

## TAX SNAPS

Tax Snaps presents CTSI's most recent statistics on what Australians think about tax matters. In our survey work, where we contact random samples of Australians, we often find views that are a little different from those we commonly hear about in the media. These are the views that we select as a Tax Snap.

### **From Community Participation and Citizenship Survey 2000**

(Survey run in NSW and Victoria only)

The Community Participation & Citizenship survey was conducted between August and December 2000. The sample comprised 1,999 people from the general population in NSW and Victoria, and was drawn from the electoral roll. Comparison with Australian Bureau of Statistics population estimates showed that survey respondents were generally representative of all NSW and Victorian residents.

<b>June 2003 Tax Snap - Paying Taxes</b>
<b>It depends on what others do</b>
Most people (87%) agree that they will pay their fair share of taxes as long as other people do. However, they are equally divided in what they should do if others don't pay their taxes. 44% don't see why they should pay their taxes if other people don't, but another 44% disagree with this.
<b>It's the law, a duty and right</b>
<ul style="list-style-type: none"><li>o 90% of people agree that people should comply with the taxation system because it is the law.</li><li>o 87% see it is their duty as citizens to comply with the taxation legislation.</li><li>o If governments contribute to society's well-being, 79% of people agree that it is only right to comply with government legislation.</li></ul>
<b>It might be the law but our views on how the government spends our taxes is another matter</b>
57% of respondents disagree that the government spends tax money wisely; 54% think that government spending often ends up in the hands of people who deserve it least; and 38% disagree that most government services are of benefit to them. However, 42% disagree with the proposition of lower taxes, even if it means fewer government services.
<b>Would I feel guilty about cheating?</b>
Over 38% of respondents would not feel guilty about deliberately and knowingly understating their income by \$500 with 10% of these people feeling no guilt at all. Not surprisingly, as the amount of understatement increases, guilt also increases. 19% would not feel guilty about deliberately and knowingly understating their income by \$5000, with 4% of these feeling no guilt at all. However, it is interesting that 92% of people surveyed agree that they feel a moral obligation to report their income honestly.

### **Tax Snap References**

Analysis of the Community Participation & Citizenship survey is to be published shortly in the Australian Journal of Social Issues.