



Deakinland VAT

Muskan choudhary

Daphne Gibbs

Angela Morrall

About Deakinland

Deakinland is a small island, surrounded by the Indian Ocean and Pacific Ocean. It is located west to Australia

- **Deakinland** : country in Oceania
- **Currency**: Deakin dollars
- **Population**: 15 million (2016 world bank)



Deakin land.

Understanding VAT

- VAT raises about 20% of total tax revenues both worldwide and among the members of the Organisation for Economic Co-operation and Development
- As of 2018, 166 of the world's approximately 193 countries employ a VAT

Norway

- HDI ranking number 1 in the world
- Standard VAT 25%
- With exception of food stuff and beverage (15%), Transport (12%) and Fish (11.11%)

Australia

- HDI ranking number 2 in the world
- Standard VAT 10%
- With exception of domestically consumed items that are effectively zero-rated (GST-free) such as fresh food, education, and health services, certain medical products, as well as exemptions for Government charges and fees that are themselves in the nature of taxes.

Deakinland

- Deakinland is geographically similar to Australia. We draw on Australia's successful policy and design Deakinland's VAT to be competitive and in supportive of environmental sustainability, tourism and equality. VAT will be applied in four category i.e. 0%,5%,10%,15%.
- Standard VAT 5%
- Zero VAT on basic necessities (refer to next slide)
- 10% on luxury goods
- 15% on fuels, conventional cars, processed food, fast food and non-recyclable products

Basic necessities

- Raw food
- Education up to University
- some medical, health and care services
- some medical aids and appliances
- some medicines
- some childcare services
- some religious services and charitable activities
- supplies of accommodation and meals to residents of retirement villages by certain operators
- cars for disabled people to use, as long as certain requirements are met
- water, sewerage and drainage

Deakinland's VAT in relation to national economic focus

- Zero VAT on solar energy, hydro energy, smart cars and recyclables
- Tax bonus on switching from conventional cars to electric cars
- Zero VAT on gold with limited consumption to support tourism
- 5% on entertainment, theatres and hospitality

Consideration of VAT

- Deakinland's VAT policy will need to be considered with other policies such as custom duty, alcohol and tobacco tax, fuel tax, income tax and corporation tax
- As 20% of total government revenue, VAT needs to be adjusted as part of total national budget