Oz Treasurer Joe Hockey decides to tax citizens instead of Rorting Corporations

by Leon Spencer via josie - ZDnet *Friday, Apr 10 2015, 12:19am*
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> Australia's Treasurer Joe Hockey makes plans to broaden the country's GST to include internet content, he has been warned against unilaterally closing tax loopholes for multinational companies without the support of the OECD.

Joe Hockey

In a supreme act of cowardice servile Oz treasurer Joe Hockey, in full cognisance of the Senate Inquiry into CORPORATE TAX AVOIDANCE, has decided to target (Netflix tax) the pockets of Aussie citizens/consumers to make up revenue shortfalls rather than legislate and force rorting corporations to pay their fair share of tax. This despicable action reveals without doubt that Australian conservative politicians do not serve the nation or the people but serve their corporate masters instead – plain to see!

If you mistakenly imagine the other major party is any different, opposition leader Bill Shorten has tentatively agreed to Hockey's unfair tax on citizens, who are the only group in Oz that pay their fair share, often very large percentages of their income, in tax. To say that average Aussies are furious that Hockey has in the most brazen fashion targeted the people YET AGAIN to make up shortfalls created by tax avoiding corporations would be understatement.

It becomes clear to the entire nation that both puppet, corporate serving, major parties must be abandoned in favour of representative independents in order to gain the balance of power in BOTH houses and keep the traitorous major parties honest, this has now become an imperative for the nation.

Furthermore, after viewing the arrogant and deplorable performance of major tax avoiding corporate chiefs at the inquiry, the OECD's director of tax policy, Pascal Saint-Amans, has "warned" Australia not to go it alone with tax reform, and this feeble threat in view of the fact that the OECD has allowed mega-corporations to hollow-out the tax revenue of all western nations over the past few decades, well, we all know what he can do with his threat. However, that clearly does not apply to our servile politicians, Abbott, Shorten and their troop of stooges, these scumbags are nothing if not servile puppets to the big end of town.

The remedy therefore is clearly in the hands of the PEOPLE that should demand emergency legislation to end corporate tax rorting NOW – there is no avoiding this very urgent need, Mr Hockey, give hard working Aussie battlers a break, you sell-out thing.

As for the Aussie population, Hockey's appalling and callous tactics of constantly targeting the people requires an immediate vigorous response from the people; DEMAND via serving independents, cross-benchers and representative backbenchers that emergency legislation is passed through parliament NOW to curtail corporate tax avoidance, we have waited long enough and have suffered unfair financial burdens and sell-out governments even longer.

It's really very simple and fair: ALL profits made in Oz should be fully taxed in Oz, not allowed to be moved offshore via some corrupt or stupid loophole. In accordance with Oz traditional values, 'those that benefit most from the nation should return most to the nation.' [And fuck arrogant foreigners attempting to interfere in domestic policy matters.]

Article from ZDnet follows:

> **Hockey Warned of Tax Crackdown without 'Foreign' approval**
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> Australian Treasurer Joe Hockey has been warned not to go it alone as he works on new laws to counter tax avoidance by some of the largest companies operating in Australia, including Apple, Google, and Microsoft.
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> The warning, from the OECD's director for tax policy and administration Pascal Saint-Amans, comes as the government reaches a deal with the county's states and territories that will see downloaded music, movies, and books be subject to the national Goods and Services Tax (GST).
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> Hockey said it is an "integrity" measure, and not a broadening of the GST -- something the Coalition had promised it would not do. Under the plan, companies providing an "intangible service" to Australia, wherever they are located, would charge GST on those services.
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> "The states agreed in principle that we should move in that regard, and we have offered to work as quickly as possible with them to introduce legislation to address that," Hockey said on Thursday after meeting with other treasurers.
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> The move, which Hockey said has the potential to generate billions of dollars in revenue, could be followed by a further change involving applying the GST to goods imported online that are valued at less than AU$1,000.
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> The Labor Opposition has also indicated that it will look at the government's proposal, while criticising the government for not targeting the "big end of town".
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> "I've some sympathy for people who say that these internet-provided media products don't pay the GST, but I think we need to go back one step," Opposition Leader Bill Shorten said.
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> Earlier in the week, Shorten also said that he backed the government's plans to tighten tax loopholes of multinational companies operating in Australia.
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> "I think we need to tighten up loopholes as well," said Shorten in an interview on LA FM Launceston radio on Wednesday. "When it comes to multinationals, I think that was probably a more productive area, and billions of dollars can be raised from that, rather than slugging pensioners or people with a GST."

Shorten's comments come as Netflix, which launched its online video-streaming service locally last month, has indicated that it would happily add the GST to the cost of its services, provided the government makes it legal.

However, Saint-Amans believes that any unilateral approach to effectively taxing international corporations that employ tax loopholes to minimise their taxation requirements in Australia would be fruitless without the support of other countries in the OECD.

He told a Senate inquiry into corporate tax avoidance on Thursday in Canberra that unilateral action would be much less effective than the so-called base erosion and profit-shifting action plan the Paris-based institution has been working on through the G20 since 2013, which is due to be completed by October.

"If you act on your own, it is going to be more difficult to fix the issues than if all the countries act together," he told the hearing via video conference.

Hockey, however, revealed that the new laws being drafted to combat tax avoidance lie outside of the OECD's global approach. He declined to call it a Google tax -- the nickname given to action taken by the UK government -- but would not speculate on what form it might take.

Meanwhile, Treasury deputy secretary Rob Heferen told the Senate inquiry on Thursday that through the work of the OECD, it had found compliance costs would be very low if international providers of imported goods had to register and simply pay the GST.

He said there is no legal obstacle to the change.

"Australia wouldn't need the agreement of any country to do this. The federal government would need the agreement of the states and territories," said Heferen.

During a hearing on Wednesday in Sydney by the Senate inquiry into tax avoidance, executives from Apple, Google, and Microsoft under questioning at the hearing confirmed that they are being investigated by the Australian Taxation Office.

The companies have long been in the government's sights for their tax practices, which, in the case of Apple, include the employment of the so-called "double Irish sandwich" method of funnelling profits through its Ireland-listed company in order to pay a lower tax rate in Australia.

Meanwhile, much of Google's Australian revenue from advertising is taxed in Singapore, where the tax rate is much lower, the committee heard. This is a practice also employed by Microsoft.

Google Australia managing director Maile Carnegie said at the hearing that the company made $58 million in revenue in 2013, and profits of just more than $46 million, but paid $7.1 million in tax.

However, Carnegie said the majority of the company's taxes were paid in the United States, because that is where the global headquarters is based, where the company generates the most investment in research and development, and where it undertakes the most risk.

"And that in turn is what drives our profits," she said.

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