

REGIS HEALTHCARE LIMITED

8 June 2018

Senate Standing Committees on Economics
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Inquiry into the financial and tax practices of for-profit aged care providers

Regis Healthcare Limited (ACN 125 203 054) (**Regis**) welcomes the opportunity to provide a submission to the Senate Economics Reference Committee conducting the inquiry into the “financial and tax practices of for-profit aged care providers” referred on 10 May 2018.

Regis is one of Australia’s leading aged care providers, providing care to more than 6,000 elderly Australians and employing in excess of 7,000 staff.

Regis is committed to working with both the Government and its agencies, as well as investing in the aged care sector, our people and infrastructure in order to ensure the ongoing high standards of care for our residents and reasonable returns for our shareholders, which include retail shareholders and Australian superannuation funds.

Regis is not able to comment on tax governance and practices of other aged care providers. Accordingly, this submission focuses on Regis’ tax governance and tax structure. In this regard:

1. Regis does not use an ASX stapled structure.
2. Regis is the head company of a single income tax consolidated group, which comprises Regis and all of its subsidiaries. Transactions between internal subsidiary companies and trusts within the income tax consolidated group do not affect Regis’ effective corporate income tax rate or income tax payable.
3. Regis’ internal trusts are unit trusts and do not have external beneficiaries. There is no tax advantage delivered to Regis via these trusts as they are all part of a single Regis tax consolidated group and are generally a result of historical acquisitions.
4. Regis’ externally audited statutory financial report does not use ‘reduced disclosures’ and complies with all applicable accounting standards.
5. Regis’ Board has approved a tax governance policy, which confirms our commitment to tax obligations.
6. Regis pays some of the highest income tax amounts out of for-profit aged care providers. Regis pays tax at the corporate tax rate of 30% on its taxable income and fully complies with its tax obligations.



7. The majority shareholders (in excess of 90%) of Regis are Australian-based. Accordingly, Regis is not majority foreign-owned.
8. Regis has no related-party debt. All debts are held by our external third party Australian banks. Interest is charged on these debts at commercial interest rates.

In summary, we believe that Regis does not use any tax avoidance or aggressive tax minimisation strategies and that our practices would meet the reasonable expectations of the public.

If Regis can provide further information, please contact us.

Yours sincerely,

Ross Johnston
Managing Director and Chief Executive Officer