



# Iemma's tax army has hands in your pocket

By DAVID FISHER

THE State Government has been enthusiastically adding to its army of tax collectors, with an extra 398 appointed in the past year alone.

As the county's highest-taxing state government, it has nearly doubled the size of its tax-collecting team in the past two years from 734 to 1371.

Figures revealed in the 2005 Office of State Revenue annual report show the office's salary costs have increased by \$18.5 million since 2004 to \$65 million.

The Office of State Revenue is the arm of NSW Treasury that collects taxes and fines. The sorts of taxes raked in by the additional staff include an extra \$247 million in land tax revenue in the past financial year.

There was also an extra \$500 million in payroll tax revenue and an extra \$100 million from gaming and racing.

Then there was the unprecedented level of fines that resulted in a 50 per cent increase in collections from the Infringement Processing Bureau —

rising to \$159 million last financial year.

Shadow assistant treasurer Peta Seaton said the extra tax collectors were hurting ordinary NSW families.

"Morris Iemma's tax army is being fed by the proceeds of new taxes, which have been brought in at a rate of nearly one per week since Mr Iemma took the top job," Ms Seaton said.

"While NSW has the highest unemployment rate, the highest taxes, and the lowest growth rate in Australia, the Premier has actually added to the tax burden of NSW families and businesses and raised new taxes."

The extra employees at the Office of State Revenue cover all facets of the tax collecting operation, including support and administrative staff.

The office also spent \$569,000 last financial year on furniture and \$143,000 on computers for the extra staff.

Ms Seaton said the tax grabs since Mr Iemma became Premier included:

- **INCREASING** the stamp duty rate on insurance products from 5 to 9 per cent, costing families around \$50 extra, and businesses around \$100 extra;

- **INCREASES** to the waste and environment levy;

- **NEW** mining charges to pay for government regulation that will bring in \$13 million a year;

- **NEW** measures on mortgage duty that will raise \$6 million a year; and

- **A PROPOSED** \$60 hike in water charges to pay for a desalination plant.

Ms Seaton also said there had been increased charges and fees at Sydney Water, the Heritage Office, Hunter Water and Department of Lands.

## The big earners

- **Land tax revenue:** Up from \$1.33 billion to \$1.58 billion

- **Infringement Processing Bureau:** From \$99 million to \$159 million

- **State Debt Recovery Office:** An extra \$20 million

- **Payroll tax:** An extra \$500 million

- **Gaming and Racing:** An extra \$100 million