

Tax Snaps

Tax Snaps presents CTSI's most recent statistics on what Australians think about tax matters. In our survey work, where we contact 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 the How Fair, How Effective Survey – The Collection and Use of Taxation in Australia (2005)

The *How Fair, How Effective Survey* (2005) followed on from previous waves of the survey in 2000 and 2002 which examined Australian's attitudes to taxation and the Australian Taxation Office (ATO). Between June and September 2005, the survey was posted to 2,740 respondents who had responded to either or both of the previous waves of the survey. 1,146 surveys were completed and returned.

October 2006 Tax Snap

Trust and morale

The level of trust in the Tax Office stayed relatively stable between 2000 and 2002, when it dropped from 58% to 57%. However, support dropped 10% in the 2005 survey to 47%. At the same time, most Australians remain committed to the idea that they and everyone else should pay their taxes honestly.

Support for the ATO

The level of agreement with Tax Office decisions has remained relatively stable between 2002 and 2005, at 54.7% and 55.9% respectively, after dropping from 72.8% in 2000. Around 40% of respondents doubted the ATO had the power to effectively deal with high-wealth individuals and large corporations, but only 10% doubted the ATO could deal with 'ordinary' taxpayers.

2005 tax cuts

After the tax cuts of 2005, 52% of Australians felt they were no better or worse off, 35% thought they were at least a little better off and 13% didn't know how the tax cuts would affect them. 59.1% percent of respondents thought the government should have increased social and infrastructure spending in the 2005 budget instead of cutting taxes, while 27.7% thought reducing taxes was better than increasing spending.

Tax Snap References

This information has been taken from:

Braithwaite, V and Reinhart, M (2005) Preliminary Findings and Codebook for the How Far, How Effective Survey – The Collection and Use of Taxation in Australia Centre for Tax System Integrity Working Paper No. 84. Canberra: The Australian National University. More detailed information from this paper can be found at <http://ctsi.anu.edu.au>