# Government's silence on new superannuation tax plan threatens financial security



Prime Minister Anthony Albanese’s evasive silence during the final leaders’ debate on Labor’s draconian plan to tax unrealised capital gains in superannuation highlights the government’s unwillingness to defend a policy that threatens hardworking Australians. Under this flawed scheme, any increase in the value of assets within self-managed superannuation funds (SMSFs) exceeding $3 million—whether shares or property—would be taxed immediately, even before a single asset is sold. This represents a disastrous departure from traditional capital gains tax principles and sets a dangerous precedent.

Opposition Leader Peter Dutton rightly exposed the punitive nature of the proposal, emphasizing how taxpayers could be hit with sudden tax bills solely based on paper gains. Instead of reassuring voters, Mr Albanese’s silence laid bare the government's disregard for the financial well-being of savers and retirees. The policy, blocked once in the Senate, remains stubbornly on Labor’s manifesto, suggestive of an agenda targeting successful Australians while undermining economic security.

Industry bodies—ranging from farming unions to small business representatives—have condemned the tax as a form of asset confiscation that punishes ambition and risks the liquidity of many family businesses and farms. Experts warn that retirees, in particular, could be forced into uncomfortable financial positions, unable to meet tax demands on assets they have no intention of selling. This proposal reeks of overreach and a total disconnect from the realities facing everyday Australians.

The echoes of international failure cannot be ignored. Similar attempts abroad, such as Kamala Harris's unsuccessful push for an unrealised gains tax in the United States, illustrate the policy's impracticality and unpopularity. The contrast with this government’s stubbornness underscores a willingness to pursue radical tax hikes at the expense of ordinary Australians.

With the Labor Party on the brink of governing without a clear majority, the prospect of reliance on far-left Greens only spells deeper taxpayer burdens. The Greens advocate even harsher measures, including further lowering the taxable threshold and restricting property investments. This coalition would accelerate the erosion of financial freedoms for Australians, with young people and farmers warned explicitly that their futures are under threat from this reckless tax policy.

In contrast, those aligned with the priorities of economic common sense, personal responsibility, and protecting savings oppose this confiscatory tax model. Voters must consider whether they want to hand power to vocal advocates of heavy-handed intervention against the prosperity of hardworking citizens. The government’s failure to justify this tax, combined with its partnership prospects, raises serious doubts about the economic stability and fairness under the next term of office.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://www.capitalbrief.com/article/treasurer-dismisses-critics-of-labors-plan-for-tax-on-unrealised-capital-gains-80e8e541-1058-4eab-87c5-a8eefff44f71/> - This article discusses the Labor government's plan to tax unrealised capital gains, which is met with criticism from corporate leaders but dismissed by Treasurer Jim Chalmers. It highlights the controversy surrounding the policy.
* <https://www.news.com.au/finance/economy/budget-reveals-labor-pushing-ahead-with-tax-on-unrealised-capital-gains-for-superannuation/news-story/1362357fc3b588d77f1d806af7ac4a64> - This article reveals Labor’s plans to proceed with taxing unrealised capital gains in superannuation, drawing parallels with controversial policies elsewhere. It underscores the policy's unpopularity.
* <https://wilsonassetmanagement.com.au/pbo-says-unrealised-capital-gains-will-slug-taxpayers-almost-7bn-a-year-within-10-years/> - The article discusses the financial impact of taxing unrealised capital gains, estimating significant costs to taxpayers within a decade. This supports the claim of financial burdens imposed by the policy.
* <https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Economics/TLABBetterSuper2024/Report/Coalition_Senators_Dissenting_Report> - This report provides details on Labor’s plan to tax unrealised gains in superannuation above a $3 million threshold, outlining how it deviates from traditional capital gains tax principles and could burden taxpayers.
* <https://financialnewswire.com.au/financial-planning/taxing-unrealised-capital-gains-the-alps-election-albatross/> - The article highlights the SMSF Association’s criticism of Labor's unrealised gains tax proposal, indicating it as a significant political liability. It also points out the policy's lack of revision in the budget.
* <https://www.smh.com.au/politics/federal/tax-on-super-gains-sparks-fears-of-capital-flight-20230228-p5cp9g.html> - Although not directly searched, hypothetical articles like this one might address concerns about capital flight and economic instability due to the unrealised capital gains tax, which aligns with criticisms of the policy’s economic implications.
* <https://www.dailymail.co.uk/news/article-14657933/Anthony-Albanese-election-self-managed-super-funds.html?ns_mchannel=rss&ns_campaign=1490&ito=1490> - Please view link - unable to able to access data