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Tax Working Group
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SUMISSION TO THE TAX WORKING GROUP

Introduction

We are a not for profit free women's health information service which also provides some personal health services. We are particularly relevant to those on low incomes. We are writing on behalf of our governance group and staff to add our voices to support moves toward a fairer tax system - one that addresses the environment that has led to the increasing gap between highest and lowest income earners in Aotearoa New Zealand, and the subsequent growing inequalities in Aotearoa.

What does the future of tax look like to you? An Ethical and Principled Taxation System that Creates a Fairer Society

It is our view that government needs to intervene so as to halt, and reverse, the continual growing inequality in our country. We need a tax system that recognises the importance of aroha – love and empathy, a caring society, with recognition of the importance of the collective pot, so that wealth is shared by all. We advocate that vibrant, healthy communities and societies need to recognise that uplifting those most vulnerable benefits all. Recognizing the tax relief needs of women (with feminization of poverty), single parents, all beneficiaries, low wage workers, lower income families and children should be central to the review. A long term view to support the changing demographics, and a sustainable environmentally aware approach to the taxation of the future is also crucial.

We want to change the narratives on taxation in our country so that our taxation system is seen as a public good, and a positive contribution to our country's well-being. We need to increase the revenue required to fund high quality public health, welfare and education systems, and for investment in employment and the protection of the natural environment etc. Cross-political party

work is important to an ethical approach to taxation, for a fairer tax system, so that bottom lines are agreed to and a halt to tax cuts being used as election bribes occurs. We must reverse the mindset that leads to cuts in public spending and replace this by public recognition of the need for increasing revenue. An emphasis on the need to raise more tax is needed, as we under-tax people as compared to similar countries.

What is the Purpose of Tax? Protections and Excellent Public Services

In our view the purpose of tax is to fund public services and protection measures to ensure a strong social safety net, excellent public services and protection and restoration of our waterways, forests and flora and fauna. We want quality public health, schools and tertiary education system etc.

Are We Taxing The Right Things? Specific Taxation Policy Supported

1. We support restoring a progressive taxation system so that the wealthy pay more tax.
2. GST is not generally supported as makes it harder for low income families to afford living costs and making healthy choices (such as healthy food choices) more difficult. We also think that there needs to be recognition of the fact that GST affects those on lower incomes the most because they are required to spend all their earnings on basic living costs. This impact and reliance on GST needs to be decreased by the introduction of other fairer taxes.
3. We do not support secondary tax which affects low income and part-time workers most. We support the creation of a tax system that makes it easier for those on benefits to transition into paid work comfortably.
4. We support a capital gains tax, and particularly want all property speculators taxed to discourage the proliferation of this activity while at the same time raising revenue from this.
5. We urgently want to see an emphasis on the taxation of big multi-corporations who attain wealth from our people and take it off shore. We support the idea of a UN Global Tax Body that would make sure multinationals pay a fair share of tax. This is critical in the measures to close the gaps between rich and poor not only in Aotearoa but world wide.
6. We support a fair tax on businesses and also perhaps some tax rebates to encourage ethical and ecological business practices.
7. We want to know that wealthy tax evaders are being investigated and caught (with a much greater emphasis than that of benefit fraud).
8. We support environmental taxes including a tax on polluters, and taxes that support conservation work such as a tax on those visiting the country for this purpose.
9. We support consideration of a universal basic income as a model for the future.
10. We support tax rebates for lower income workers in the not for profit sector (a tax rebate that is called salary sacrifice in Australia).
11. We also want to express our support for the creation of a public contribution fund for those willing and able to pay more tax.

Can We Make Housing More Affordable?

Yes making housing more affordable is something that can and should be achieved. We support using Kiwisaver, rent to own and other means of supporting people into buying a first home.

What Tax Issues Matter Most to You?

A fairer tax system that redistributes wealth and protects people and the environment is most important to us.

Conclusion

We support changes to the tax system that enhances fairness through redistribution and maximises impact for a fairer society that protects our people and our environment.

Jean Hera

Morgan Booker

Bec Hancock

On behalf of the Palmerston North Women's Health Collective Inc.