



Australian Automotive Dealer Association Ltd.

ACN: 167 598 085

The Sir Jack Brabham Automotive Centre of Excellence

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Dear Mr Reid

AUSTRALIAN AUTOMOTIVE DEALER ASSOCIATION (AADA) SUBMISSION - TAX LAWS AMENDMENT (SMALL BUSINESS RESTRUCTURE ROLL-OVER) BILL 2016

AADA supports the Government's consideration of facilitating flexibility for owners of small business entities to restructure their businesses, and the way their business assets are held, while disregarding tax gains and losses that would otherwise arise. AADA believes the Government's commitment to improving conditions for small businesses will ultimately create beneficial outcomes for the franchised new car dealer industry.

AADA provided a submission on 4 December, 2015 to the Treasury regarding the proposed Tax and Superannuation Laws Amendment (2015 Measurers No. 6) Bill 2015: Small Business Restructure Rollovers. As the attached submission details, AADA supports the amendments to increase flexibility and reduce compliance costs for small businesses. As part of a wider commitment to increase flexibility and reduce compliance costs to a wider scope of the economy, AADA encourages the Government to extend the range of entities eligible for the roll-over relief.

AADA believes extending roll-over relief to restructuring undertaken by all privately owned businesses, irrespective of their staff or revenue, would assist in achieving the overall objectives of the Bill. Extending the roll-over relief would assist all privately owned businesses to operate in their most suited structure resulting in improved business conditions and increased employment and economic growth.

AADA is the peak industry body which represents over 1,500 new franchised car dealers in Australia. Collectively, our members operate approximately 2,600 new vehicle outlets. Dealerships range from family-owned small businesses to larger businesses, including two public companies, which operate in all States and Territories. The authorised dealer network generates revenue of \$72 billion, employs in excess of 66,000 people, pays wages in excess of \$5.6 billion annually and has invested around \$17 billion in facilities.

AADA appreciates the invitation to provide a submission and we would be pleased to provide further comment on matters raised. If we can be of further assistance please contact me on 0400 366 535, email bmcdonald@aada.asn.au or our Policy Director, Michael Deed on 0417 742 956, email mdeed@aada.asn.au

Yours sincerely

A handwritten signature in black ink, appearing to read "B. J. McDonald", is centered on the page. The signature is written in a cursive style.

Bruce McDonald
Chief Executive Officer