



25 May 2018
Committee Secretary
Senate Standing Committee on Economics
Department of the Senate
PO Box 6100, Parliament House
CANBERRA ACT 2600

Sent by email to: economics.sen@aph.gov.au

Dear Committee Secretary,

RE: GetUp Submission to *Treasury Laws Amendment (Personal Income Tax Plan) Bill 2018*

Thank you for the opportunity to make a submission to the inquiry into this Bill.

GetUp is a movement of over 1 million members. We are deeply concerned about major elements of the personal income tax cut that is currently being pursued by the Turnbull Government. We believe it amounts to a unwarranted handout to some of the wealthiest Australians.

GetUp believes the second stage of the income tax cut should be modified to reduce the increase in the top threshold for the 32.5% marginal tax rate, as the increase from \$90,000 to \$120,000 is a larger increase than what should be provided to deal with bracket creep.

GetUp's strongest concerns are with Stage Three of the income tax cuts, specifically elimination of the 37% marginal tax rate, at a cost of \$40 billion. This one change takes up almost 28% of the entire ten year cost of the income tax cut, even though it only comes into effect from 2024-25, seven years into the ten year cost of \$144 billion of the total tax cut.

GetUp believes, in a time of high levels of income and wealth inequality, that our tax system should be mitigating, rather than exacerbating the problem. GetUp recommends that this inquiry reject Stage Three of the income tax cut outright, and review Stage Two of the income tax cut to more appropriately vary the top tax threshold for the 32.5% marginal tax rate.

Representatives from GetUp are available to attend hearings and provide further evidence to the Committee.

Yours sincerely,

Edward Miller
Economic Fairness Campaigns Director