



Wednesday 26th June 2019

Mustafa Baskan  


To The Economy and Infrastructure Committee:

I, Mustafa Baskan, applied for the first Hardship Fund because my Taxi business was making a financial loss ever since the Victorian Government started introducing Taxi Industry reforms making deals with the ride sharing Groups such as UBER & UBER X and others forcing Taxi Licence Holders to lose customers, making the business lose money on a daily basis. When my taxi business started to struggle financially. I started using the personal credit card more and more to prop up the business paying for expenses such as Mechanical Repairs and buying petrol & gas day to day for the Taxi. I started receiving high credit card debt monthly between minimum \$2,000 as high as \$9,000. To pay the credit card monthly, I started withdrawing money from my home loans equity between the year 1<sup>st</sup> July 2011 and 30<sup>th</sup> June 2014. The total equity amount withdrawn was \$62,957, when the Victorian Government introduced a \$4 Million Hardship Fund application that was set up on Thursday 19<sup>th</sup> November 2015 and closed on Friday 12<sup>th</sup> February 2016. I almost didn't apply because the criteria wasn't clear on who could apply and we had to give a lot of personal financial information at the time not knowing how this information would be divulged and whom would see it, we opened up wholly. When we were told we would receive \$62,400 we weren't told that this would be taxed. Once receiving this amount of \$62,400 on the 26<sup>th</sup> OCTOBER 2016 my wife deposited the full amount back into the Home Loans to reduce it. On 15<sup>th</sup> MARCH 2017 the Australian Taxation Office has ruled that payments made from the Taxi Reform Hardship Fund should be treated as taxable income. This decision is another blow for Taxi Licence Holders families, to be able to afford to pay tax on the \$62,400 is another financial burden that we didn't need, we won't be able to pay tax when I have already put into the Home Loan. I would need to withdraw back some of the money from the Home Loan and which will increase my repayments, and to do so will hurt my family financially hard. I have already applied for second Fairness Fund that closes today 30<sup>th</sup> APRIL 2017. The application that I made to the Fairness Fund was successful, I was given \$50,000 from the Fairness Fund on Friday 1<sup>st</sup> September 2017 into my savings account, but this considered as income from the ATO therefore I had pay Income Tax of \$10,873.65 on my Tax Return 2017-2018. Paid Friday 15<sup>th</sup> MARCH 2019. The rest went to paying our outstanding home loan over \$31,000 paid Monday 11<sup>th</sup> September 17. I stopped self-employment on Sunday 28<sup>th</sup> February 2016. Sold my Taxi  for \$12,000 to pay off any debts on my credit cards and pay outstanding money owing to my mechanic. I leased out the Taxi Plate  to the person I sold my business to for \$1800 per month. I decided this would supplement my income, which the lease dropped to \$1600 but the person didn't pay the last 2 lease payments August & September 2017 owing me \$2,200. I'm still waiting for this, but it has been nearly 2 years I won't hold my breath. The final lease date was Monday 9<sup>th</sup> October 2017 when the Victorian Government officially took our Taxi Plate away

from us. I didn't have any income from any source , I asked my parents if I could move in with them with my wife and children, so I could rent my main home for \$1,600 per month to support my family since I had no Taxi Plate [REDACTED] to lease out any longer. I approached Centrelink for ASSISTANCE after nearly 3years being out of work. This has been a shock to me moving back in with my parents after age 50. I feel I have let my family down causing me ask for help from a Psychologist since March2016, and currently seeing a Clinical Psychologist since Monday24thSeptember2017 and a Psychiatrist since Tuesday22ndJanuary2019 because I'm struggling mentally and financially. I'm currently on anti-depressant medication. I DON'T KNOW WHAT OUR FUTURE HOLDS.

Yours Faithfully;

[REDACTED]

Mustafa Baskan