes on new dwellings than existing dwellings because purchasing decisions will always be for existing dwellings so construction would be reduced. Housing inflation would be decreased if we construct more housing with investment directed towards construction of new dwellings where all consumption tax has been removed from new constructions and a sales tax of say 20% applied to the sale of all existing dwellings. Also with income taxes replaced by a 2% wealth tax would encourage asset rich low income large house owners to downsize thus increasing the cheap land supply. If we had a constructors market rather than a monopoly holders market, builders would be incentivised to increase the housing supply. Builders would be paid so be able to gain housing instead of rich capitalist monopoly holder inheritors and other loafers in power who have constricted supply.

But applying this philosophy to interest we would not have interest rates increased by inflation but fix reserve bank interest rates to say 5% come high or low inflation and let the good times roll for the building industry. But I am not tempted by this solution. The inflationary component of housing may continue to be land. As land is a fixed supply commodity except ware laws facilitate extra land supply higher interest rates are required to dampen demand or have a speculative bubble. At the moment the official inflation rate calculations that determine interest rates excludes land and housing inflation, this will distort interest rates and land and housing so be incorrect for land and housing loan interest rates. Instead the inflation rate should be calculated separately for each asset class, state, and country or city. Reserve bank interest rates for loans for assets in an asset category should be fixed to the inflation rate for the same product in the same asset category. [contrary to Senator Nick Minchen's assertion that for determination of interest rates the inflation rate should not count a specific asset class in

particular housing]. Where so and we have a land inflation rate of 25% then the reserve bank loan interest rate for land would be set at 25%. For second hand housing and land with an inflation rate of 18% the reserve bank interest rate would have been 18%. So have speculative price inflation reduced. But for the new housing component where for the construction of a similar house the inflation rate is about 2.5% [0% in Adelaide] the reserve bank interest rate would be set at 2.5% [0% in Adelaide]. So have investment steered into new house construction. A new land and housing package would have interest rates calculated separately for the land and housing components. So as to encourage construction in areas where land has remained cheap. Second hand homes interest rates would be based on the inflation rates of the combined value of housing and land of second hand housing. Even with inflation in existing dwellings if we limited construction of new dwellings by higher interest rates this would cause inflation in the long run because we would have limited supply. Also most of the price increase in housing is because people are buying or building bigger houses, this is a good think that people should not have tried to stop. Also a 0% interest \$100,000 financed loan financed by an increase in the money supply should be provided to the main parent and another \$100,000 to the other partner if to live together, for each child. Paid back from a percentage of welfare and pay income with repayments withdrawn from circulation, Also exemption from second hand housing sales tax for new parents for housing held at the birth of each children.

Other submissions have complained about the home renovation television as producing a renovating frenzy and an investment surge. And that this will increase speculative buying. I don't consider capital gain profits received by renovating or construction to be speculative gain, matched by selling of value adding to the end product. We should have more trade type television. If we had a 10% training levy for training with accreditation and a 1% levy on payroll that raised \$2billion to be invested into trade shows on 100 trade specific cable television network channels this would increase capacity and enthusiasm to increase supply and have buying power of makers increased and inflation decreased.

As suggested in a few developer submissions and prior to that in my previous submission and as existed prior to the GST; the GST and also stamp duty removed from new dwellings constructions for all buyers. [yet to have occupancy for 1 year], renovations, and home hardware. Instead a sales tax applied to all second hand dwellings purchasers by all buyers. This was partially achieved by the first new home buyers grant. Also development charges removed from subdivisions [who would be subsidized to subcontract provision of infrastructure to providers with accreditation]. Also for subdivisions public subsidy of developer commissioned commonwealth ownership storm-water drainage sewers, duct network, and mains water. Also public and infrastructure owner subsidy of private contractor with accreditation to own mains electricity, cable television, and phone lines. To have people choose to build rather than buy existing houses so increase supply, and have income earned by builders instead of paying huge speculative profits in incumbent holders of wealth such as heirs, having added net negative intrinsic value. If we continue to have GST apply to new housing for any given market bubble or recession people would always be better off buying second houses than new houses. This is yet to become evident but would immediately reduce the incomes of builders than would otherwise be the case including if the compensatory first new

home buyers grant ends, and would over the long term of maybe 20 years have supply very much limited [maybe by about 30% difference in total housing stock] as compared to with GST applied to second hand dwellings instead, and so cause inflation and lowered living standards.

Immigration also increases demand, there is a direct correlation between city population growth and housing inflation, But we should not try to reduce the buying power of rich migrants with skills who would in return work to increase supply and be taxed. But reduce the inflow of welfare reliant refugees who have increased demand and draw on tax payer paid for welfare, so reduced builder buying power, and caused increased prices through reduced intrinsic housing stock in existence per capita.

Instead of rent assistance and in the main income testing, welfare could be more heavily assets and consumption tested, Income testing should be abolished. So encourage earned income. Rich retirees loaned a percentage of their remaining equity in their home per week to be taken out of their estate.

Debt limited to where in conjunction with a public subsidy and other future revenue where the proceeds of privatization of or other income from resulting infrastructure is expected to result in a net accumulation finances over time resulting in full repayment of debt. For example if expecting a 80% cost recovery from public subsidy, privatization or revenue of \$1billion the public finances might be expected to accumulate to \$5billion over time so debt of about \$3billion plus \$1billion interest might be loaned in the early years. Such as to build infrastructure for community service obligations such as for the broadband, phone, and cable television networks.

Abolish local councils and contract out Infrastructure planning, Subdivision approval, and Building plan approval.

Abolish urban growth boundaries.

Abolish compulsory unionism (particularly on commercial sites in Victoria)

Abolish workers compensation, work-cover premiums, and indemnity insurance to be replaced with fines paid by the actual inflictor to lawyers and witnesses and health services loans with repayment percentages assets tested as with any other health problem.

Welfare savings master trust deposits [low income accessed superannuation] permitted to be drawn down to pay for a deposit for, payment for, or repayments for the purchase of a primary house, renovations, or additions.

Introduce tenancy security so that renters may continue to rent a property as long as the independently set rate of rent is paid. [The renter may stay when the property is sold]

Housing construction warranty insurance abolished to be replaced by holding of house building finance in trust until dwelling is complete and sound, or be repaid to the purchaser.

For budgets recommendation details see my Model National Constitution And Budget At : <http://www.users.on.net/lekh/constitution.htm>

Extracts:

Subdivision developer compulsory acquisition: Any subdivision developer may pay a market set compulsory acquisition fee to a registered Private Company For Compulsory Acquisition and then register a bid for any private or national farming or bush land, fences, sheds, access road, subdivision yet to reach completion within 5 years of compulsory acquisition or with work abandoned for more than 1 year, buildings vacant for more than 2 years, Other than a dwelling with human habitants, protected area, park, native title area, or parking space in use. Where having an area of over 1,000 meters squared. With a maximum other entity bid and reserve price of \$1 {2002 GDP relative} per square meter. With the bid amount and if bidding over \$1 {2002 GDP relative} per square meter then \$10 {2002 GDP relative} per square meter subdivision development investment held in trust. The agent must then published all bids each week in the national compulsory acquisition journal including any higher bids for a period of 3 months from the first bid since any prior settlement. The prior owner must then pay the highest bidder 10% of the highest bid or sell to the highest bidder. All other bids and investment held in trust must then be returned the owner. Except for the purchaser where subdivision investment held in trust may only be drawn down to pay for subdivision development sub-contractors and/or suppliers or where the land is refunded to the prior owner at the purchase price. Open space; the commonwealth Private Company For Natural Habitat Commission must be provided with first option to purchase subdivision lots to provide open space. Community facilities may be commissioned by Private provider who must be provided with second option to purchase subdivision lots to provide community facilities subject to state parliament spending submissions having passed the nation senate. Such as for parking, police stations, military infrastructure, schools, public housing, service access centers, child care centers, child boarding houses, and hospitals, also power and water infrastructure requiring land.

: \$6,500,000,000 {2002 GDP relative} plus proceeds of dwelling sales, and lease revenue. Purchase for national dwellings, or subsidy if for private company run public services. As much of the budget as is required up to 50% to purchase dwellings to rent out to service providers with the renter paying per year 10% of the cost of the dwelling, or if fully utilized then a rate as auctioned. Then they remainder paid to a dwelling purchase subsidy. An equal percentage subsidy. The subsidy for each dwelling being (the total subsidy budget / the total cost of all dwellings subsidized) x the cost of the particular dwelling. If a subsidy purchased dwelling is sold an amount of the proceeds equal to the percentage subsidized must be returned to the dwelling subsidy budget. If subsidy for the construction of 63,648 new dwellings, So a subsidy of \$102,124 per new dwelling provided to private service providers. With a 25 year replacement or renovation cycle then a total of 1,951,200 units. So 1,084 at each of 1,800 suburb. Each with Bedroom/s, Store room, Bathroom and laundry, and shared lounge and kitchen. Baby, child, and youth dormitories each have ; bedroom partitions each with bed, locker cupboard, shower, toilet, wash basin, fridge, and table ; a corridor ; and a shared laundry. Also including white goods and furniture. [Baby dormitories near baby nurseries, Child care dormitories near child day center, and Youth dormitories near youth employment and courses.]

If a subsidy for the construction of 18,000 new dormitories for children 5 to 14 years, With a 25 year replacement or renovation cycle then 450,000 dormitories, each with capacity for 6 so for a total of 2,700,000 children. So 250 x 6 partition dormitories at each of the 1,800 suburb.

If a subsidy for the construction of 18,000 new dormitories for youth aged 15 to 24, With a 25 year replacement or renovation cycle then 450,000 dormitories. Each might have a capacity for 6 so for a total of 2,700,000 youth. So 250 x 6 partition dormitories at each of the 1,800 suburb.

If a subsidy for the construction of 9,000 new dormitories for babies 0 to 4 years. With a 25 year replacement or renovation cycle then 225,000 dormitories, each with capacity for 6 so for a total of 1,350,000 babies. So 125 x 6 partition dormitories at each of the 1,800 suburb.

If a subsidy for the construction of 14,400 nursing home accommodation units, With a 25 year replacement or renovation cycle then 360,000 units. Ailment and age specializing units for longer term accommodation for the aged and those having lost capacity to live by self, Like Geriatrics, Paraplegics, and Those with mental illness or retardation. So 3,600 per medical services representative. Also 200 at each of the 1,800 suburb. [168,000 total places in 2001]

If a subsidy for the construction of 3,600 asylum seeker visa holders units, With a 25 year replacement or renovation cycle then 90,000 dormitories. So 50 asylum units at each of the 1,800 suburb. To be located close to employment. Free.

360 remand cells single person residences. With a 25 year replacement or renovation cycle then 9,000 total remand cells. So 5 remand cells at each of the 1,800 suburbs.

144 public toilets. With a 25 year replacement or renovation cycle then 3,600. So 2 at each of the 1,800 suburb.

72 local services delivery center personnel lodgings. With a 25 year replacement or renovation cycle then 1,800. So 1 at each of the 1,800 suburb.

72 representative residences. With a 25 year replacement or renovation cycle then 1,800. At work places.

: \$1,500,000,000 {2002 GDP relative} paid for dwelling construction for companies to construct houses for whites on commonwealth land to remain a national asset. If for 14,400 new accommodation units for whites then each costing \$104,166. With a 25 year replacement or renovation cycle then 360,000 units. Managed by private charity owners, with community service obligations that they provide accommodation to whites and paid baby, child, and youth carer payment or for adults a percentage of up to 20% of income plus 2% per week of other wealth above \$1,000 {2002 GDP / population x .000001} or as adjusted so demand matches supply as set by the local law enforcement minister up to \$300 {2002 GDP / population x .000003} per week. Whites children then adults required to pay lower amounts must be provided with priority access to accommodation.

: \$1,500,000,000 {2002 GDP relative} paid for dwelling construction for black companies to construct houses to remain a national asset. If for 14,400 new accommodation units for blacks on native title land within 1km or or in native title areas then each costing \$104,166. With a 25 year replacement or renovation cycle then 360,000 units. Managed by private charity owners, with community service obligations that they provide accommodation to aboriginals and paid baby, child, and youth carer payment or for adults a percentage of up to 20% of income plus 2% per week of other wealth above \$1,000 {2002 GDP / population x .000001} or as adjusted so demand matches supply as set by the local law enforcement minister up

to \$300 {2002 GDP / population x .00003} per week. Blacks required to pay lower amounts must be provided with priority access to accommodation.

: \$100,000,000 {2002 GDP relative} for 270 military base dormitories each costing \$370,370. So 13,500 dormitories after 50 years. So for 81,000. Each dormitory for 6 with 6 x 4m x 4m bedroom partitions each with shower, toilet, and wash basins ; a 9m by 4m wide corridor ; and a 3m x 4m shared laundry. Also including white goods and furniture.

: \$5,200,000,000 {2002 GDP relative} plus proceeds of office floor space sales, and lease revenue. Purchase for national floor space units, or subsidy if for private company run public services. As much of the budget as is required up to 50% to purchase floor space units to rent out to service providers with the renter paying per year 10% of the cost of the floor space units, or if fully utilized then a rate as auctioned. Then any remainder paid to a floor space unit purchase subsidy. An equal percentage subsidy. The subsidy for each floor space unit being (the total subsidy budget / the total cost of all floor space units subsidized) x the cost of the particular floor space unit. If a subsidy purchased floor space units is sold an amount of the proceeds equal to the percentage subsidized must be returned to the floor space units subsidy budget. If constructing 14,616 per year, each subsidized \$355,774. Including for furniture and/or shop-fit-out. Over 25 years accumulating to 365,400 floor space units. So 203 at each of the 1,800 suburb. Acquisitions are subject to community service obligations until sold in which case the percentage of subsidy is returned to the floor space units budget being the same percentage of the sale proceeds.

Asset leasing is managed by the Private Company For Asset Management as approved by the public works committee ministers.

3,600 subsidized job course equipment workshop, each with the capacity for up to 60. With a 25 year replacement or renovation cycle then 90,000 With 30 average per class room then for 2,700,000 students. An equal percentage subsidy paid to the private provider. So 50 class rooms at each of the 1,800 suburb. Paired with class rooms rented to private job course provider with proceeds used to purchase equipment.

3,600 subsidized job course class room with the capacity for up to 60 paired with a job course workshop. An equal percentage subsidy paid to the private provider. With a 25 year replacement or renovation cycle then 90,000. With 30 average per class room then for 2,700,000 students. So 50 class rooms at each of the 1,800 suburb. Each class room theater with a screen showing one of the 100 productivity channels. Curriculum media is broadcast or downloaded via the national optical cable television system.

4,320 subsidized new class rooms for children 5 to 15 each year. Paid to the private provider agreeing to pay the most co-payment. With a 25 year replacement or renovation cycle then 108,000 class rooms. Each class room with average 25 but up to 30 children so capacity for 2,700,000 children 5 to 15 years. So 60 class rooms at each of the 1,800 suburb. 2 for each age level. Each class room with cable television showing the channel for the level. Provided to private educators as approved by the relevant baby, child, and youth department minister. Each child care provider provided having a maximum number of nurseries of 10 x the average number of nurseries per provider, Until relinquished or de-credited by a community services minister.

2,160 subsidized new nurseries each year for babies 0 to 5. Paid to the private provider agreeing to pay the most co-payment. With a 25 year replacement or renovation cycle then 54,000 nurseries. Each nursery for average 25 but up to 30 babies so capacity for 1,350,000 babies 0 to 5

years. So 30 nurseries at each of the 1,800 suburb. 2 for each age level. Each nursery with internet television showing the channel for the age level, and 5 staff. Provided to private educators as approved by the relevant baby, child, and youth department minister. Each child care provider provided having a maximum number of nurseries of 10 x the average number of nurseries per provider, Until relinquished or de-credited by a community services minister.

216 subsidized public service student class rooms. Paid to the private provider agreeing to pay the most co-payment. With a 25 year life then 5,400 class rooms ; 3,525 for carer students, 450 for law enforcement students, and 675 for armed forces students, and 750 spare. So 3 at each of the 1,800 suburb.

360 subsidized clinic. Paid to the private provider agreeing to pay the most co-payment. With a 25 year replacement or renovation cycle then 9,000, So 5 at each of the 1,800 suburb.

72 service delivery center and internet library. Paid to the private provider agreeing to pay the most co-payment. With a 25 year replacement or renovation cycle then 1,800, So 1 at each of the 1,800 suburb. So 100 services and information access system computers at each service delivery center and internet library.

72 new police station for 25 police, With court room. With a 25 year replacement or renovation cycle then 1,800, So 1 at each of the 1,800 suburb.

72 subsidized new post offices, With a 25 year replacement or renovation cycle then 1,800 so 1 at each of the 1,800 suburb. Paid to the private provider agreeing to pay the most co-payment.

72 subsidized new health shop and chemist. Paid to the private provider agreeing to pay the most co-payment. With a 50 year replacement or renovation cycle then 1,800, So 1 at each of the 1,800 suburb.

72 local representative offices.

: \$390,000,000 {2002 GDP relative} for 2 regional medical centers costing \$195,000,000 each. With a 50 year life then 100 regional medical centers for private medical service providers. Each with 40 clinics.

: \$90,000,000 {2002 GDP relative} for road signs, line work

: \$85,000,000 {2002 GDP relative} for 4 jail, compounds, workshops, and kitchens. Costing \$21,125,000. With a 25 up-grade cycle year life then 100, So 1 at each of the 100 regional jails.

: \$80,000,000 {2002 GDP relative} for postal service mail sorting buildings.

: \$60,000,000 {2002 GDP relative} for equal percentage subsidy for health care tele-consultation call centers. If 4 of equal value then subsidy of \$15,000,000 each. With a 25 year life then 100 tele-consultations center. Health care suppliers may coordinate care with medical records. Tele medicine prescribed medicines may be sent by post.

Constructed by Private Company For Offices Construction

: \$32,000,000 {2002 GDP relative} for national motor vehicle work shops, For research, service, repair.

: \$13,000,000 {2002 GDP relative} for fire fighting capital works ; fire hydrants.

: \$10,000,000 {2002 GDP relative} for subsidy for medical college class rooms if 72 of equal value then costing \$138,888 each. With a 50 year life then 3,600 class rooms, x 20 students per class room = 72,000 pupils. So 36 class rooms and 720 students for each of the 100 regional medical center.

: \$10,000,000 {2002 GDP relative} For bus set down signs.

: \$3,000,000 {2002 GDP relative} for subsidy for class rooms for air and sea crew and tutorial classrooms, If for 18 then each costing \$166,666. With a 50 year life then 900 so 9 at each of 100 centers. With capacity for more than 20 pupils, So for more than 18,000 pupils.

: \$10,000,000 {2002 GDP relative} for other service buildings.

: \$5,900,000,000 {2002 GDP relative} For subdivision infrastructure subsidy. Subdivision roads, sewage, storm water, open space street lighting, landscaping, footpaths, open space or local sports fields, parking, bicycle ways, storm water drainage and ducts network to become the property of the commonwealth on completion. Also water, electricity, gas local mains to become the property of the provider. Open space is optional except developers must offer lots to the natural habitat commission at a before other buyers at a price lower than for other buyers. The months allocation divided between completions for an equal percentage rebate provided to private developers. Telephone local connections and trunk lines, cable television, and broadband internet networks are financed by the community service obligation budgets to be privatized to private provider on completion. Subdivision developers may develop any private land complying with infrastructure and conservation reservation planning. Subdivision developers for subdivisions to be constructed within 100 meters of another dwelling already existing or housing lot to exist within the same subdivision plan must ask for from or submit a subdivision plan to the private company for capital works planning agency, which must approve the developers plan or develop an alternative road plan for the subdivision within 2 months of request or re-request by a fully financed development with the finance held in trust by the planning company. Subdivision developers as an alternative require that builders provide dry pit toilets, independent free energy power systems, rain water tanks and pressure pumps, underground gray water tanks and soaks into under ground which may be reused for irrigation, with the requirement that all cleaning agents are usable for plant irrigation.

: \$450,000,000 {2002 GDP relative} for national capital infrastructure design and planning. Planning companies are paid from each months allocation in proportion to the value of infrastructure or building value they approve and from market set application fees. Planning companies are in competition so builders may pick and choose regulators fees and regulations they wish to comply with. Private Company For Construction Planning.

For revisions to the consolidated national infrastructure plan if gaining approval of the relevant state parliament. State parliament may also designate areas for protection of natural habitat subject to nationalization with the owner compensated. Zoning is restricted to noise pollution and noise pollution free zones.

The land title holder commission the subdivision of any land owned by them selves and build any construction complying with an approved main road, port, airport, rail, gas, water, electricity, sewer, and telecommunications infrastructure plan outside of conservation protection areas. For subdivisions, lots within 100 meters of another dwelling lot existing or within the same subdivision plan the developer must submit a subdivision plan and put subdivision development charges in trust, the Private company for construction planning which may charge a fee must approve the plan or provide an alternative subdivision plan within 2 months.

For approval of design regulations, qualification requirements if any for commercial sub-contractors (a person may perform any building work on their own building with zero qualification including > 1% share holders of builders owning a building under construction), building material standards, and architects building designs which any builder may use, where the architect of the design is paid \$500 {200 GDP / Population relative} by the builder for each lot to use the architects design having planning company approval. Approval is irrespective of any veto by other entities if designated a noise pollution free zone, and noise pollution zone. Any building may be subject to modification. Once a lot has paid the main architect the builder may incorporate any additional design features having approval of any other main design free of charge unless replacing the entire main building in which case the architects fee must again be paid. A builder may commission, gain approval for and use their own design/s and so pay it's self. Builder are free of any other planning approval. {Buildings constructed within 50 meters of bush lands or forests at center bigger than 50 meters in diameter minimum and in part more than 100 meters in diameter must be fire proof. Buildings on a 2 lane or wider road most have sound insulation including double sealed glazing} Constructions which have been built contrary to planning may be condemned, fined, or subject to modification orders by a magistrate.

[INCOME TAX ABOLISHED but if to exist a fully automated system even if with multiple tax brackets.

MEANS TESTED LOAN REPAYMENT LEVY [similar to the abolished personal income tax, pay as you earn, with multiple tax brackets relative to income and net assets, with the advantage that if a person with high debt loses income repayments are partially suspended until regaining employment] ; Deducted by the banking computer network when the employer deposits pay into each employees personal pay account, As declared to the pay registry, and paid to the lender in proportion to the total loan size outstanding as a proportion to the total size of all loans owing by the borrower. Non cash incentives and assets capital gains or losses on sale of assets must also be declared to the loan repayment levy web page for automated assessment. Shares capital gain assessment is automated.

Repayments are paid each week before clearance of deposits so as to bring repayments in the previous year up to 35% of income to \$40,000 {2002 GDP / population relative} and 70% of income over \$40,000 {2002 GDP / population relative} in the previous year and 8% of net assets with 50% deduction of debt from gross assets. Pay as you earn.

[so someone earning \$1,000 in the previous week and \$50,000 in the previous year and having 100,000 in gross assets and 50,000 in debt having repaid \$26,500 in the previous year required to repay (35% x \$40,000 = \$14,000. Plus 70% x \$10,000 = \$7,000. Plus 8% of \$100,000 - \$25,000 = \$6,000) = \$27,000 required to be repaid in the previous year, minus \$26,500 already paid = \$500 tax from the \$1,000 income deposit.]

All loans are repaid concurrently; repayments are divided between lenders in proportion to the total loan outstanding from each lender. For skills scholarship loans from employer payroll, commonwealth home loans for parents of new born babies, private bank loans, Business loans, and Personal loans. Reciprocal loans are prohibited and are considered to be repaid to the extent they cancel each other out immediately.

Paid on ; financial pay earned in Australia, including contract pay, wages, bonuses, dividends, non cash incentives, capital gain, and rewards paid by the private sector.

Workplace benefits ; workplace benefits given to a person as pay count as income and must be declared on a form or on-line including at local community center computers within 14 months. Workplace benefits includes all incentives in the forms of goods and services provided to employees other than what is required to perform work. For dual use assets such as food, housing and transport a part assessment is based on percent private use. Excluding at work office and other work assets. Exempt ; Normal work related use of accommodation, food, clothes, care, and services.

Zero repayments paid on ; Gifts or barter paying gifts tax or barter tax. National budget financed welfare. Payouts from self financed welfare. Public Service pay and tax credit, Employer sponsored student allowance. Charity and political party income.

Collection : The employer must have pay deposited into each workers single personal pay account in Australia as declared to the Private Company For Pay Registry.

Mandatory and extra contribution to self financed welfare to be deposited into Welfare Savings Master Trust are after income repayment levy.

Chip cards deposits and deductions are recorded to then be transferred when the card is next docked such as for filling or deposit.

[Total wages and salaries of \$54b Dec Q 2001 so \$216b per year, 25% average tax rate on 100b = 25b. Plus 70% x 100b = \$70billion. Plus 8% of about 50% net private wealth with about 50% subject to loan repayments 2% of \$4,200b = \$84b]

Shared equity; investors including the tenant may invest in a property. New units may be purchased at any time for an equal share of the arbitrated valuation of existing unit holders. Put into a trust in exchange for units. The proceeds of the issue of new units may be spent as the tenant chooses on the purchase and up-grades to the property. The tenant may buy the units of other investors at an equal share of the arbitrated valuation of the property. The tenants is required to pay a share of an arbitrator set rent of 8.5% of (the intrinsic value of the share of other investors investment excluding the tenants own investment including from loans) paid as a dividend to the other investor/s, / 52 per week, plus 2% of the intrinsic valuation of the entire dwelling trust assets as wealth tax / 52 per week. Rent paid 10 weeks in advance from up to 50% of income except where 50% of income is lower than rate of rent, to be caught up when income is increased. The trust must also take out a loan to pay for wealth tax to be paid back from rent revenue before paying dividends for a 8.4% net dividend per year. The tenant has the right to modify the dwelling and invest labor and trust deposits into upgrades and upgrades and if paid for be the tenant/s the tenant/s receive units in the property at the arbitrated intrinsic value per unit in proportion to tenant/s investment. Tenants have an unlimited tenancy period as long as rent in advance by at least 1 day is paid until terminated by the tenant/s only. Investor may also sell their units at any time at market prices. On the sale of the property when determined by the tenant without approval of investors or after the tenant ends tenancy with the vote of investors after forward paid rent is repaid to to the tenant each investor including the tenant is paid proceeds of the sale per unit so in proportion to investment made excluding rent.