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**From:** Jonathan Caplan [REDACTED]  
**Sent:** Friday, 6 October 2023 2:00 PM  
**To:** Superannuation  
**Subject:** Treasury Laws Amendment (Better Targeted Superannuation Concessions) Bill 2023 ( Bill) Submission

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I make the following submissions regarding the Bill:

1. Compulsory superannuation was introduced more than 3 decades ago.
2. The explanatory memorandum claims that the purpose of the Bill is consistent with the Government's proposed objective
  6. to preserve savings to deliver income for a dignified retirement, alongside government support, in an equitable and sustainable way.'
3. Preservation is a simple way of saying that employees are obliged to forego an increasing portion of their earnings for in excess of four, possibly five decades, without being able to access their earnings until retirement.
4. The bargain the parliament made by introducing compulsory superannuation, was forego your earnings in the hope that if you live long enough you will be able to access those earnings in retirement, in exchange for having those earnings taxed on entry, taxed on the accumulation of income during the contribution phase and increasingly, taxed in retirement.
5. Given the risk of foregoing earnings during your working life in the hope that you will live long enough to benefit from them in retirement, it is incumbent on the parliament to keep its promise to taxpayers about the rules applying.
6. Instead successive parliaments break that promise by constantly changing the rules so ever increasing portions of the income earned does not go to the people who did not benefit from an increasing portion of their income during their working lives.
7. This denies "dignity" by creating constant fear in retirement of how much more will be taken from Australians who were forced to forego their earnings while working.
8. The "dignity" of not living in fear is obviously no concern of Parliament but understand that by yet again breaking the bargain made more than 30 years ago, you undermine the whole system for those who are early on their four or five decade journey of having their earnings compulsorily taken from them.
9. By this constant changing to take more, how can someone have any faith that when they get access to their own funds it will not also be an attractive target for further tax on the grounds of "sustainability".
10. All future governments need do to "justify" increasing taxation of superannuation in the future is point to a deficit and suddenly any concession in return for locking up earnings for decades is "unsustainable".
11. If taxpayers do not have confidence in the bargain of foregoing earnings for decades in return for a "dignified retirement", the system will ultimately fail.
12. To make matters worse, the Bill introduces the extraordinary concept of taxing unreleased gains.
13. Where else in our tax system are unrealised gains taxed?

14. To do this novel taxing of unrealised gains after earnings have been compulsorily taken away more than three decades since compulsory superannuation was introduced, is as inequitable as a business agreeing on a price paid and then delivering less than what was promised.
15. It is submitted that taxing of unrealised gains must be removed from the Bill.
- 16 . To make matters worse, there is no indexation of the \$3 million threshold.
- 17 . The Government advocating this Bill must think the electorate is stupid when it claims it will only affect 80,000 people.
18. Without indexation whatever the current number of golden egg laying geese, will soon increase.
19. It is submitted if this Bill becomes law, threshold indexation is essential.
20. The Government clearly thinks the electorate is stupid because it puts the bill for exposure and at the same time releases figures on super balances of over \$100 million and over \$ 50 million.
21. If this information was relevant, the threshold would be set at either \$50 million or \$ 100 million not at a tiny fraction of those numbers, but instead does so at \$3 million.
22. The Government does this to engage in the politics of envy and uses deception for that purpose by claiming it only affects 80,000 people.

Just so there is no mistake, my accumulated superannuation balance is well below the \$3 million threshold so am not talking my own interest by expressing strong opposition to the Bill.

Jonathan Caplan