

NORFOLK



ISLAND

## **THE GOVERNMENT OF NORFOLK ISLAND**

### **MEDIA RELEASE**

## **Lloyd should come clean on Aussie taxes: Minister**

Minister for Finance Ron Nobbs has called for Territories Minister Jim Lloyd to stop misleading the Norfolk Island community about the proposed introduction of up to 15 new and higher taxes by the Commonwealth. “Minister Lloyd speaks vaguely about possibly providing some new services”, Mr Nobbs said, “but he has totally dodged questions raised with him about the probable destruction of the Norfolk Island economy by the vast range of new taxes the Commonwealth is planning to impose”.

Mr Nobbs said that the Commonwealth was proposing to extend all of its laws to Norfolk Island, meaning that the community would be subject to many taxes which do not now apply, including:

- Personal income tax
- Company tax
- Fringe benefits tax
- Capital gains tax and
- Medicare levy

“The Commonwealth has said that it might not apply its 10% Goods and Services Tax”, Mr Nobbs said. “But it has not given any commitment in this regard and it is equally possible that its consumption tax will also be imposed, if not straight away, then soon after the others. The Commonwealth is a very high taxing government, and has only been able to reduce some income taxes because it has been reaping huge amounts of revenue from its goods and services and company taxes. It is hard to believe that they will not impose their goods and services tax here, along with all their other taxes”.

Mr Nobbs said that the Commonwealth plans did not stop at just federal-style taxes. Its instructions to the Grants Commission made it clear that it wanted to see new taxes and higher user charges in the following areas:

- Land tax
- Land rates (that is, local council-style rates)
- Payroll tax
- Stamp duties on conveyances, shares, vehicle transfers etc.
- Financial transaction taxes
- Gambling taxation
- Insurance taxation
- Waste disposal fees
- All other fees and charges including fees for services, registrations, inspections and licences.

“Norfolk Island has developed a unique and sustainable economy and social structure”, Mr Nobbs said. “One of the most important features has been our very low level of taxation to ensure that we remain competitive. It is impossible to see how our tourist industry and social coherence could possibly survive the radical changes proposed by the Commonwealth. Perhaps Minister Lloyd would like to address these critical issues rather than continuing to try to pull the wool over our eyes”.

Ron Nobbs  
**Minister for Finance**

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