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IT Big Business Tax Cuts?

Whilst I try to avoid non-techy posts, I feel I need to slightly depart with that for the moment, yes, I'm sorry, it's a political post. I've heard and read a fair bit about the current governments new tax plan, and of course, Bill Shorten, the leader of the Australian opposition party who plans to undo some of these.. like remove the 2.5% tax relief for many small businesses.

First up, I'm all for small business cuts, I would think 2 million is clearly a small business, 10m is probably the upper extremities on what I'd call "small" business, and above 10m, would be medium, over 50m, big business, lets face it, if you are employing 100 people, you are not really a small business, not in the true sense.

I think up to 10 million gross, is a fair deal on tax relief because that fits in with a small business, and any Government that comes to power needs to keep their filthy hands off! But what about medium size businesses? They fit into a grey area, but big businesses? Who often have an entire floor of tax accountants trying work out how little tax they can pay?

Revoking that relief for small business who really wont benefit all that much anyway will only hurt the employees, if you benefit say 10-15K extra a year from this 2.5% cut (more the reality if you're grossing around 2m), that might not pay for a full time employee, but a small business struggling might be able to hire a part timer, take that extra 10-15K off them - BOOM, that part timer gets retrenched since there's no easy way to keep them employed without that small business struggling again, remember, they only could afford to hire them because of the extra 10-15K they got to keep from the 2.5% tax cut.

A small business with a couple staff who values them highly and wants to give them more than the standard years wage or salary increase, gives them a few grand extra over what they would have got, take that 10-15K off them, well, the company can hardly take away a pay rise, so what are they to do? Retrench one of them. Job gone.

I sure as hell don't support big businesses who don't support aussie jobs getting any tax reductions, take the likes of Telstra, Optus, Facebook, Google, Apple, Microsoft, or any bank, we all know what they'd do with those savings.

But An Idea!

However, if Australian based big businesses, for example - but not limited to, Telstra, were to on-shore their entire call centre staffing, scrapping all these indian/phillipino and wherever else call centres, and customer representative staffing be solely based back in, and staffed by, Australians, then I think they should be entitled to tax relief of 27.5%, I think this should incentivize these not so aussie companies to bring aussie jobs back to Australia, and they must keep 100% of them here, or lose their tax relief and return to full rate. The tens, if not hundreds of millions the likes of Telstra would gain in a 2.5% tax reduction, would easily pay for this.

They also don't get this relief until all international call centres have closed and are fully 100% operational in Australia - just to make sure they don't drag the chain, if they can close these things almost overnight, then they can open them too, almost overnight.

Same goes for their IT units, this is 2018, only a fool with an IQ of your average shoe size would truly believe we don't have IT people capable of doing the job and we have to import (in my experience clueless and not qualified) Indians... Just like all the Telstra (Tandem/ISGM) field techs who are mostly 457 holders or the new bullshit migrant equivalent, you seriously trying to tell me we have no cablers or techs in Australia capable of fixing line faults? Yeah... Right...

Which of course has the benefit of meaning international corporations like Facebook, Google, Apple, etc are excluded from this, and have to start paying their full dues in tax here in Australia - for once.

Remember, Trump gave tax relief incentives to American companies for bringing back jobs to America, and from media reports it seems to have worked, there should be no reason it can't work here.

Anyway, that's my thoughts...

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Posted by NoelB at 17:56