



# FEDERAL POLICY: TAXATION and FINANCE

Amendment: 22/05/05, 03/09/07, 09/03/09. 3<sup>rd</sup> Edition

Too great a proportion of Australia's tax is now bled from low and middle income earners, seniors and small business. One Nation proposes a finance, bank and tax review, with a complete reform of the tax system, replacing the Personal Income Tax and GST. The inequities, complexities, disincentives and punishing nature of this tax system imposes a huge burden on the shoulders of these struggling Australians, whilst large multinational companies and numerous cults operating as businesses are exempt from paying tax in Australia. The current out of control system also only benefits fully imported products at the expense of Australian jobs. Our constitution is clear that a tax shall not exist upon another tax. All double taxation shall be abolished and the double taxation Act of 1953 repealed. One Nation will replace it with the 21st Century Electronic (Debit) Tax, which will remove all the inequities, supply sufficient revenue direct to treasury and eliminate taxation as a political issue. Banking and currency will return to government control. Value of the dollar will be controlled by the wealth of our resources and not foreign speculation. Restrictions on other Australian financial institutions will be removed, especially from credit unions and building societies. A National Superannuation fund will be set up, to invest in national development, as an alternative to private funds.

## THE 21ST CENTURY ELECTRONIC (Debit) TAX

To understand the Debit TAX entails a reversal of the normal concept of imposing a tax. As an accepted practice, taxes have been imposed on ownership, duties, goods and services, and in later years, on income. Now with the modern computer, it is possible to impose a tax on intent to use an amount of money withdrawn from a bank account, rather than on the ability to pay, as has been practiced from the beginning of time. From ATM's every hour of the day money is withdrawn from savings and cheque accounts, insurance companies, business and investment organizations, and financial institutions of all kinds. Indeed, all monetary transactions are withdrawn from some type of bank or financial institution that holds money in trust. We hire accountants and tax agents to handle our current taxation nightmares to navigate us through a mine field of financial laws and regulations.

Unlike all other taxation systems the Debit Electronic-Tax does not require you or any business or organisation to give an account of transactions to the Government. At the moment of withdrawal, the Treasury department identifies the debit column in a bank account number, and automatically collects by EFT an added minuscule tax of 1%; (1 cent per dollar or, \$1 per \$100), from the account, and instantaneously deposits it into the National Treasury. The Treasury Department is the only tax collector operating through a chain of computers linked to all banks and financial institutions and programmed as part of the monetary system. With the chip, the computer and direct debit deduction into treasury, it is possible to completely change the present method of unfair and discriminating taxation.

**THE ELECTRONIC DEBIT TAX** system is the most efficient tax system ever devised by man to fund the National Treasury of any developed nation. Tax collecting now becomes the function of a programmed computer linked to the banking system under the control of the Treasury Department. Individuals, businesses and corporations will no longer be required to be self-Tax collectors, as they are today, thus eliminating potential sources of injustice and corruption. Most assuring to the ordinary citizen is the knowledge that he will no longer be faced with the possibility of losing his present possessions because he is unable to pay his Income Tax. Neither will he be daunted or even terrorised by the thought of fines or imprisonment because of a delinquent tax. It will allow for the introduction of such things as affordable health care and a secure liveable pension for seniors without means test. Also it will see the introduction of a Natural Disaster Scheme plus other incentives.

The banking industry has no authority in the Debit Tax system. Government payments that emanate from the Federal Reserve Bank, are not subject to the Debit-Tax. The Debit-Tax is not useable or collectable by a city, municipality, or state, as these governments are not a part of the monetary system.

## ELECTRONIC DEBIT TAX provides the following advantages:

1. It replaces all existing Revenue Tax Laws for the support of the Australian Government and all other Federal taxes (except 9% Superannuation Levy on Gross Personal Income).
2. It will supply the necessary revenue for full financial support of the Australian Government.
3. No more filling of individual or corporate Income Tax Returns or Business Activity Statements will be required.
4. There is no tax on profits, Capital Gains, Assets or Savings. An incentive to save for retirement.
5. There will be no tax on Goods and Services.
6. There is only one collector, the National Treasury and only one minuscule tax rate of 1%, for all. (No Favours), linked to all banks and financial institutions.
7. There is no accounting to the Government on the status of our wealth.
8. Personal wealth will no longer be public knowledge.
9. Tax delays, cheating, fraud, Cults operating as business and hiding under the name of religion, and tax avoidance or evasion is impossible.
10. Through automation, tax delinquents and delays are not possible.
11. Not having to pay Income Tax is a great incentive to investors.
12. An immediate increase in the value of the Australian dollar will occur.
13. The exclusive use of cash currency becomes counterproductive.
14. The Debit -TAX is welcome, as it does not interfere with banking operations.
15. There will be a continuous flow of Revenue 24 hours a day, every day, collected by EFT, which is the ultimate in efficiency. This revenue can be recorded, monitored and budgeted for annually.
16. The Debit TAX is constitutional and an integral part of our modern monetary tax system, never possible before the computer.
17. It will allow for the introduction of such things as free health and education for all.
18. Also the introduction of a National Natural Disaster Scheme plus other incentives.
19. Unemployment will be all but eliminated. With no taxation barriers, business can employ more people.
20. The Taxation Office is abolished, saving pa, \$1,635,536,000.00
21. Our Banking System will be used for collecting Tax, rather than our businesses and workplaces.
22. Will also extinguish our Foreign Debt. (For further details contact [www.debittaxinc.au](http://www.debittaxinc.au)).

## **GUIDE TO FORMULATING AUSTRALIAN REVENUE**

On the basis of bank payments supplied by the Australian Reserve Bank, the Tax Rate is determined as follows: - The revenue required per year Divided by Bank payments/withdrawals. As far back as 1991-92 it was estimated by the The Australian Payments System Council in a Report, issued by the Reserve Bank of Australia, stating that approx, \$120 Billion was being withdrawn from banks all over Australia on any given working day. That \$120 Billion or a massive annual figure of \$43,000.00 Million dollars (believed to be closer to \$50,000.00 Million) was withdrawn annually from accounts through the banking industry. Today in 2009 almost 20 years later, One Nation believes that figure is now conservatively grown to a mammoth \$200 Billion daily in withdrawals from these same banking and Financial institutions, where that figure is now 200 Billion Daily x 365 Days = 7.3 Trillionx 10<sup>13</sup>. Or a total annually of over \$70,000.00 Million Dollars. One Nation believes that \$70,000.00 Million in withdrawals add to @ 1% Tax rate of this amount then produces a gigantic \$700 billion in tax Revenue per year.

Over three times more than the Total Tax Collected of the financial year of 2006-07! Even after and with all the Labor and Liberal's crippling taxes upon taxes including GST, levies and duties, fringe benefits, wholesale tax etc; they still only managed to raise approx. \$267 Billion!

(Source: AGLA Commonwealth general government budget aggregates, <http://www.alga.asn.au/policy/economics/>).  
2009 Source (ABS Website 8/10/2009)

## Questions and Answers on the Debit-Tax;

**Q:** How will the E D-tax affect share trading?

There might be some resistance initially as all share trading is completely tax-free at present. (One only gets taxed on profits generated from share trading). Under the Debit-tax system all profits are tax free (as there will be no tax on income) and the buyer, not the seller, will pay the 1-%. You buy shares today, pay 1-% tax and when you sell the shares in say, 10 years time, there is no tax on your profit or your capital gains.

**Q:** How will this system affect the thousands of public servants currently employed by the present tax system?

This will be the golden opportunity for our public workers to target the money launderers, the black market economy and other illegal transactions, which are currently sucking so much out of our economy. Also, the new system will be creating so much employment that those who wish to leave the public service will be able to do so to follow their own private ventures.

**Q:** How will Superannuation work?

Superannuation will no longer have to be paid by employers. Great news for small business as the employees are not being taxed on their income. (They only get taxed 1% on their withdrawals), the current 9% Superannuation levy will come off their gross earnings and go into a Government Fund which will be managed by the Treasury or a Ministry of Finance. This will ensure that the returns from each individual are the same or even better than the Multinational Superannuation funds currently managing these funds. This money shall be invested in local industry, thus providing growth in all sectors including that of employment. Employees will still have the option to further invest in other private superannuation funds of their choice to increase retirement savings. This system will create more jobs as well as guaranteeing the future of the Australian workers. In brief, an employee who earns \$1000 a week will invest 9% (\$90) into the Government Super Fund and take home \$910. If they spend the full amount of the balance it will only cost them a further 1% (\$9.10) thus their NET PAY will be \$900.80 instead of \$670 which they are currently taking home. (You don't have to have a PhD in Economics to realise what this extra net income will do to the economy of any country).

## **THE ALTERNATIVE THAT MAKES THE GST LOOK LIKE DAYLIGHT ROBBERY**

Many economists and tax accountants who have looked into the Debit Tax have nothing but praise for it because it achieves fairness while eliminating time consuming paperwork. Tax evasion is impossible and multinationals will have to pay their fair share of tax that presently is being carried by the average tax-paying worker. Compared to Howard's GST one wonders why people are not up in arms to have it debated in parliament. When an average worker must work five months for the Gov. before he earns less than one day's pay questions must be asked! Australia has one of the most advanced banking systems in the world and it is set up perfectly to administer the Debit Tax, which requires electronic debiting as withdrawals are made. The only people who should be against this tax are the multinationals who presently pay very little or no taxation, and can afford to administer their businesses to minimise tax obligations, something that the average worker is not able to do.

Our present taxation act runs to over eight thousand pages and is so complicated that even taxation agent and accountants are confused and frustrated by it. In comparison the Debit Tax can be simply explained in half a dozen pages and requires no book- keeping at all. Accountants would be occupied in more productive areas such as business efficiency and productivity, while tax agents would be employed to monitor banking operations. With the present self-assessment system the taxation department admits that they "cannot cope, so they leave it to you to attend to your tax obligations." It is estimated that small business spends at least one day a week doing unpaid work for the government administrating books and collecting taxes.

Peter Alexander Gargan; Australian Debit Tax Council.

## DO YOU REALISE?

The GST and all the myriad's of other Taxes and indirect taxes, only manage to pay the interest on debt, which was estimated way back in the Dec. qtr of 2004 alone to be **\$3,590 Billion** or **\$39 million a day, or \$14,360 Million a year.**

Now it is 2009 that debt and the principle debt, that was and is conceived out of thin air by the questionable fractional reserve lending practices of the Banks, means you, the unsuspecting taxpayer are paying it back with real money. This debt is rising at the rate of \$1.2 Billion per quarter or \$4 Billion annually! Adding them up, it has risen in 2009 to \$3,610 billion and climbing! No wonder they do not want our debit tax! This crippling debt, without reform of Governmental fiscal policy, will never and can never be retired. Regardless of these questionable ABS reported figures below for 2008 we know that the 2004 figures are accurate! We also know and believe these debts are and do rise at at least \$1.2 Billion per Qtr!

**It will continue to grow by an estimated \$1.2 Billion per Quarter, or over \$4 Billion annually, along with its crippling interest payments now and forever more.**

The ABS Report 2008 December Quarter:

Net Foreign Debt.....	\$ 678.3 Billion
Net Foreign Equity Liability.....	\$ 35.6 Billion
Domestic Credit Card Debt.....	\$ 43.25 Billion
Total.....	= \$ 757.15 Billion Debt
Household Debt.....	\$ ??? Billion

Note. The true figures for our household debt are unattainable, but experts tell us it dwarfs the figures above.

When given that these figures do not take into account just what the total remaining household debt is. Consider that for the remainder to reach what most experts truly consider is the real figure of over \$1.4 Trillion (1<sup>st</sup> July 2005), the household debt only needs to come in at under half of the official amount above to reach the figure most say is realistic. One Nation believes the true figure has been deliberately buried, to prevent general public knowledge. Graham Strachan B.Sc., LL.B. (Author) wrote in his book 22 steps to Global Tyranny, that way back in 1983 our foreign debt was only \$23 Billion which he quotes as 9.8 % of GDP. That in the first three years of the Howard Government;1996-99, our net foreign debt rose by a massive 25% and our net foreign equity (Foreign ownership of Australian owned assets) rose sharply by 18%. Thus by the beginning of 1999, foreign debt was \$237 Billion, by the beginning of 2001 it was over \$300 Billion and still rising sharply.

The Australian Financial Review published figures showing that our total credit breached in the September quarter of 1999, the unforgivable figure of \$1.4 Trillion. As Graham again states this was a rise of 10% on 1998, where he says household liabilities also reached a new record of \$424 Billion. Our Reserve Bank figures at the beginning of the year 2000 showed that our credit card debt had doubled in just over three years and a record 62.7 million credit transactions took place during December 1999 alone, totaling \$6.1 Billion. Home lending rose 4.1% to \$6.8 Billion seasonally adjusted, while personal lending was up by 8.3% to \$4.4 Billion. However our household savings were at an all time low!

## HOW IT BEGINS

To initiate the introduction of the Debit Tax, Treasury inspectors, through an encrypted program, would adjust all bank and financial institution computers to hypothetically levy a 1% Debit Tax on all withdrawals one year before the Debit Tax comes on line. During that trial year, the Treasury under tight Government scrutiny will actually see and monitor the continuous flow of potential revenue to enter the Treasury coffers. When the trial, or dummy run, is completed at midnight on June 30th, real money (NOT PROMISSORY NOTES) will start flowing into the Treasury and all other Federal taxes will then cease. Banks and financial institutions will not be required to alter their operations. Australia would be relieved of its huge tax burden and enter a highly prosperous tax-free economy, attracting investment capital as the world's largest tax haven. It would be an offence under the Debit Tax Amendment Bill to deliberately operate outside the national money flow and the penalties would be severe.

Peter Alexander Gargan. Australian Debit Tax Council.

One Nation believes that our Governments are defying the Australian Constitution and abrogating their elected responsibility to the Australian people.

One Nation will correct the situation, starting with taxation and financial reform, retention of our public assets, developing our vast resources of minerals, energy and processing them here, re-regulation to protect our rural industries and reduce fuel prices and in so doing create wealth, jobs and prosperity for all Australians and not just the money-Trust.

The total running costs of the A.T.O. in 1999-2000 cost us;

**\$1,635,536,000.00!**

## FINANCE

One Nation is committed to reform of the financial system; we propose reinstating Australia's "Peoples Bank" e.g. Commonwealth Bank founded by King O'Malley and operated from 1912-1923. It exercised a powerful check on interest rates during the inflationary WW1 period and handled loan allocations at a much lower rate than private banks, with half the profits being placed to the credit of the National Debt Sinking Fund. It was so successful that political pressure was bought about to eventually privatise it. According to the "Chrisby Papers" it would be constitutionally OK to set up a state people's bank e.g. "Bank of New South Wales" or even the "Bank of Australia". We also propose to free restrictions on credit unions to allow them to compete with foreign banks.

One Nation will correct the situation starting with taxation reform, financial reform, retention of our public assets, developing our vast resources of minerals and energy and processing them here. Re-regulation to protect our rural industries and reduce fuel prices and in so doing create wealth, jobs and prosperity for all Australians and not just a few wealthy multinationals.

One Nation will reduce government spending by reforming the following ministries:

- ✓ SOCIETY and CULTURE (from Multiculturalism to Pro-Australian), and ENVIRONMENT
- ✓ Reforming and amalgamating IMMIGRATION, INTERNATIONAL TREATIES and FOREIGN AID Departments.
- ✓ Savings will be transferred to EDUCATION, SENIORS, HEALTH, SOCIAL SECURITY (Reform to become AUSTRALIAN EMPLOYMENT SERVICE), NATIONAL DISASTER FUND, and EMERGENCY SERVICES.

Sources: Globalisation: Demise of the Australian Nation. By Graham L Strachan. Debit Tax Council Australia Inc. (T.Madden, 3 Jingara Crt, Karana Downs, 4306 Ph: 07-32010168.)

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BACK!***

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