

REX (TASMANIA) PTY LTD

ATF Rex Family Trust

ABN 66 351 289 043

4 Red Knights Road,

Ph 0418 107997

Sandy Bay,

(03) 6225 2243

Tas 7005

Email: rmemrex@gmail.com

Elaina Deayton

C/- Office of the Hon Jacqui Petrusma

Level 5. 4 Salamanca Place,

Hobart, Tas 7000

5th November 2021

I refer to the review of the Fire Service Act 1979 and the M Blake review with respect to the funding of the Fire Service.

I accept that the current levy of funding in total needs to be retained and that the community should pay.

My comments are restricted to the Fire Service Levy currently charged on Commercial Insurance.

To this extent I agree with the Blake review which states on page 67 "This levy can have unintended consequences, including under-insured properties and, in some cases, property holders paying more than one levy."

Black goes on to say: "This levy does not satisfy any of the sustainability, stability, simplicity or equitable tests."

Page 68 "It was acknowledged that businesses that choose to insure are effectively paying the existing FSC twice. That is, they pay the FSC and the insurance levy."

The N S W review stated that:

there is no principled case for applying a special tax on insurance.

insurance taxes are also inequitable – insurance taxes should be abolished, with replacement revenue sourced from more efficient and equitable taxes.

"The Insurance Council of Australia estimates only 60% of businesses have building insurance. In Tasmania, this means 20% to 25% of SFC funding is sourced from only 60% of businesses."

Page 68 of the Blake review states: "A recent White Paper on tax from the Australian Government stated that INSURANCE levies are highly inefficient as they have the potential to discourage households from taking out appropriate levels of insurance (especially amongst demographic groups that are vulnerable to a significant loss). For these reasons, there has been a NATION-WIDE trend away from insurance-based levies and a general move towards property-based levies.

FOR THE ABOVE REASONS I AGREE WITH THE BLAKE REVIEW TO "Replace the Insurance Levy with a property-based levy."

In summary, the Insurance based levy should be abolished and the current level of funds received via the insurance levy added to the current property rates (Issued by Councils) to cover the abolition of the insurance bases levy.

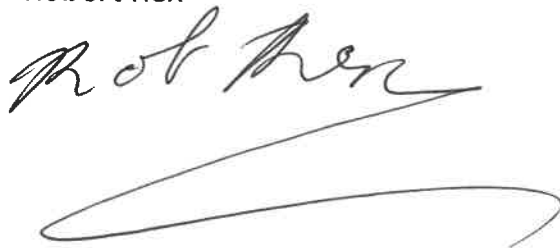
Other matters covered by the Blake review (and of courses the abolition of the Insurance based levy) I agree with.

In summary an excellent review showing up clearly years of inequitable treatment for property insurers.

Fix the matter A S A P.

Yours faithfully,

Robert Rex

A handwritten signature in dark ink, appearing to read 'Rob Rex', followed by a long, sweeping horizontal flourish.