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NANNY STATE TAXES: BIGGER THAN THE CARBON TAX AND MINING TAX COMBINED

Nanny State taxes raised \$13 billion in 2010-11, according a new study by free market think tank the Institute of Public Affairs, *Nanny State Taxes on Consumer Products: Soaking the Poor in 2012*.

This is greater than the combined revenue forecast of \$11 billion to be collected from the government's Clean Energy Future Package (carbon tax) and the Minerals Resource Rent Tax (mining tax) in their first year of operation.

In 2012, Nanny State taxes include excises upon alcohol and tobacco products and the GST on processed foods.

The study's author, Julie Novak, said, "these taxes disproportionately affect individuals and families on lower incomes. Poor families pay up to three times as much in Nanny State taxes as rich families."

"So it's disappointing that social welfare groups have stayed silent or supported these Nanny State tax increases."

"Governments have long used consumer taxes as a source of revenue raising, but in recent decades increases on some products have been justified on health, social or moral grounds.

"The use of tax policy for such purposes is a clear example of the Nanny State at work, inhibiting freedom of consumer choice and fuelling the creation of black markets," said Ms Novak.

A copy of *Nanny State Taxes on Consumer Products: Soaking the Poor in 2012* is available at www.ipa.org.au.

For media and comment : Julie Novak, Institute of Public Affairs, 0437 646 045 or (03) 9600 4744

**Institute of Public Affairs, Level 2, 410 Collins St. Melbourne
ph: 03 9600 4744 fax: 03 9602 4989 www.ipa.org.au**