

I wish to submit a few points regarding the taxation review and in particular the possible changes to the FBT system as it relates to motor vehicles and novated leases.

I am a country town resident. I live in Cooma NSW and need to commute each day to Canberra to get work.

I believe that any change that removes the ability for people to have access to the current novated lease system or something similar will have a large negative effect on country folk many of whom need to commute long distances to get work. I (along with a number of other Cooma residents) need to commute each day to get to Canberra for work as there is no available work in Cooma for me in my field and there is no viable public transport for commuters from Cooma to Canberra. The most affordable way for people like myself to get to work is to lease a car (I travel over 40,000 kms per year commuting).

Due to the high number of kilometers I travel, I need to replace the car every 3 - 4 years to have a reliable vehicle. Salary sacrificing for a car is the only affordable way for me to do this.

I believe that if the proposal to remove this option is implemented it will make it untenable for many country folk to gain jobs in the city and still see their families each night.

Can you please consider this concern for those of us who need to commute long distances to get work when considering the proposal.

I understand the concern that the FBT tax system on novated leases can be used as a "perk" for the rich, and for some people it can encourage overuse. However for those of us who make use of the system at the higher kilometer end of the spectrum (40,000 kms per year or more) this is not a perk, and does not encourage over use.

Even if the current FBT system was only retained for those who need to travel higher number of kms (or perhaps for those who live more than a certain distance from their place of work), this would help country folk to be able earn an income in nearby cities and towns.

The alternative of establishing a viable commuter public transport system from country towns would I suspect cost more than savings achieved by removing the FBT tax breaks for those who have to travel long distances regularly.

Thank you in advance for considering our needs.

Robert Pirie,