# POCKET GUIDE TO THE AUSTRALIAN TAXATION SYSTEM 2012-13

Detailed information about taxation revenue can be found in the 2012-13 Mid-Year Economic and Fiscal Outlook (MYEFO). This guide includes information up to and including the 2012-13 MYEFO and the Tax Expenditures Statement 2011 (TES).

Australian Government financial statistics are reported on two accounting frameworks, both of which are used in this document. Part 1 uses accrual financial statistics as this is the accounting framework adopted by Organisation for Economic Co-operation and Development (OECD), whereas Part 2 uses cash financial statistics as this accounting framework provides for better historical analysis.

**JANUARY 2013** 

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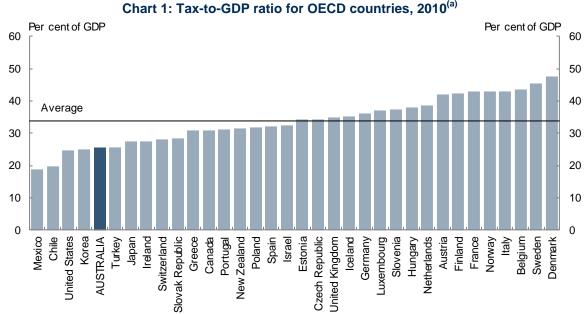
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## Part 1: Australia's tax system compared with the OECD

The analysis in this section combines the tax systems of all levels of government — national, state and local — and compares Australia with the tax systems of other OECD economies using the accrual accounting framework.

#### Tax burden

Australia's tax-to-GDP ratio is low by international standards. In 2010 (Australia's 2010-11 financial year), the latest year for which comparable international data is available, Australia had the fifth lowest tax burden of the OECD countries (Chart 1) and has typically ranked in the bottom third of countries since 1965 (when comparable data was first available). In 2010, Australia's tax-to-GDP ratio was 25.6 per cent — below the OECD average of 33.8 per cent.



(a) The OECD's measure of the tax burden is the total taxation revenue of national, state and local governments expressed as a percentage of gross domestic product. For Australia, the data is for the 2010-11 financial year, the latest year where comparable numbers are available.

Source: OECD Revenue Statistics, 2012.

Chart 2 shows Australia's taxes by level of government over time. The Australian Government's total taxation revenue as a percentage of GDP averaged 22.5 per cent over the period from 1980-81 to 2010-11.

Per cent of GDP Per cent of GDP 40 OECD average Local Governments 30 30 State Governments 20 20 Australian Government 10 10 1980-81 1983-84 1986-87 1989-90 1992-93 1995-96 1998-99 2001-02 2010-11

Chart 2: Australia's tax-to-GDP ratio by level of government

Source: ABS Catalogue 5506.0, Taxation Revenue, Australia; and OECD Revenue Statistics, 2012.

The Australian Government raised 80.3 per cent of Australia's total tax revenue in 2010 (Chart 3). The proportion of total taxation revenue attributed to the central government in Australia is the sixth highest amongst the OECD countries.

Per cent of total tax revenue Per cent of total tax revenue 100 100 80 80 60 60 40 40 20 20 Korea Greece Sweden Belgium Austria Portugal Estonia Ireland Canada Slovenia Poland Iceland United Kingdom New Zealand Slovak Republic Netherlands Turkey Denmark AUSTRALIA Spain **Juited States Szech Republic** Luxembourg France Switzerland Italy

Chart 3: Australian Government taxation revenue as a proportion of total taxation revenue for OECD countries, 2010

Source: OECD Revenue Statistics, 2012.

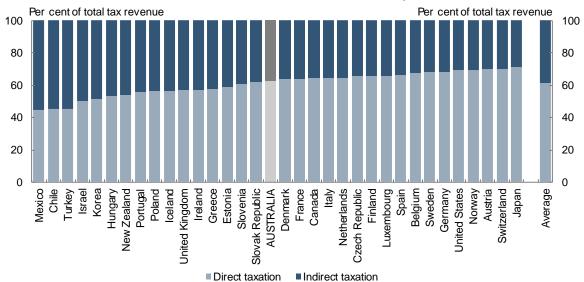
#### Tax mix

The Australian tax mix is broadly similar to most OECD countries (Chart 4), although there are a few distinguishing features.

Like most countries, Australia raises the majority of its taxation revenue (62.3 per cent in 2010) from direct taxation, which is levied on incomes — wages, salaries, payrolls and profits. This is close to the OECD average of 61.6 per cent. Countries with a higher reliance than Australia on direct taxation include Japan (71.3 per cent) and Switzerland (70.0 per cent).

The remaining 37.7 per cent of Australia's taxation revenue is derived from indirect taxation, including the goods and services tax, excise and customs duties, and property taxes. The OECD average is 38.4 per cent.

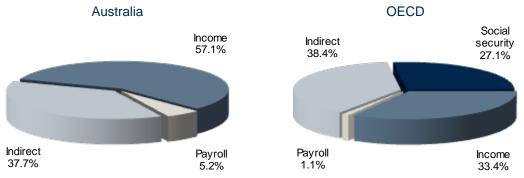
Chart 4: Direct and indirect taxation revenue as a proportion of total taxation revenue for OECD countries, 2010



Source: OECD Revenue Statistics, 2012.

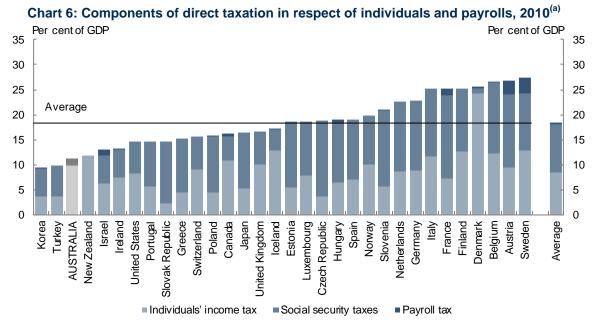
Australia's composition of direct taxes differs from most OECD countries. Australia is one of two OECD countries (the other being New Zealand) that do not levy social security taxes. In contrast, social security taxes are a large source of direct taxation revenue for a significant number of OECD countries (Chart 5).

Chart 5: Australia's taxation composition compared with the OECD average, 2010



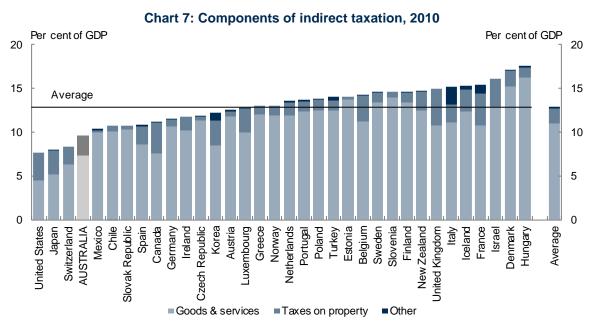
Source: OECD Revenue Statistics, 2012.

Relative to GDP, Australia has the third lowest level of total taxation on personal income, which includes taxes on personal income, social security taxes and taxes on payroll, in the OECD (Chart 6). Australia's tax burden relating to these items (11.2 per cent of GDP) is lower than the OECD average (18.4 per cent).



(a) Chile and Mexico have not been included due to incomplete data. This affects the average OECD figure. Source: OECD Revenue Statistics, 2012.

Most indirect taxation in OECD countries is generated through various taxes on goods and services. Australia has the fourth lowest level for goods and services taxes and total indirect taxation in the OECD (Chart 7). Australia's indirect tax burden relating to these items is 9.7 per cent of GDP which is significantly lower than the OECD average of 12.9 per cent.



Source: OECD Revenue Statistics, 2012.

Note: The OECD Revenue Statistics publication bundles other indirect taxes such as excise, customs and sales taxes into their label for 'goods and services taxes' — this terminology should not be confused with the 'goods and services tax' as reported in the Australian Government budget papers, which does not incorporate any additional indirect taxes.

#### **Petrol taxation**

The rate of excise duty on unleaded petrol in Australia is 38.1 cents per litre. This rate has been maintained since the indexation of petrol excise rates to the consumer price index (CPI) ceased in March 2001. The impact of excise duty on unleaded petrol, combined with the impact of general consumption taxes (value added tax (VAT), GST and sales taxes), is shown in Chart 8 for most OECD countries. Under this combined measure, which illustrates the total tax imposed on consumers, the average level of tax included in petrol prices for the OECD countries was A\$ 0.95 per litre in the second quarter of 2012. In comparison, the level of tax included in unleaded petrol prices in Australia for the second quarter of 2011 was about half this amount at A\$ 0.54 per litre — the fourth lowest of the OECD countries for which comparable data are available.

Chart 8: Regular unleaded petrol prices (a) OECD countries, second quarter 2012 A\$/litre A\$/litre 3.5 3.5 3.0 3.0 2.5 2.5 Average 2.0 2.0 1.5 1.5 1.0 1.0 0.5 0.5 0.0 0.0 Korea Hungary Denmark Belgium Greece Canada Chile Poland Estonia Austria Japan Slovak Republic srae France Ireland Germany Finland Netherlands Average United States AUSTRALIA Slovenia Sweden **New Zealand** Luxembourg Republic Switzerland Portugal Kingdom Szech ■ Price excluding tax (\$AUD) ■ Tax component (\$AUD)

Price excluding tax (\$A(a) Iceland has not been included due to incomplete data.

Source: IEA Statistics, Energy Prices and Taxes, Third Quarter 2012.

#### Part 2: Australian Government taxes

The analysis in Part 1 combined the tax systems of all levels of government and used the accrual accounting framework. This section focuses on Australian Government taxes — that is, it excludes taxes imposed by state and local governments — and uses the cash accounting framework.

#### Tax mix

The Australian Government's main source of taxation revenue is the taxation of income. These taxes are estimated to represent around 74.4 per cent of total taxation receipts in 2012-13 (Chart 9).

Personal income tax, which is made up of gross income tax withholding, gross other individuals' income tax and individuals' refunds, accounts for 47.1 per cent of total taxation receipts.

A further 2.4 per cent is from taxes levied on superannuation funds and 1.2 per cent is from fringe benefits tax (FBT).

Company income and resource rent taxation accounts for 22.6 per cent of total taxation receipts.

The carbon pricing mechanism, introduced on July 1 2012, accounts for 1.2 per cent of total taxation receipts.

Sales taxes, inclusive of the GST, contribute 14.6 per cent. The remaining 11.0 per cent of taxation receipts are mostly accounted for by excise and customs duties.

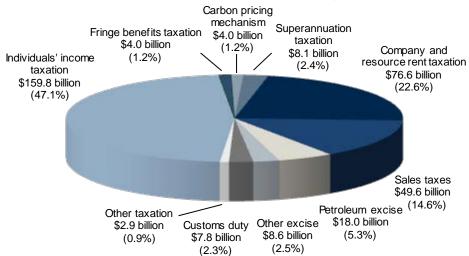


Chart 9: Australian Government tax mix, 2012-13

Source: 2012-13 MYEFO.

Tax receipts as a proportion of GDP have moved in a relatively small range over the last two decades (Chart 10). Sales taxes have expanded with the introduction of GST in 1999-2000, while total individuals' income taxes fell.

Taxes as a proportion of GDP steadily increased from the early 1990s peaking in 2004-05 at 24.2 per cent. The tax-to-GDP ratio declined as the global financial crisis reduced receipts sharply. Tax receipts are expected to rebound steadily relative to GDP to average 22.8 per cent over the estimates period.

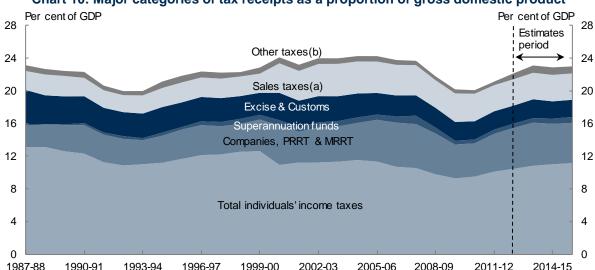


Chart 10: Major categories of tax receipts as a proportion of gross domestic product

- (a) Sales taxes include the GST, the luxury car tax, the wine equalisation tax and the wholesale sales tax.
- (b) Other taxes include other indirect taxes, fringe benefits tax and the carbon pricing mechanism.

Source: 2012-13 MYEFO

#### Personal income tax distribution

The personal income tax system is progressive — the tax share increases for those who earn more, while those individuals who have limited means bear relatively little or no tax liability (Chart 11).

For the 2009-10 income year (the latest year for which tax return data is available from the ATO), 57.5 per cent of personal income tax was collected from the 17.4 per cent of taxpayers earning more than \$80,000 (with around 24.0 per cent of personal income tax coming from the 2.3 per cent of taxpayers earning over \$180,000).

In comparison, the 30.5 per cent of taxpayers who earned less than \$35,000 in taxable income paid only 4.0 per cent of the total net tax payable on income.

The 52.1 per cent of taxpayers in the \$35,001 to \$80,000 income range paid 38.6 per cent of total net tax payable on income.

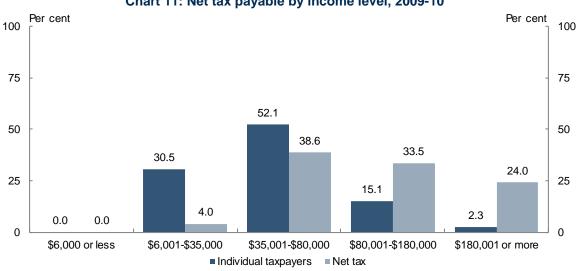


Chart 11: Net tax payable by income level, 2009-10

Source: ATO, Taxation Statistics 2009-10.

#### Company income tax distribution

Most company income tax is paid by a relatively small group of large companies (Chart 12). For the 2009-10 income year, 63.9 per cent of company income tax was collected from the 0.5 per cent of incorporated taxpayers that earned more than \$100 million in total income.

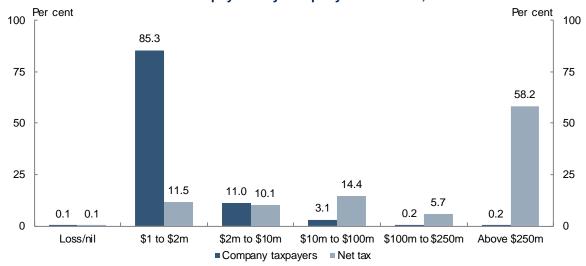


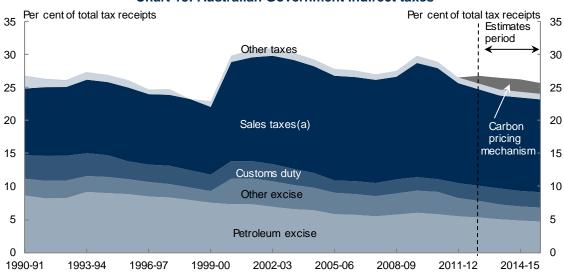
Chart 12: Net tax payable by company income size, 2009-10

Source: ATO, Taxation Statistics 2009-10.

#### **Indirect taxes**

The share of indirect taxes in total receipts exhibits a long-term declining trend (Chart 13) as some of the indirect tax bases do not grow as quickly as the income tax bases. Policy decisions taken by governments, such as trade liberalisation and removal of indexation on petroleum excises, have accelerated this trend.

However, with the introduction of the GST in July 2000, the share of indirect taxes in total tax receipts increased from 22.9 per cent in 1999-2000 to 29.9 per cent in 2000-01. In addition, decisions to increase the luxury car tax and to remove the crude oil excise exemption on condensate production increased indirect tax receipts from 2008-09. The carbon pricing mechanism, effective from 1 July 2012, is expected to increase indirect taxes by 1.2 per cent of total tax receipts in 2012-13.



**Chart 13: Australian Government indirect taxes** 

(a) Sales taxes comprise the GST, the luxury car tax, the wine equalisation tax and the wholesale sales tax. Source: 2012-13 MYEFO.

#### Tax expenditures

Tax expenditures provide a benefit to a specified activity or class of taxpayer. They can be delivered as a tax exemption, tax deduction, tax offset, concessional tax rate or deferral of a tax liability. The Government can use tax expenditures to allocate resources to different activities or taxpayers in much the same way that it can use direct expenditure programmes.

The data on tax expenditures reported below includes tax expenditures related to the GST. The data incorporates the impact on tax expenditures of policy decisions up to and including those reported in the 2012-13 MYEFO. Care needs to be taken when analysing tax expenditure data. For a detailed discussion see Chapter 2 of the TES. Chart 14 contains estimates of total tax expenditures for the period 2007-08 to 2015-16. Total tax expenditure as a proportion of GDP is expected to rise slightly to 7.8 per cent in 2012-13, the average across the period shown is 8.5 per cent.

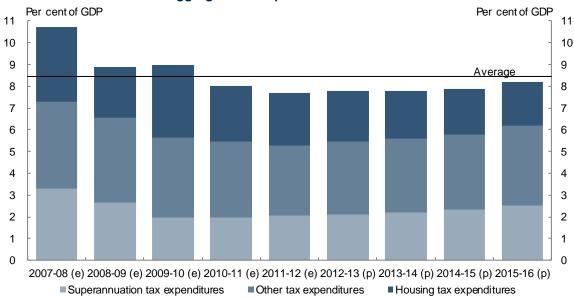


Chart 14: Aggregate tax expenditures 2007-08 to 2015-16

Source: TES 2011 and 2012 13 MYEFO.

A list of the large tax expenditures for 2011-12 is provided in Table 1. Total measured tax expenditures for 2011-12 are estimated to be \$113 billion. Housing tax expenditures are expected to comprise around one-third and superannuation tax expenditures comprise around one-quarter of total measured tax expenditures.

Table 1: Large tax expenditures in 2011-12 \_\_\_\_\_ \_\_\_ Estimate

	Estimate
Tax expenditure	\$m_
Large positive tax expenditures	
Capital gains tax main residence exemption — discount component	20,000
Capital gains tax main residence exemption	15,500
Superannuation — concessional taxation of employer contributions	14,850
Superannuation — concessional taxation of superannuation entity earnings	14,000
GST — Food — uncooked, not prepared, not for consumption on premises of sale	
and some beverages	5,900
Capital gains tax discount for individuals and trusts	4,700
GST — Health; medical and health services	3,050
GST — Education	2,900
GST — Financial Supplies; input taxed treatment	2,450
Exemption of Family Tax Benefit, Parts A and B, including expense equivalent	2,060
Concessional taxation of non-superannuation termination benefits	1,450
Exemption from interest withholding tax on certain securities	1,440
Exemption of 30 per cent private health insurance rebate, including expense equivalent	1,320
GST — Financial Supplies; reduced input tax credits	1,290
Philanthropy — Exemption for public benevolent institutions	
(excluding public and not-for-profit hospitals)	1,260
Application of statutory formula to value car benefits	1,220
Exemption from the Medicare levy for residents with a taxable income below a threshold	1,200
Concessional rate of excise levied on aviation gasoline and aviation turbine fuel	1,060
GST — Imported services	1,050
Statutory effective life caps	1,040
Philanthropy — Exemption for public and not-for-profit hospitals and public ambulance services	1,000
Large negative tax expenditures	
Customs duty	-2,460
Higher rate of excise levied on cigarettes not exceeding 0.8 grams of tobacco	-1,760
Flood and cyclone reconstruction levy	1,500

Source: TES 2011

### **APPENDIX A: DESCRIPTION OF REVENUE HEADS**

#### **INCOME TAXATION**

#### 1. Individuals and other withholding taxation

These revenue heads broadly cover all personal income tax. A schedule of the legislated personal income tax rates from 1 July 2010 is provided in Table 2.

As part of the introduction of a carbon pricing mechanism (CPM), significant changes have been made to the personal income tax rates and thresholds, including more than trebling the tax free threshold from \$6,000 to \$18,200. These changes were made effective on 1 July 2012.

#### 1.1. Gross income tax withholding (ITW)

The bulk of ITW revenue arises from the pay-as-you-go (PAYG) withholding system, under which taxes are withheld from wage and salary income.

ITW also includes all other withholding taxes levied on natural resource payments, dividends, interest and royalties paid to non-residents, payments to Australian indigenous groups for the use of land for mineral exploration and mining, and amounts withheld because no tax file number or Australian business number (ABN) was quoted — these taxes are often withheld from companies, rather than individuals. It also includes applicable Medicare levy revenue.

#### 1.2. Gross other individuals' income tax

Gross revenue from other individuals consists of income tax paid by individuals other than that collected through the PAYG withholding system, and includes applicable Medicare levy revenue. It comprises:

- PAYG instalments paid directly by individuals that is, not withheld by employers; and
- debit assessments on income tax returns lodged after the end of each financial year (which arise when tax credits are insufficient to meet the final tax liability, requiring taxpayers to make an additional payment for the difference).

Taxpayers in this category derive their income from many sources, including:

- profits from small unincorporated businesses, primary production and investment activities;
- wages and salaries (when PAYG withholding credits are insufficient to meet the tax liability on assessment); and
- capital gains.

Most revenue from other individuals is collected directly from the taxpayer through the PAYG instalment system. Individuals with annual tax liabilities of \$8,000 or more and individuals who are registered for the GST will generally make quarterly payments. Individuals who have annual taxation liabilities of less than \$8,000 and are not registered for the GST have the choice of making quarterly payments or an annual payment.

#### 1.3. Income tax refunds for individuals

A final assessment of the income tax liabilities of individual taxpayers is normally made on the basis of returns lodged after the end of each financial year. Refunds from the Australian Tax Office (ATO) are made where tax credits to an individual exceed their final liability on assessment.

#### 1.4. Medicare levy

The amount of Medicare levy paid is based on an individual's taxable income and is normally calculated at 1.5 per cent of taxable income, but this rate may vary depending on circumstances. An individual may be exempt from the levy or may pay a reduced levy if the taxpayer has a low income.

Individuals and families on higher incomes who do not have an appropriate level of private health insurance may also have to pay the Medicare levy surcharge, which is currently calculated at an additional 1.0 per cent of taxable income. Effective from 1 July 2010, surcharge rates of 1.0, 1.25 and 1.5 per cent are tiered across three bands of income, with the surcharge rate increasing with income.

#### 1.5. Low income tax offset (LITO)

The LITO provides targeted tax relief to low and middle income earners. Effective from 1 July 2012, the LITO decreased from \$1,500 to \$445 as part of the introduction of a CPM. The LITO is withdrawn at 1.5 cents for each additional dollar earned above the income level of \$37,000. LITO recipients receive a small amount of the benefits of the LITO through their regular pay, with the remainder claimable when their income tax return is assessed.

Because of changes to the tax free threshold as part of the introduction of a CPM, those eligible for the full LITO will not pay tax after assessment until their annual income exceeds at least \$20,542, up from an effective tax-free threshold of \$16,000 in 2011-12.

#### 1.6. Fringe benefits tax (FBT)

FBT is payable by employers on the value of certain non-cash benefits that have generally been provided to their employees. The intent of the FBT is to improve the fairness of the tax system, by ensuring that tax cannot be avoided by paying employees in benefits rather than cash. The employer is liable to pay FBT. Since 1 April 2006, FBT has been levied at 46.5 per cent of the grossed-up taxable value of benefits (which includes any right, privilege, service or facility provided in respect of employment), as calculated under FBT rules.

#### 2. Taxation on superannuation funds

These taxes cover all income taxes generally paid by superannuation funds on behalf of their members on their contributions and earnings. Complying funds are currently subject to a 15 per cent tax rate while non-complying funds pay a 45 per cent tax rate. The concessional taxation treatment of superannuation is designed to encourage superannuation saving for retirement. Contributions made to a superannuation fund, and the earnings on those contributions, are taxed through the PAYG instalment system.

Superannuation funds are taxed generally at a concessional rate of 15 per cent in relation to taxable contributions received, realised capital gains and investment income. Only two-thirds of a capital gain is included in assessable income if the asset is held for at least 12 months.

Life insurers and retirement savings account (RSA) providers also provide superannuation products. Tax on superannuation related contributions, realised capital gains and investment income in life insurers and RSA providers is levied at the same rates as applies to superannuation funds but is paid through the company income tax system.

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Table 2: Personal income tax rates<sup>(a)</sup>

	From 1 July	2010	From 1 July	2011	From 1 July	2012	From 1 July	2013
	Taxable income	Per cent	Taxable income	Per cent	Taxable income	Per cent	Taxable income	Per cent
Residents	\$0-\$6,000	Nil	\$0-\$6,000	Nil	\$0-\$18,200	Nil	\$0-\$18,200	Nil
	\$6,001-\$37,000	15	\$6,001-\$37,000	15	\$18,201-\$37,000	19	\$18,201-\$37,000	19
	\$37,001-\$80,000	30	\$37,001-\$80,000	30	\$37,001-\$80,000	32.5	\$37,001-\$80,000	32.5
	\$80,001-\$180,000	37	\$80,001-\$180,000	37	\$80,001-\$180,000	37	\$80,001-\$180,000	37
	> \$180,000	45	> \$180,000	45	> \$180,000	45	> \$180,000	45
Non-residents	\$0-\$37,000	29	\$0-\$37,000	29				
	\$37,001-\$80,000	30	\$37,001-\$80,000	30	\$0-\$80,000	32.5	\$0-\$80,000	32.5
	\$80,001-\$180,000	37	\$80,001-\$180,000	37	\$80,001-\$180,000	37	\$80,001-\$180,000	37
	> \$180,000	45	> \$180,000	45	> \$180,000	45	> \$180,000	45
Medicare levy(b)	<b>\$0-\$18,839</b>	Nil	\$0 <b>-</b> \$19,404		\$0-\$20,542	Nil	\$0 <b>-</b> \$20,542	 Nil
(for singles)	\$18,840-\$22,163	10% of >	\$19,405-\$22,828	10% of >	\$20,543-\$24,167	10% of >	\$20,543-\$24,167	10% of >
, ,		\$18,839	. , . ,	\$19,404	. , . ,	\$20,542	. , . ,	\$20,542
	> \$22,163	1.5	> \$22,828	1.5	> \$24,167	1.5	> \$24,167	1.5
		Amount		Amount		Amount		Am ount
Low Income	\$0-\$30,000	\$1,500	\$0-\$30,000	\$1,500	\$0-\$37,000	\$445	\$0-\$37,000	\$445
Tax Offset	\$30,001-\$67,500	less 4%	\$30,001-\$67,500	less 4%	\$37,001-\$66,666	less 1.5%	\$37,001-\$66,666	less 1.5%
Tax Offset	<del>+</del> ,	of >	<b>*</b> ,	of >	****	of >	***************************************	of >
		\$30,000		\$30,000		\$37,000		\$37,000
	> \$67,500	Nil	> \$67,500	Nil	> \$66,666	Nil	> \$66,666	Nil

<sup>(</sup>a) This table includes legislated changes to tax rates and thresholds, excluding temporary changes such as the Temporary Flood and Cyclone Reconstruction Levy in 2011-12. Source: 2012-13 Budget.

#### 3. Company and other related income taxation

These revenue heads broadly cover all income taxes paid by corporate type entities.

#### 3.1. Company income taxation

Company income taxation is levied at a rate of 30 per cent on all taxable income earned by companies, including incorporated and unincorporated associations, limited partnerships and some corporate unit trusts and public trading trusts. Special tax rates apply to pooled development funds and to certain classes of taxable income of life insurance companies, credit unions, non-profit companies and retirement savings account providers.

Generally, every resident company that derives assessable income (including capital gains), whether sourced within or outside of Australia, and every non-resident company that derives assessable income from Australian sources is required to pay company tax.

Company income tax serves two primary purposes.

- In respect of that portion of company profits attributable to resident shareholders, company income tax is a withholding tax. Resident shareholders declare the dividends they receive from the company in their personal taxable income, they receive a credit for tax paid by the company and they can use the credit to offset their personal income tax liability.
- In respect of that portion of company profits attributable to non-resident shareholders, company income tax may be the final taxing point. Credits for tax paid by the company may not be available for use by non-residents.

#### 3.2. Resource rent taxes

Petroleum resource rent tax (PRRT) is levied at a rate of 40 per cent on taxable profit in respect of offshore petroleum projects other than some of the North-West Shelf production areas, which are subject to excise (included in excise on petroleum and other fuel products) and royalties. The amount paid is deductible from a company's taxable income when determining its company tax liability. The tax aims to ensure an equitable return accrues to the community for access to Australia's non-renewable petroleum resources and to provide a fiscal regime that encourages the exploration and production of petroleum by taxing only after a threshold rate of return is reached.

The Australian Government has introduced a Minerals Resource Rent Tax (MRRT) on the profits derived from new and existing iron ore and coal projects. The MRRT, effective from 1 July 2012, is levied at 30 per cent on taxable profit for mining projects that exceed \$75 million per annum. This reform ensures that the Australian people will receive a better return from the exploitation of its non-renewable resources.

#### **INDIRECT TAXES**

#### 1. Carbon pricing mechanism (CPM)

The Australian Government introduced a CPM on polluters who emit more than 25,000 tonnes of  $CO_2$ -equivalent a year, effective from 1 July 2012. From 1 July 2012 the CPM has involved a fixed price starting at \$23 per tonne of  $CO_2$ -equivalent emissions, rising by 2.5 per cent each year in real terms.

From 1 July 2015, a floating market-based Emission Trading Scheme (ETS) will commence whereby the Government will set a cap on emissions, and the market will determine the price of permits. During the first three years of the scheme, until 30 June 2018, there will be a transitional price ceiling to

manage price volatility. The price ceiling for 2015-16 will be set at \$20 above the expected international carbon price, rising by 5 per cent each year in real terms in 2016-17 and 2017-18.

#### 2. Sales taxes

#### 2.1. Goods and services tax (GST)

The GST is a broad-based, indirect tax levied at a rate of 10 per cent on most goods and services consumed in Australia. The GST is estimated to be levied on around 56 per cent of total household consumption with key exclusions being basic food items, health care, child care, rent and education. Exports are not consumed in Australia and therefore are exempt from the GST.

In accordance with the *Intergovernmental Agreement on Federal Financial Relations*, the Australian Government administers the GST on behalf of the States and Territories, which receive GST revenues.

#### 2.2. Wine equalisation tax (WET)

All wines, meads, perries, ciders and sakes are subject to WET. Unlike alcohol excises, WET is an ad valorem tax. It is calculated at a rate of 29 per cent of the final wholesale price or, in certain other permitted circumstances, of a nominal wholesale value calculated as 50 per cent of the retail price, or alternatively at the average wholesale price for identical wine.

A maximum rebate of \$500,000 is payable annually to wine producers or producer groups.

#### 2.3. Luxury car tax (LCT)

The LCT, currently set at 33 per cent, is a single stage tax that is calculated on the value of the car that exceeds the luxury car tax threshold. The luxury car threshold for the 2012-13 financial year is \$75,375 for fuel-efficient cars or \$59,133 for other cars. The LCT threshold is usually indexed using the CPI and the fuel-efficient cars rate is indexed annually using the motor vehicle purchase component of the CPI, which is composed of observed price movements for new vehicles sold in Australia. If the change in the motor vehicle purchase component of the CPI is negative, the threshold is not reduced.

The fuel efficient car limit replaces the luxury car tax threshold for cars with a fuel consumption not exceeding seven litres per 100 kilometres as a combined rating under vehicle standards in force under Section 7 of the *Motor Vehicle Standards Act 1989*.

#### 3. Excise

The major categories of excisable products are petroleum and other fuel products, crude oil, oils and lubricants, tobacco and alcoholic beverages (other than wine). Equivalent duties on identical imported products are imposed through, and reported under, customs duty.

Petroleum and other fuel excise includes excise on petrol (gasoline), diesel, fuel ethanol, bio diesel, blends, aviation gasoline, aviation kerosene, fuel oil, heating oil and kerosene. It is imposed at specific rates per litre of product.

Excise on aviation fuel is channelled to fund the Civil Aviation Safety Authority (CASA). The current excise rates are 8.616 cents per litre for aviation gasoline and 9.536 cents per litre for aviation kerosene. The excise increased on 1 July 2012 from 3.556 cents per litre to include the carbon price. As aviation gasoline and kerosene have different carbon emissions, they have different excise rates from 1 July 2012.

Crude oil excise provides a return to the community for the exploitation of its natural resources. The rate of excise varies according to the quantity sold, the sale price, and the dates of discovery and development of the oil field. The crude oil excise regime applies to:

- crude oil production from offshore fields in the North-West Shelf production licence areas that are not subject to petroleum resource rent tax;
- crude oil production from onshore fields and fields in coastal waters; and
- condensate production from petroleum fields located in the North-West Shelf Project area and onshore Australia (brought into the crude oil excise regime on 13 May 2008). Condensate is light oil extracted from 'wet' gas and primarily processed for use in motor vehicles.

Other excise is derived from beer, spirits, other alcoholic beverages (other than wine) and tobacco products.

- For beer, spirits and other alcoholic beverages, excise is imposed on the alcohol content. The
  excise rate on commercial beer in containers greater than 48 litres (draught beer) is lower than for
  other commercial beer.
  - Beer for personal consumption (non-commercial beer) brewed in commercial facilities attracts duty at a reduced rate, equivalent to 7 per cent of the applicable beer excise.
  - From 1 August 2011, the excise on 'other excisable beverages' was increased to the rate on full strength spirits. Other excisable beverages are those not exceeding 10 per cent by volume of alcohol and include most 'ready-to-drink' alcoholic beverages.
- Excise is imposed on a *per stick* basis for cigarettes that do not exceed 0.8 grams (actual tobacco content) and on a *per kilogram* basis for other tobacco products.
  - The excise on cigarettes and loose leaf tobacco is \$0.34889 per stick and \$436.13 per kilogram respectively, effective from 1 August 2012. This excise increase also applied to excise-equivalent customs duty on comparable imported tobacco products.
- Wine is not subject to excise, but is subject to the wine equalisation tax.

Table 3: Excise rates<sup>(a)</sup>

	Rates	Rates	Rates	Rates	Rates
	applying	applying	applying	applying	applying
	from	from	from	from	from
	2 Aug 2010	1 Feb 2011	1 Aug 2011	1 Feb 2012	1 Aug 2012 (b)
Commodity	\$	\$	\$	\$	\$
Petroleum and other fuel products (per litre)					
Gasoline	0.38143	0.38143	0.38143	0.38143	0.38143
Diesel	0.38143	0.38143	0.38143	0.38143	0.38143
Ethanol and biodiesel	0.38143	0.38143	0.38143	0.38143	0.38143
Blends of the above	0.38143	0.38143	0.38143	0.38143	0.38143
Aviation gasoline	0.03556	0.03556	0.03556	0.03556	0.08616
Aviation kerosene	0.03556	0.03556	0.03556	0.03556	0.09536
Other petroleum products	0.38143	0.38143	0.38143	0.38143	0.38143
Greases (per kilogram)	0.05449	0.05449	0.05449	0.05449	0.05449
Oils and lubricants, excluding greases (per litre)	0.05449	0.05449	0.05449	0.05449	0.05449
Beer (per litre of alcohol over 1.15 per cent)					
Draught beer, low strength	7.25	7.33	7.51	7.56	7.61
Draught beer, mid strength	22.76	23.01	23.59	23.73	23.87
Draught beer, high strength	29.78	30.11	30.86	31.05	31.24
Other beer, low strength	36.31	36.71	37.63	37.86	38.09
Other beer, mid strength	42.31	42.78	43.85	44.11	44.37
Other beer, high strength	42.31	42.78	43.85	44.11	44.37
Non-commercial, low strength	2.55	2.58	2.64	2.66	2.68
Non-commercial, mid and high strength	2.95	2.98	3.05	3.07	3.09
Other beverages, not exceeding					
10 per cent alcohol content					
(per litre of alcohol)	71.67	72.46	74.27	74.72	75.17
Potable spirits (per litre of alcohol)					
Brandy	66.92	67.66	69.35	69.77	70.19
Other spirits, exceeding 10 per cent					
alcohol content	71.67	67.66	74.27	74.72	75.17
Cigarettes, cigars and tobacco (tobacco					
content of 0.8 grams or less per stick)	0.33267	0.33633	0.34474	0.34681	0.34889
Tobacco products (per kilogram)	415.86	420.43	430.94	433.53	436.13

<sup>(</sup>a) The rate of excise on crude oil and condensate is not provided in this table as it varies according to the quantity sold, the sale price, and the dates of discovery and development of the oil field.

Source: 2012-13 Budget and ATO Excise Tariff Schedule (1 August 2012).

#### 3.1. Excise indexation

The rates of duty for alcohol and tobacco products (Table 3) are adjusted every August and February in line with half-yearly consumer price index (CPI) movements. If the change in the CPI is negative, the excise rate is not reduced. Instead the decline is carried forward to be offset against the next positive CPI movement.

#### 4. Customs duty

Customs duty is generally imposed as a percentage of the value of the imported good but is on a volumetric basis (where duty is applied per unit of quantity) for excise-equivalent products. In general, other dutiable goods attract a general tariff rate of 5 per cent.

Tariffs on passenger motor vehicles and textile, clothing and footwear are estimated to account for around 20 per cent of the total duty in 2012-13. Approximately 60 per cent of customs duty revenue in 2012-13 is expected to be derived from duty imposed on imports of petroleum products, tobacco, beer and spirits, which is akin to excise duty on these items.

<sup>(</sup>b) The rates for aviation fuel apply from 1 July 2012.

#### 4.1. Tariffs

Tariff rates are shown in Table 4. The Government is implementing a program of trade liberalisation through bilateral free trade agreements and tariffs reductions. Trade liberalisation reduces the Government's revenue from tariffs (included in customs duty).

**Table 4: Tariff rates** 

	Applying from	Applying from	Applying from
	11 May 2005	1 January 2010	1 January 2015
	Per cent	Per cent	Per cent
General tariff(a)	5	5	
Passenger motor vehicles(b)	10	5	5
Textiles, clothing and footw ear			
Clothing and finished textiles	17.5	10	5
Cotton sheeting, fabric, carpet and footwear	10	5	5
Sleeping bags, table linen and footwear parts	7.5	5	5
Tariff concession order	0	0	0

<sup>(</sup>a) The general tariff of 5 per cent applies to most manufactured goods. Many goods, including primary products, textiles, clothing and footwear and other manufactured goods have free rate of duty.

Source: 2012-13 Budget.

#### **OTHER TAXATION**

#### 1. Agricultural levies

Agricultural levies and charges are used to fund industry activities, such as research and development, marketing and promotion, residue testing, and animal health programs. The need for a levy is usually identified by the industry itself and the levy is generally collected at the first point of sale of the primary produce or point of further processing. All levies and charges are paid into the Consolidated Revenue Fund without deduction and then disbursed to fund the relevant program.

#### 2. Other taxes

The major contributors to this category are the passenger movement charge and import processing and depot charges administered by the Australian Customs Service.

Other contributors include broadcasting licence fees, which are payable by all commercial radio and television licensees and are calculated as a percentage of licensees' gross earnings for the previous year, as well as the superannuation guarantee charge and the universal service obligation levy.

<sup>(</sup>b) This category includes new passenger vehicles and off-road vehicles and parts. Used or second-hand vehicles are subject to an additional impost of \$12,000.

# APPENDIX B: CLASSIFICATION OF AUSTRALIAN GOVERNMENT TAXES

Changes in the classification of transactions generally can arise from changes in the financial reporting standards on which the Australian Government budget documents are based and ongoing reconciliation of Australian Bureau of Statistics (ABS) and budget statistics.

Classification changes affect historical reporting. Therefore, comparisons between budget year publications can be misleading. A list of significant classification changes to revenue items in various budgets is provided below.

#### 2009-10

- Excess contributions tax (ECT) is a tax that taxpayers are liable to pay on contributions made to
  their superannuation that exceed their concessional, transitional or non-concessional contributions
  cap. The cap amount and how much extra tax must be paid once the cap is exceeded depends on
  whether the contributions are concessional, transitional or non-concessional. As part of the
  2009-10 Budget the concessional and transitional caps were lowered.
- Categories of excisable products reported are changed to protect taxpayer confidentiality. Revenue
  from crude oil and condensate excise cannot be published separately without risking the disclosure
  of sensitive commercial information in relation to the tax affairs of potentially identifiable
  businesses. A category of 'other excisable products' is introduced that comprises the previous
  categories of 'other fuel products', 'crude oil and condensate', 'spirits' and 'other excisable
  beverages'.

#### 2008-09

- GST was reclassified as an Australian Government tax, in accordance with ABS *Government Finance Statistics*' (GFS) and Australian Accounting Standards (AAS). Since the introduction of the GST in 2000-01, the GST had been reported in budgets as a State Government tax and was therefore excluded from total Australian Government tax revenue. The impact of this change is outlined in the 2008-09 Budget (Budget Paper No. 1, box 5, page 5-26).
- As a consequence of the change to GST reporting, there are two related changes.
  - GST non-general interest charge (GIC) penalties are reclassified to be reported with GST. In the previous budgets, the GST non-GIC penalties were reported under 'other tax'.
  - The level of reported cash GST receipts is adjusted by a small amount for GST collected by Commonwealth agencies but not yet passed to the ATO at the end of each financial year.
- The wine equalisation tax (WET) and luxury car tax (LCT) are reclassified under 'sales taxes,'
  along with the GST. The WET and LCT were previously classified under 'other tax'.

#### 2006-07

- Fringe benefits tax (FBT) was reclassified under 'income tax' from 'other tax'. This was due to a change in ABS's classification of FBT under the Government Financial Statistics (GFS) standard such that it is now considered a tax on the income of individuals.
  - The value of reported FBT increased by the value of tax on fringe benefits provided by Australian Government agencies to their employees. These transactions were no longer

classified as internal to government (that is tax payments by Australian Government agencies to the Australian Government) but rather as transactions between individuals and the government.

- The WET and LCT were reclassified under 'other tax'. The items were previously classified under 'indirect tax'.
- Broadcasting licence fees and other levies were aggregated and reclassified under 'other tax'. These items were previously reported separately under 'other tax'.

#### 2002-03

Gross income tax withholding was previously reported as two separate items: gross PAYG
(withholding) and other withholding. 'Other withholding' was previously reported under 'company
and other income tax'. This includes amounts withheld for failure to quote a tax file number or an
Australian business number, interest, dividends and royalty payments to non-residents, and
payments to aboriginal groups for the use of land for mineral exploration and mining.

#### 2001-02

 Medicare levy was reclassified to be included within 'gross PAYG withholding', 'gross other individuals' and refunds. Previously, it was identified as a separate item under 'individuals' income tax'.

#### 2000-01

- PAYG system replaced pay as you earn system (PAYE), prescribed payments system (PPS) and reportable payments system (RPS).
  - Tax withheld under 'gross PAYE' is now recorded as 'gross PAYG withholding'.
  - Under the PAYG system, individuals in the PPS who qualify for an ABN may choose to enter into voluntary withholding arrangements. Tax withheld from such individuals (estimated to be around \$800 million in 2000-01) is recorded under 'gross PAYG withholding'.
  - The remaining tax that would have been collected under PPS is now collected through the PAYG instalment system or as payments on assessment. These payments (estimated to be around \$1.9 billion in 2000-01) are generally recorded under the 'gross other individuals' head of revenue.

#### 1999-2000

• From 1999-2000 the taxation revenue figures have been based on the GFS framework of accrual accounting. Prior to this, accrual figures did not exist (the taxation figures were based on the Commonwealth Budget Sector cash accounting framework).

# **APPENDIX C: REVENUE AND RECEIPTS HISTORY AND FORECASTS**

Table C1: Australian Government (cash) receipts

Table 01. Australian Government	`	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13(e)	2013-14(e)	2014-15(p)	2015-16(p)
	\$m	\$m	\$m	\$m									
Income taxation													
Individuals and other withholding													
Income tax withholding	89,638	97,304	103,120	107,119	113,982	115,899	118,532	129,654	142,770	151,300	163,900	174,800	185,600
Other individuals	19,935	22,554	24,895	25,797	29,525	30,030	25,928	27,795	31,141	35,000	37,300	41,000	44,700
less: Refunds	12,325	13,734	15,244	17,145	19,601	23,569	24,390	24,711	25,537	26,500	26,700	28,800	30,700
Total individuals and other withholding	97,247	106,123	112,770	115,770	123,906	122,361	120,070	132,739	148,373	159,800	174,500	187,000	199,600
Fringe benefits tax	3,590	3,703	4,049	3,761	3,856	3,399	3,504	3,303	3,731	3,970	4,450	4,920	5,130
Superannuation funds	5,551	6,248	6,368	8,211	12,054	9,217	6,099	6,519	7,562	8,050	9,050	11,010	12,950
Company tax	36,101	40,404	48,960	57,100	61,700	60,391	52,209	56,262	66,584	71,170	78,680	78,540	81,580
Resource rent taxes(a)	1,168	1,459	1,917	1,510	1,686	2,184	1,251	806	1,463	5,400	6,400	5,630	6,620
Income taxation receipts	143,658	157,937	174,063	186,353	203,202	197,552	183,132	199,628	227,714	248,390	273,080	287,100	305,880
Sales taxes													
Goods and services tax	33,069	35,184	37,342	39,614	42,424	41,335	43,967	46,083	45,861	48,432	51,189	53,900	56,611
Wine equalisation tax	704	682	656	650	665	693	733	722	708	710	720	760	810
Luxury car tax	335	298	322	364	452	393	472	483	435	450	460	480	520
Other sales taxes(b)	-48	-10	-16	-6	0	-1	0	0	0	0	0	0	0
Total sales taxes	34,060	36,154	38,304	40,621	43,541	42,420	45,173	47,288	47,004	49,592	52,369	55,140	57,941
Excise duty													
Fuel excise	13,540	14,276	13,992	14,663	15,252	15,637	15,675	16,267	16,978	17,950	18,670	18,800	19,260
Other excise	7,539	7,612	7,822	8,086	8,474	8,736	8,764	9,490	8,567	8,520	8,310	8,360	8,690
Total excise duty	21,079	21,888	21,814	22,749	23,727	24,373	24,439	25,756	25,545	26,470	26,980	27,160	27,950
Customs duty	5,038	5,012	4,488	5,063	5,561	5,814	5,341	5,429	6,996	7,800	9,000	9,130	9,570
Excise and customs receipts	26,117	26,900	26,302	27,812	29,288	30,186	29,780	31,185	32,541	34,270	35,980	36,290	37,520
Carbon pricing mechanism										4,020	6,640	7,340	6,750
Other indirect taxation													
Agricultural levies	603	584	610	608	611	620	395	445	421	440	436	443	449
Other taxes	1,655	1,740	1,936	1,999	1,734	1,848	2,494	2,292	2,263	2,497	2,888	2,923	2,999
Total other indirect taxation receipts	2,258	2,324	2,546	2,607	2,345	2,468	2,888	2,738	2,684	2,937	3,324	3,366	3,447
Indirect taxation receipts	62,435	65,377	67,152	71,039	75,174	75,075	77,841	81,211	82,229	90,819	98,313	102,136	105,658
Taxation receipts	206,092	223,314	241,215	257,392	278,376	272,627	260,973	280,839	309,943	339,209	371,393	389,236	411,538
Interest received	1,056	1,400	2,325	3,731	4,769	5,166	4,025	4,943	4,267	4,390	4,486	4,414	4,756
Dividends and other	10,627	11,271	12,403	11,514	11,772	14,806	19,665	16,242	15,665	23,442	16,715	16,393	18,330
Non-taxation receipts	11,683	12,670	14,728	15,245	16,540	19,973	23,689	21,185	19,931	27,832	21,201	20,806	23,086
Total receipts	217,776	235,985	255,943	272,637	294,917	292,600	284,662	302,024	329,874	367,041	392,595	410,042	434,625

<sup>(</sup>a) Resource rent taxes include PRRT and gross receipts from the MRRT. Net receipts from the MRRT are expected to be \$2.0 billion in 2012-13, \$2.4 billion in 2013-14, \$2.1 billion in 2014-15 and \$2.6 billion in 2015-16, which represent the net impact on receipts across several different revenue heads. These include the offsetting reductions in company tax (through deductibility) and interactions with other taxes.

<sup>(</sup>b) Other sales taxes include wholesale sales tax.

Table C2: Major categories of (cash) receipts as a proportion of gross domestic product (a)

<u> </u>	Income tax							Indirect taxation receipts						Total receipts			
	Gross	Gross	Refunds	Total	FBT	Super	Companies	Resource	Total	Sales	Excise &	Carbon	Other	Total	Total	Total	Total
	ITW	other		ind. &		funds		rent	income	taxes(d)	Customs	Pricing	tax	indirect	tax	non-tax	receipts
		ind.(b)		w 'holding				taxes(c)	tax		duty	Mechanism		tax	receipts	receipts	
	%	%	%	%	%	%_	%	%	%	%	%	%	%	%	%	%	%
1977-78	10.2	2.4	0.9	11.7	0.0	0.0	3.0	0.0	14.6	1.7	3.7	0.0	0.4	5.8	20.4	2.5	22.9
1978-79	9.7	2.0	0.9	10.9	0.0	0.0	2.6	0.0	13.5	1.5	4.4	0.0	0.4	6.3	19.7	2.3	22.0
1979-80	10.0	2.1	0.8	11.3	0.0	0.0	2.5	0.0	13.8	1.4	4.8	0.0	0.4	6.6	20.4	2.1	22.5
1980-81	10.1	2.2	0.8	11.6	0.0	0.0	3.1	0.0	14.7	1.4	5.0	0.0	0.3	6.7	21.4	2.2	23.6
1981-82	10.8	2.2	0.8	12.2	0.0	0.0	2.9	0.0	15.1	1.6	4.6	0.0	0.3	6.5	21.6	2.1	23.6
1982-83	11.1	2.2	1.0	12.3	0.0	0.0	2.6	0.0	14.8	1.8	4.7	0.0	0.3	6.9	21.7	2.3	24.0
1983-84	10.7	2.1	1.1	11.7	0.0	0.0	2.1	0.0	13.8	1.9	4.8	0.0	0.4	7.1	21.0	2.4	23.4
1984-85	11.2	2.3	0.9	12.6	0.0	0.0	2.4	0.0	15.0	2.1	5.0	0.0	0.5	7.5	22.5	2.5	25.0
1985-86	11.5	2.6	1.3	12.8	0.0	0.0	2.3	0.0	15.1	2.2	4.9	0.0	0.4	7.5	22.6	2.8	25.4
1986-87	11.8	3.0	1.3	13.6	0.2	0.0	2.4	0.0	16.1	2.2	4.6	0.0	0.4	7.2	23.3	2.9	26.2
1987-88	11.4	3.0	1.3	13.1	0.3	0.0	2.7	0.0	16.1	2.3	4.3	0.0	0.4	7.0	23.1	2.6	25.7
1988-89	11.8	2.7	1.4	13.1	0.3	0.0	2.8	0.0	16.2	2.6	3.5	0.0	0.4	6.5	22.7	2.0	24.7
1989-90	11.5	2.6	1.5	12.6	0.3	0.1	3.2	0.0	16.2	2.5	3.4	0.0	0.3	6.2	22.4	1.9	24.4
1990-91	11.2	2.7	1.6	12.3	0.3	0.3	3.4	0.1	16.3	2.3	3.3	0.0	0.4	6.0	22.3	1.8	24.1
1991-92	10.9	2.2	1.8	11.2	0.3	0.3	3.2	0.2	15.2	2.2	3.0	0.0	0.3	5.4	20.6	2.0	22.6
1992-93	10.8	1.9	1.8	10.9	0.3	0.3	2.9	0.3	14.8	2.1	2.9	0.0	0.2	5.2	20.0	2.0	22.0
1993-94	10.7	1.9	1.5	11.0	0.3	0.3	2.7	0.2	14.5	2.2	3.0	0.0	0.2	5.5	20.0	2.2	22.2
1994-95	10.9	1.9	1.6	11.2	0.6	0.4	3.1	0.2	15.4	2.3	3.1	0.0	0.2	5.7	21.1	1.7	22.9
1995-96	11.3	1.9	1.6	11.7	0.6	0.3	3.4	0.1	16.1	2.4	3.0	0.0	0.2	5.7	21.8	1.6	23.5
1996-97	11.6	2.1	1.6	12.1	0.6	0.5	3.4	0.2	16.8	2.4	3.0	0.0	0.2	5.5	22.4	1.6	24.0
1997-98	11.8	2.1	1.6	12.2	0.5	0.5	3.3	0.2	16.7	2.4	2.9	0.0	0.2	5.5	22.2	1.7	23.9
1998-99	12.1	2.1	1.7	12.5	0.5	0.6	3.3	0.1	17.1	2.4	2.8	0.0	0.0	5.2	22.3	2.2	24.5

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Table C2: Major categories of (cash) receipts as a proportion of gross domestic product (continued)

					Income ta	ax				Indirect taxation receipts					To	Total receipts		
	Gross	Gross	Refunds	Total	FBT	Super	Companies	Resource	Total	Sales	Excise &	Carbon	Other	Total	Total	Total	Total	
	ΠW	other		ind. &		funds		rent	income	taxes(d)	Customs	Pricing	tax	indirect	tax	non-tax	receipts	
		ind.(b)		w 'holding				taxes(c)	tax		duty	Mechanism		tax	receipts	receipts		
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	
1999-00	12.2	2.0	1.7	12.6	0.6	0.6	3.7	0.2	17.6	2.3	2.7	0.0	0.2	5.2	22.9	2.2	25.1	
2000-01	10.6	1.9	1.6	10.9	0.5	0.7	4.5	0.3	16.9	3.6	3.3	0.0	0.2	7.2	24.1	1.8	25.9	
2001-02	10.5	2.2	1.4	11.2	0.5	0.6	3.6	0.2	16.1	3.6	3.2	0.0	0.3	7.1	23.2	1.7	24.8	
2002-03	10.5	2.2	1.5	11.2	0.4	0.6	4.1	0.2	16.6	3.9	3.2	0.0	0.3	7.4	24.0	1.6	25.5	
2003-04	10.4	2.3	1.4	11.3	0.4	0.6	4.2	0.1	16.7	4.0	3.0	0.0	0.3	7.3	24.0	1.4	25.3	
2004-05	10.6	2.4	1.5	11.5	0.4	0.7	4.4	0.2	17.2	3.9	2.9	0.0	0.3	7.1	24.2	1.4	25.6	
2005-06	10.4	2.5	1.5	11.3	0.4	0.6	4.9	0.2	17.5	3.9	2.6	0.0	0.3	6.8	24.2	1.5	25.7	
2006-07	9.9	2.4	1.6	10.7	0.3	0.8	5.3	0.1	17.2	3.8	2.6	0.0	0.2	6.6	23.8	1.4	25.2	
2007-08	9.7	2.5	1.7	10.5	0.3	1.0	5.2	0.1	17.3	3.7	2.5	0.0	0.2	6.4	23.7	1.4	25.1	
2008-09	9.3	2.4	1.9	9.8	0.3	0.7	4.8	0.2	15.8	3.4	2.4	0.0	0.2	6.0	21.8	1.6	23.4	
2009-10	9.2	2.0	1.9	9.3	0.3	0.5	4.0	0.1	14.2	3.5	2.3	0.0	0.2	6.0	20.2	1.8	22.0	
2010-11	9.3	2.0	1.8	9.5	0.2	0.5	4.0	0.1	14.3	3.4	2.2	0.0	0.2	5.8	20.1	1.5	21.6	
2011-12	9.7	2.1	1.7	10.1	0.3	0.5	4.5	0.1	15.5	3.2	2.2	0.0	0.2	5.6	21.1	1.4	22.5	
2012-13	9.9	2.3	1.7	10.4	0.3	0.5	4.7	0.4	16.2	3.2	2.2	0.3	0.2	5.9	22.2	1.8	24.0	
2013-14	10.2	2.3	1.7	10.8	0.3	0.6	4.9	0.4	16.9	3.2	2.2	0.4	0.2	6.1	23.0	1.3	24.3	
2014-15	10.3	2.4	1.7	11.0	0.3	0.6	4.6	0.3	16.9	3.2	2.1	0.4	0.2	6.0	22.9	1.2	24.1	
2015-16	10.4	2.5	1.7	11.1	0.3	0.7	4.6	0.4	17.1	3.2	2.1	0.4	0.2	5.9	23.0	1.3	24.3	

<sup>(</sup>a) Figures up to and including 1998-99 are based on the old Commonwealth Budget Sector cash accounting framework. Figures from 1999-2000 are on an Australian Government general government GFS basis.

<sup>(</sup>b) Gross other individuals' includes amounts previously collected under the Prescribed Payments System and Reportable Payments System between 1983-84 and 1999-2000.

<sup>(</sup>c) Resource rent taxes include PRRT and gross receipts from the MRRT. Net receipts from the MRRT are expected to be \$2.0 billion in 2012-13, \$2.4 billion in 2013-14, \$2.1 billion in 2014-15 and \$2.6 billion in 2015-16, which represent the net impact on receipts across several different revenue heads. These include the offsetting reductions in company tax (through deductibility) and interactions with other taxes.

<sup>(</sup>d) Other sales taxes include wholesale sales tax.

Table C3: Australian Government (accrual) revenue

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
	\$m	(e) \$m	(e) \$m	(p) \$m	(p) \$m								
Individuals and other withholding taxes	ΨΠ	ψιιι	ψιτι	ΨΠ	ΨΠ	ΨΠ							
Gross income tax w ithholding	90,095	98,250	103,811	107,809	114,700	117,086	119,922	130,790	143,978	152,590	165,250	176,240	187,140
Gross other individuals	21,010	24,003	25,859	26,952	31,036	32,260	27,287	30,642	32,992	37,840	40,080	43,930	47,860
less: Refunds	12,325	13,734	15,239	17,147	19,601	23,569	24,390	24,660	25,537	26,500	26,700	28,800	30,700
Total individuals and other withholding	98,779	108,519	114,431	117,614	126,135	125,777	122,820	136,772	151,433	163,930	178,630	191,370	204,300
Fringe benefits tax	3,642	3,476	4,084	3,754	3,796	3,581	3,523	3,348	3,964	4,040	4,530	5,010	5,220
Company tax	36,337	43,106	48,987	58,538	64,790	60,705	53,193	57,312	66,726	72,982	80,459	80,320	83,426
Superannuation funds	5,785	6,410	6,705	7,879	11,988	9,227	6,182	6,693	7,852	8,250	9,290	11,310	13,310
Resource rent taxes(a)	1,165	1,465	1,991	1,594	1,871	2,099	1,297	806	1,293	5,580	6,560	5,650	6,660
Income taxation revenue	145,709	162,974	176,198	189,378	208,579	201,389	187,016	204,931	231,268	254,782	279,469	293,660	312,916
Sales taxes	•												<del>-</del>
Goods and services tax	34,121	35,975	39,118	41,208	44,381	42,626	46,553	48,093	48,849	50,790	53,730	56,590	59,430
Wine equalisation tax	705	693	657	651	661	707	748	747	716	720	730	770	820
Luxury car tax	336	302	331	365	464	384	499	489	440	450	460	480	520
Other sales taxes(b)	-38	-13	-19	60	-19	-1	0	0	0	0	0	0	0
Total sales taxes	35,122	36,957	40,086	42,284	45,486	43,716	47,800	49,329	50,004	51,960	54,920	57,840	60,770
Excise duty													
Fuel excise	13,529	14,350	14,073	14,653	15,085	15,592	15,766	16,305	16,924	17,970	18,270	18,870	19,330
Other excise	7,539	7,631	7,854	8,082	8,441	8,727	8,781	9,497	8,557	8,520	8,180	8,390	8,720
Total excise duty	21,068	21,981	21,927	22,734	23,526	24,319	24,547	25,803	25,480	26,490	26,450	27,260	28,050
Customs duty	5,622	5,548	4,988	5,644	6,070	6,276	5,748	5,828	7,105	7,830	9,030	9,160	9,600
Carbon pricing mechanism										7,690	8,685	9,275	9,400
Other indirect taxation													
Agricultural levies	603	584	610	608	611	620	395	445	421	440	436	443	449
Other taxes	1,835	1,899	1,908	1,862	1,957	2,334	2,494	2,669	2,501	2,900	3,033	3,114	3,223
Total other indirect taxation revenue	2,438	2,483	2,518	2,470	2,567	2,954	2,889	3,115	2,922	3,339	3,470	3,558	3,672
Indirect taxation revenue	64,250	66,969	69,518	73,132	77,650	77,264	80,984	84,074	85,511	97,309	102,555	107,093	111,492
Taxation revenue	209,959	229,943	245,716	262,510	286,229	278,653	268,000	289,005	316,779	352,092	382,023	400,753	424,408
Interest received	1,304	1,621	2,437	3,921	5,558	5,124	4,430	5,169	4,617	4,465	4,628	4,608	4,864
Dividends and other	10,905	10,943	13,085	11,979	11,942	15,155	20,337	15,716	16,714	17,182	16,509	16,510	17,166
Non-taxation revenue	12,209	12,564	15,522	15,900	17,500	20,280	24,767	20,885	21,330	21,647	21,138	21,119	22,030
Total revenue	222,168	242,507	261,238	278,410	303,729	298,933	292,767	309,890	338,109	373,739	403,161	421,871	446,438

<sup>(</sup>a) Resource rent taxes include PRRT and gross revenue from the MRRT. Net revenue from the MRRT is expected to be \$2.0 billion in 2012-13, \$2.4 billion in 2013 14, \$2.1 billion in 2014-15 and \$2.6 billion in 2015-16, which represent the net impact on revenue across several different revenue heads. These include the offsetting reductions in company tax (through deductibility) and interactions with other taxes.

<sup>(</sup>b) Other sales taxes include wholesale sales tax.

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Table C4: Major categories of (accrual) revenue as a proportion of gross domestic product

	Income tax										Indirect taxation revenue					Total revenue		
	Gross	Gross R	efunds	Total	FBT	Super	Companies	Resource	Total	Sales	Excise &	Carbon	Other	Total	Total	Total	Total	
	ΠW	other		ind. &		funds		rent	income	taxes(b)	Customs	Pricing	tax	indirect	tax	non-tax	revenue	
		ind.		w 'holding				taxes(a)	tax		duty	Mechanism		tax	revenue	revenue		
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	
1999-00	12.3	2.1	1.6	12.8	0.6	0.6	3.7	0.2	17.9	2.4	2.7		0.2	5.3	23.2	2.1	25.3	
2000-01	10.7	1.9	1.6	11.0	0.5	0.7	5.0	0.3	17.6	3.7	3.3	-	0.3	7.3	24.9	1.4	26.3	
2001-02	10.6	2.3	1.4	11.4	0.5	0.6	3.6	0.2	16.3	3.7	3.3	-	0.3	7.3	23.6	1.6	25.2	
2002-03	10.6	2.3	1.5	11.4	0.4	0.6	4.2	0.2	16.8	4.0	3.3	-	0.3	7.6	24.4	1.5	25.8	
2003-04	10.5	2.4	1.4	11.5	0.4	0.7	4.2	0.1	17.0	4.1	3.1	-	0.3	7.5	24.4	1.4	25.8	
2004-05	10.7	2.6	1.5	11.8	0.4	0.7	4.7	0.2	17.7	4.0	3.0	-	0.3	7.3	25.0	1.4	26.3	
2005-06	10.4	2.6	1.5	11.5	0.4	0.7	4.9	0.2	17.7	4.0	2.7	-	0.3	7.0	24.7	1.6	26.3	
2006-07	10.0	2.5	1.6	10.9	0.3	0.7	5.4	0.1	17.5	3.9	2.6	-	0.2	6.8	24.2	1.5	25.7	
2007-08	9.8	2.6	1.7	10.7	0.3	1.0	5.5	0.2	17.7	3.9	2.5	-	0.2	6.6	24.3	1.5	25.8	
2008-09	9.4	2.6	1.9	10.0	0.3	0.7	4.8	0.2	16.1	3.5	2.4	-	0.2	6.2	22.3	1.6	23.9	
2009-10	9.3	2.1	1.9	9.5	0.3	0.5	4.1	0.1	14.5	3.7	2.3	-	0.2	6.3	20.7	1.9	22.6	
2010-11	9.3	2.2	1.8	9.8	0.2	0.5	4.1	0.1	14.6	3.5	2.3	-	0.2	6.0	20.7	1.5	22.1	
2011-12	9.8	2.2	1.7	10.3	0.3	0.5	4.5	0.1	15.7	3.4	2.2	0.0	0.2	5.8	21.6	1.5	23.0	
2012-13 (e)	10.0	2.5	1.7	10.7	0.3	0.5	4.8	0.4	16.7	3.4	2.2	0.5	0.2	6.4	23.0	1.4	24.4	
2013-14 (e)	10.2	2.5	1.7	11.1	0.3	0.6	5.0	0.4	17.3	3.4	2.2	0.5	0.2	6.4	23.7	1.3	25.0	
2014-15 (p)	10.4	2.6	1.7	11.3	0.3	0.7	4.7	0.3	17.3	3.4	2.1	0.5	0.2	6.3	23.6	1.2	24.8	
2015-16 (p)	10.5	2.7	1.7	11.4_	0.3	0.7	4.7	0.4	<u>17.5</u>	3.4	2.1	0.5	0.2	6.2	23.7	1.2	24.9	

<sup>(</sup>a) Resource rent taxes include PRRT and gross revenue from the MRRT. Net revenue from the MRRT is expected to be \$2.0 billion in 2012-13, \$2.4 billion in 2013-14, \$2.1 billion in 2014-15 and \$2.6 billion in 2015-16, which represent the net impact on revenue across several different revenue heads. These include the offsetting reductions in company tax (through deductibility) and interactions with other taxes.

<sup>(</sup>b) Other sales taxes include wholesale sales tax.