

Greetings,

My submission is to alter the tax act so the when a person or couple (A) allows a near relation (usually older parent sister brother) (B) to reside in A's home in exchange for a sum of money a tax liability is not created.

Currently if this happens a tax liability is created under ruling 14 of 2006.

I have two reasons for suggesting this change.

The revenue lost is very little or zero. I believe this to be true because very few people who provide accomodation for their parents (the usual scenario) realise the tax implications of providing the accomodation.

Secondly the alternative scenarios of the aged parents going into public hosing or low level care in a hostel both cost the government more than the theoretical capital gains tax revenue.

My contact details are Bruce Fraser [removed for privacy reasons]

If any questions about this please contact me.

Cheers

Bruce