

Capitalex_nygren.

The daily individual food consumption varies with the wealth, yet from the poorest to the richest, no more than approximately 1000times. The poorest may by necessity go below the survival level and consequently die by starvation.

The difference in wealth, on the other hand, is enormously much greater. Maybe 10 000 000 000 times bigger by the rich compared to the poorest.

In today's world, there is no successful way to deal with this injustice. Not until the 'nygren' tax system is implemented. Ideally in every country in the world.

The system consists basically by three fundamental taxes.

1) The first tax is a one percent tax on all capital and assets with no exemption.

However, a deduction of \$50 000 (or minimum wage) per full time employee, provided the employee is receiving that yearly remuneration.

This will in time eradicate unemployment, as the cost of employing approaching zero

At the introduction all income and capital gains taxes will be abolished.

In time the present taxation department can be reduced ~1000 fold.

Centre link will go the same way, as virtually no unemployment persists.

2) The second tax is the already existing 10% GST.

A wage earned (or other income) can be spent on consumption and thus paying 10 % or saving and thus paying 1% capital tax. As such each individual can without punishment build up a capital for retirement or other needs. Any bank or other investments will pay a lot more in return than this 1%.

3) The third tax may be the hardest to implement, but with today's computer capacity it should be possible to implement.

It is a 10% departure tax on all monies leaving the country regardless of reason or route.

One exemption: \$5000 per person and year when travelling overseas.

Hedge funds managers will of course object, as they transfer large amounts to gain parts of percent, sometimes interfering with the economies of smaller countries.

This would become a 'de facto' import duty, so local manufacturer get a better chance to survive the competition from cheap imports.

There is an inherent flaw with today's taxation system. It can be compared with harvesting unripe crop. The taxation should be on assets already accumulated which could be likened with fat reserves, the difference is the owners consider it being beyond tax, reason unexplained. By moving taxation from income/capital gain to capital/assets, there would be so much more tax collected with much less effort. The provision with

\$50 000/minimum wage deduction for every full time employee, will make our society much more stable. Downturns will appear from time to time of course, but the severe blow to large numbers of workers who gets retrenched will not appear as suddenly as now. There will be some of them who have nothing to do (but still being paid, as that is instead of paying tax) The problem of getting them working with something, will be the capital owner's/employer's. He/she can hire them out for reduced rate? The market will control the supply and demand without throwing good workers on the scrap heap and the economical misery which follows.

This tax system does not address all other issues of public service climate change etc which will be dealt with in a similar fashion as done now.

The 10% departure tax is not very hard at all. Ex: One overseas investor brings \$10Biljon in to Australia, start some kind of activity(mining or something)

That business venture will then be valued and consequently taxed with 1% minus the \$50 000 deduction for every employee. After say, 10 years, he/she decides to take the business off shore of some reason. He will then pay 10% departure tax. Which works out to 1%/year, Australia would in fact become a tax haven. The employees of course will be laid off, but will quickly be absorbed by other capital owners who are short of employees.

The taxation department would have different tasks then like valuing assets. Another group which may be affected is accountants (loop hole finders)

There is another problem with hedge funds, who move vast amount of money across borders to gain fractions of percent. Their valuation/tax may have to be done Monthly, weekly or daily instead of yearly, which is not a problem. Hedge funds do not produce any real wealth anyway, just gambling and fail to raise any pity with me. Non productive!

It would be very nice to have response to the above, even explaining why it is not applicable.

My email address is [removed for privacy reasons]

Gunner Nygren