

**From:** [Lloyd Bunting](#)  
**To:** [Tax Board](#)  
**Subject:** Re: "Tell us how we can improve tax concessions"  
**Date:** Thursday, 5 July 2018 4:59:36 PM  
**Attachments:** [news\\_20060814.jpg](#)

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My advice to the accountants we have used has consistently been "don't get cute with the Tax Office" (ie: don't go near the thresholds).

What this has meant for us though is that the tax concessions on offer are of no interest to us, because the time it takes to work through the intricacies of the conditions and the risk associated with the remaining uncertainties are not worth the reward of the concessions.

To take one example - our disruptive cloud-based grant management system [eGrants.com](#).

Our first client, Community Water Grants, which needed to pump \$200m into drought relief projects, had expected to receive about 1700 applications, and had estimated a ratio of 70 projects per case officer. By October 2005 the program received about 5,400 applications, half of which were in paper, and the other half had been submitted via an on-line form for which there was no back end. The geocoding tool built in to the on-line form had produced locations half way between Australia and South Africa. The program was committed to distribute the whole \$200m by 30 Jun 2006.

So our system:

- > provided a back end for the online forms
- > provided a fast means of registering the paper forms
- > provided on-line access to all applications for review by a Minister's Advisory Panel
- > provided accurate geocoding for all projects, with address validation and correction
- > provided ASIC webservice lookup for all registered companies, authorities and organisations
- > provided uploadable payment schedules for input to the Department's accounting system (the current process was manual data entry)
- > provided a geodata service that ranked needs in terms of rainfall and nearness to water sources
- > provided a means for expert environmental and engineering assessments for a panel of 5 engineering sources
- > provided a competitive ranking system, with allowable changes to ranking/merit weights (determined by the Minister's Advisory Council)
- > automatically created funding agreements
- > tracked progress reports
- > tracked funding acquittals
- > was accredited to PCI DSS security standards and audited daily by an external auditor
- > increased the number of cases per case officer from 70 to an average of 700, with some in excess of 1,000,
- > achieved 99.5% compliance and 95% user satisfaction rating (satisfied, very satisfied)
- > eliminated fraud (against an expectation of at least \$10 million fraud, there was just one recoverable case of \$50,000)

... and most importantly ...

- > achieved the 30 Jun 2006 target

... and also won, for the project team, a minister's achievement award:



Program Manager Richard Nott at left receiving the Minister's award from Senator Campbell and at right congratulated by the Departmental Secretary.

Our system was also used for subsequent rounds of Community Water Grants, and was also selected for the emergency injection of \$200m into local government infrastructure grants at the depth of the GFC (under Minister Albanese). That program was also receiving grants in paper and had an urgent deadline. They expected that they needed a team of 80 people - with our system they got the job done with less than 25.

Sounds impressive? Innovative?

We thought about applying for a government concession, but the eligibility rules were very uncertain - and we decided not to spend the time applying.

We never bother even researching the concessions because there are always so many conditions and uncertainties.

So my recommendation is to specify any concessions with absolute certainty as to eligibility ... or they only get used by small businesses with the best accountants/lawyers.

How small was our business? 2 people working 7 days/week, 20 hours per day (incl two 20 hour Christmas Days) (with occasional specialist contractors).

What happened to our business? Our government clients learned from our designs and built their own systems in 2007-2008.

Regards,

Lloyd Bunting

