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30 April 2013

Manager
Corporate Tax Unit
Corporate and International Tax Division
The Treasury
Langton Crescent
PARKES ACT 2600
companylosses@treasury.gov.au

Dear Manager,



I write to you in relation to the consultation with regards to the *Tax Loss Incentive for Designated Infrastructure Exposure Draft*.

Business SA is South Australia's leading business membership organisation, representing thousands of businesses through direct membership and affiliated industry associations. We represent businesses across all industry sectors, ranging in size from micro-business to multi-national companies. Business SA advocates on behalf of business to propose legislative, regulatory and policy reforms and programs for sustainable economic growth in South Australia.

Business SA has previously indicated that it is supportive of measures that encourage the private sectors further participation in infrastructure projects; having the right infrastructure is vital for business in South Australia. Business SA is pleased that the Exposure Draft accurately reflects the issues rose in the discussion paper previously.

As mentioned above, increasing the private sector's participation in infrastructure is vital for Australia's future. Incentives through the tax system is one important way to do this. In the context of major infrastructure projects, allowing the value of carry forward tax losses to be uplifted at the 10 year Government bond rate and exempting tax losses from continuity of ownership and same business tests are practical steps that will increase infrastructure provision involvement by the private sector and improve cash flow for business.

Should you require any further information or have any questions, please contact Rick Cairney, Director of Policy, Business SA on (08) 8300 0060 or rickc@business-sa.com.

Yours sincerely



Nigel McBride
Chief Executive Officer