

**Written Submission 2.4****Mr P Bradshaw**

Dear Sirs,

I wanted to provide you with my comments on the draft 2014 budget proposals.

I think increasing the tax exemption limits by 1.5% is a good idea. It will provide additional help to those low earners who find themselves on the edge of the tax limits.

The reduction in the marginal rate is also a good idea. When talking to others about tax, it seems the majority do not really understand the system. The marginal rate makes the tax system more complex and I would very much hope that in future budgets the rate is reduced again until it is eliminated altogether.

I am not in favour of enhanced child allowances for children in higher education. I feel that with grants and the existing allowances, the States already provide sufficient assistance. Those attending higher education are all adults and should be contributing far more than they currently do towards their own education.

Increases in the duty on alcohol, fuel and tobacco are disappointing, but I think as long as an effort is made to direct the money raised to the relevant area, is acceptable. For instance, money from fuel duty should only be spent on roads, from tobacco on health services and from alcohol on policing and health.

I am at a loss as to why we are considering borrowing money for housing. I personally think there is already enough housing (supposedly 3,000 units empty?), but apart from that, we have deposits. I do not know what interest rate we get on the "rainy day fund" but I suspect it will be far less than the rate we would have to pay to borrow the money from an external source. Why not use the rainy day fund if we really need to spend this money, if needs be Housing can borrow it from the reserves and pay interest on it?

It is obvious to all that use the hospital that investment is needed. It makes sense to use the reserves to do this, but every effort should be made to use local contractors using local labour, so as to recycle the money within the local economy.

Yours faithfully

Paul Bradshaw