STATEMENT 5: REVENUE

This statement contains details of the estimates of Australian Government general government revenue.

The revenue estimates have been revised up since the *Mid-Year Economic and Fiscal Outlook 2003-04* (MYEFO), largely due to stronger expected growth in wages and company profits, partly offset by the Government's decision to provide personal income tax cuts worth $14.7 billion over four years.

Information about GST revenue is provided in Budget Paper No. 3, *Federal Financial Relations 2004-05*.

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STATEMENT 5: REVENUE

OVERVIEW

Relative to the *Mid-Year Economic and Fiscal Outlook 2003-04* (MYEFO), total revenue for 2004-05 is expected to be higher, with stronger growth in income tax revenue from wage and salary earners, companies and superannuation funds. Personal income tax cuts of $14.7 billion across the forward estimates will commence from 1 July 2004.

Total revenue

Revenue estimates[1] for the period from 2003-04 to 2007-08 are provided in Table 1.

Table 1: Total Australian Government general government revenue (accrual basis)

	2003-04 Estimate	2004-05 Estimate	2005-06 Projection	2006-07 Projection	2007-08 Projection
Total taxation revenue ($b)	**174.1**	**182.6**	**190.4**	**200.6**	**211.1**
Real growth on previous year (%)	2.7	2.3	2.3	3.3	3.3
Per cent of GDP	21.5	21.3	21.0	21.0	20.9
Non-taxation revenue ($b)	**12.1**	**10.6**	**11.0**	**11.6**	**12.0**
Real growth on previous year (%)	-2.5	-14.9	2.1	3.7	1.0
Per cent of GDP	1.5	1.2	1.2	1.2	1.2
Total revenue ($b)	**186.2**	**193.2**	**201.4**	**212.2**	**223.1**
Real growth on previous year (%)	2.4	1.2	2.3	3.3	3.1
Per cent of GDP	23.0	22.5	22.2	22.2	22.1

Total revenue is expected to decline from 23.0 per cent of GDP in 2003-04 to 22.1 per cent in 2007-08. Taxation revenue is also expected to decline from 21.5 per cent of GDP in 2003-04 to 20.9 per cent in 2007-08. Historical revenue and receipts outcomes are provided in Appendix F of this statement.

Variations in revenue estimates since 2003-04 Budget

Table 2 is a reconciliation of this Budget's revenue estimates with those at the 2003-04 Budget and MYEFO, in terms of both policy decisions and parameter and other variations.

1 All revenue estimates in this statement are reported on an accrual basis unless otherwise specified. Commentary on accrual and cash taxation revenue is provided on page 5-5 and detailed estimates on a cash basis can be found in Appendix A and Appendix F. The revenue estimates exclude GST revenue, which is collected by the Australian Government and provided in full to the States and Territories. A discussion of GST revenue can be found in Budget Paper No. 3, *Federal Financial Relations 2004-05*.

Table 2: Reconciliation of total Australian Government general government revenue estimates from 2003-04 Budget[(a)] (accrual basis)

	2003-04	2004-05	2005-06	2006-07
	$m	$m	$m	$m
2003-04 Budget revenue	**178,325**	**184,991**	**194,244**	**204,715**
Changes between 2003-04 Budget and MYEFO				
Effect of policy decisions	-13	55	207	164
Effect of parameter and other variations	4,343	3,768	5,103	5,586
Total variations	**4,331**	**3,823**	**5,310**	**5,751**
2003-04 MYEFO revenue	**182,655**	**188,814**	**199,554**	**210,466**
Changes between MYEFO and 2004-05 Budget				
Effect of policy decisions	0	-1,796	-3,883	-4,587
Effect of parameter and other variations	3,542	6,133	5,712	6,321
Total variations	**3,541**	**4,337**	**1,829**	**1,734**
2004-05 Budget revenue	**186,197**	**193,151**	**201,383**	**212,199**

(a) The changes in the revenue estimates for 2003-04 and 2004-05 since the 2003-04 MYEFO are summarised by head of revenue at Appendix B.

Total revenue in 2003-04

Since MYEFO, estimated total revenue has been revised up in 2003-04 by $3.5 billion, largely due to higher than expected revenue from wage and salary earners, companies and, to a lesser extent, superannuation funds and small businesses. These increases are expected to be partly offset by lower customs duty.

Total revenue in 2004-05 and the forward years

Total revenue for 2004-05 has been revised up by $4.3 billion since MYEFO. As for 2003-04, the main growth is expected in income taxation revenue from individuals, companies and superannuation funds, with this partly offset by lower customs duty and the impact of the first stage of the Government's personal income tax cuts.

Policy decisions

Policy decisions taken since the 2003-04 MYEFO are expected to reduce revenue by around $1.8 billion in 2004-05 and around $3.9 billion in 2005-06 (a more detailed description of these is provided in Budget Paper No. 2, *Budget Measures 2004-05*).

Most significantly, the Government's decision to provide personal income tax cuts will reduce revenue by $1.9 billion in 2004-05, $3.8 billion in 2005-06 and $14.7 billion over the forward estimates. The tax cuts will take effect in two stages.

- From 1 July 2004, the 42 per cent threshold will be increased from $52,001 to $58,001 and the 47 per cent threshold will be increased from $62,501 to $70,001.
- From 1 July 2005, the 42 per cent threshold will be increased to $63,001 and the 47 per cent threshold will be increased to $80,001.

The Budget also includes a number of other major policy decisions.

- The scheduled reductions in the superannuation surcharge rate will be increased to bring the maximum surcharge rate down to 7.5 per cent by 2006-07, with a cost to revenue of $610 million over the forward estimates.

- A full rebate of wine equalisation tax for $1 million of domestic wholesale sales for wine producers will replace the existing Cellar Door Rebate scheme and accelerated depreciation for grapevine plantings, with a cost to revenue of over $300 million over the forward estimates.

- Additional funding over four years for the Australian Taxation Office for increased compliance activities is expected to result in increased taxation revenue of $251 million in 2004-05 and $1,149 million over the forward estimates period.

- The Australia-United States Free Trade Agreement, expected to come into force in January 2005, will reduce tariff revenue by $190 million in 2004-05 and around $1,460 million over the forward estimates period.

- The application of withholding tax to certain payments made to foreign residents will increase taxation revenue by $125 million in 2004-05 and $540 million over the forward estimates period.

- The Medicare levy thresholds will be increased, in line with the increase in the consumer price index. This will reduce tax revenue by $41 million in 2004-05 and around $100 million over the forward estimates period.

Parameter and other variations

In 2003-04, parameter and other variations are expected to increase estimated revenue by $3.5 billion relative to the MYEFO forecasts.

- Company tax revenue is expected to be $1.7 billion higher, reflecting stronger than expected company profit growth.

- Income tax withholding (ITW) is expected to be $1.1 billion higher, largely due to underlying strength in the labour market.

- Other individuals revenue has been increased by $350 million, driven by strength in small business profitability.

- Customs duty revenue has been reduced by $330 million, due to weaker than expected growth in nominal imports, from the higher exchange rate.

In 2004-05, parameter and other variations are expected to increase revenue by $6.1 billion relative to MYEFO.

- ITW is estimated to increase by $2.3 billion (before the $1.9 billion impact of the personal income tax cuts in that year), reflecting an upward revision to the outlook for wages.
- Company tax revenue has been increased by $1.7 billion, due to a stronger outlook for company profits.
- Superannuation contributions and earnings tax revenue has been increased by around $900 million, reflecting both ongoing strength in superannuation funds contributions and earnings growth and the one-off $610 million impact of the Government's decision to extinguish its liabilities to the Telstra and Australia Post superannuation schemes.
- Revenue from other individuals has been increased by around $290 million, reflecting higher forecast growth for small unincorporated businesses and property income, offset slightly by weaker expected primary producer income.
- Petroleum excise revenue has been estimated to increase by around $240 million, largely due to a higher crude oil price.

Accrual and cash taxation revenue estimates

The revisions to the estimates of cash taxation receipts in this Budget broadly reflect the revisions to estimated accrual taxation revenue. Since MYEFO, estimated cash taxation receipts have been revised up by $2.3 billion in 2003-04, primarily due to higher expected taxation receipts from individuals and companies. For 2004-05, estimated cash taxation receipts have been revised up by $3.4 billion, largely reflecting higher expected taxation receipts from companies and superannuation funds.

The difference between the accrual and cash estimates arises because taxation liabilities are often recognised before the cash payments relating to the liabilities are received. As a result, when revenue is growing, accrual revenue is typically greater than cash receipts. The accrual taxation revenue estimate for 2003-04 is $3.5 billion above the cash taxation receipts estimate, and $2.9 billion above the cash taxation receipts estimate for 2004-05.

More detail on the differences between accrual and cash taxation estimates is provided in Appendix D.

ESTIMATES OF REVENUE

Revenue estimates by revenue head

Table 3: Australian Government general government revenue (accrual basis)

	2003-04 Estimate $m	2004-05 Estimate $m	Change on 2003-04 $m	%
Taxation revenue				
Income taxation				
Individuals and other withholding tax(a)				
Gross income tax withholding	89,870	95,150	5,280	5.9
Gross other individuals	19,760	20,390	630	3.2
less: Refunds	12,200	12,850	650	5.3
Total individuals and other withholding tax	97,430	102,690	5,260	5.4
Companies	37,310	39,400	2,090	5.6
Superannuation funds				
Contributions and earnings	4,510	5,520	1,010	22.4
Superannuation surcharge	1,260	1,390	130	10.3
Total superannuation funds	5,770	6,910	1,140	19.8
Petroleum resource rent tax	1,200	1,100	-100	-8.3
Total income taxation	**141,710**	**150,100**	**8,390**	**5.9**
Indirect taxation				
Excise duty				
Petroleum and other fuel products	13,160	13,320	160	1.2
Crude oil	310	320	10	3.2
Other excise	7,470	7,580	110	1.5
Total excise duty	20,940	21,220	280	1.3
Customs duty	5,585	5,335	-250	-4.5
Other indirect taxes	990	990	0	0.0
Total indirect taxation	**27,515**	**27,545**	**30**	**0.1**
Fringe benefits tax(b)	3,180	3,190	10	0.3
Agricultural levies	561	583	23	4.1
Other taxes	1,116	1,161	45	4.0
Total taxation revenue	**174,082**	**182,580**	**8,498**	**4.9**
Non-taxation revenue	12,115	10,571	-1,543	-12.7
Total revenue	**186,197**	**193,151**	**6,954**	**3.7**

(a) Includes Medicare levy revenue.
(b) Consistent with GFS reporting standards, excludes fringe benefits tax collected from Australian Government agencies (estimated at $364 million in 2003-04 and $380 million in 2004-05).

In 2004-05, total revenue is expected to increase by $7.0 billion, of which taxation revenue is expected to increase by $8.5 billion and non-taxation revenue is expected to decrease by $1.5 billion.

The major contributors to the increase in taxation revenue are a $5.3 billion (5.9 per cent) increase in ITW revenue, a $2.1 billion (5.6 per cent) increase in company tax revenue and a $1.0 billion (22.4 per cent) increase in superannuation contributions and earnings tax revenue (the main part of which is the effect of the Government's payments to Australia Post and Telstra superannuation schemes as set out earlier).

The Budget revenue estimates are strongly influenced by forecast economic growth and the expected composition of economic activity. The stronger outlook for nominal GDP, and company profitability in particular, largely reflects an upward revision to forecast growth in the terms of trade since MYEFO. It is worth noting that the relationship between company profits as measured by the National Accounts and company tax is not a constant one (see Box 1).

The 2004-05 revenue estimates are underpinned by the following major economic assumptions:

- nominal GDP growth of 6 per cent;
- average earnings growth of 4 per cent;
- wage and salary-related employment growth of 1¾ per cent; and
- company income growth of 9¼ per cent.

An analysis of the sensitivity of the revenue estimates to changes in the major economic parameters is provided in Budget Statement 2.

Taxation revenue

Income taxation

Individuals and other withholding tax

Table 4: Individuals and other withholding tax (accrual basis)

	2003-04	2004-05	Change on 2003-04	
	Estimate	Estimate		
	$m	$m	$m	%
Individuals and other withholding tax				
Gross income tax withholding	89,870	95,150	5,280	5.9
Gross other individuals	19,760	20,390	630	3.2
less: Refunds	12,200	12,850	650	5.3
Total individuals and other withholding tax	**97,430**	**102,690**	**5,260**	**5.4**
Includes Medicare levy revenue of:	5,450	5,790	340	6.2

Gross income tax withholding

ITW includes all taxes withheld from payments made under the Pay-As-You-Go (PAYG) withholding system and amounts withheld because no tax file number or Australian business number was quoted. It also includes applicable Medicare levy revenue. The bulk of ITW revenue arises from taxes withheld from wage and salary income but also includes all other withholding taxes levied on natural resource payments, dividends, interest and royalties paid to non-residents and payments to aboriginal groups for the use of land for mineral exploration and mining. These taxes are not separately identified from other PAYG revenues.

ITW revenue is expected to increase by $5.3 billion (5.9 per cent) in 2004-05, an increase of $720 million (0.8 per cent) over revenue forecast at MYEFO.

Gross other individuals

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.

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

- profits from small unincorporated businesses, primary production and property investments;
- 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 who are registered for the GST and individuals with tax liabilities of $8,000 or more will generally make quarterly payments. Individuals who are not registered for the GST and have taxation liabilities of less than $8,000 have the choice of making quarterly payments or an annual payment.

Revenue from other individuals is expected to increase by $630 million (3.2 per cent) in 2004-05 reflecting higher forecast growth for small unincorporated businesses and property income, offset slightly by weaker expected primary producer income and the impact of the personal income tax cuts.

Income tax refunds for individuals

A final assessment of the income tax liabilities of individual taxpayers is made on the basis of returns lodged after the end of each financial year. Refunds are made where tax credits exceed the final liability on assessment. Where tax credits are insufficient to meet the final tax liability, taxpayers make an additional payment (a debit assessment), which is recorded under the gross other individuals head of revenue.

Refunds paid to individual income taxpayers in any year will generally relate to earning activity in the prior year because assessment is only made after the conclusion of the year to which it relates.

Refunds to individuals are expected to increase by $650 million (5.3 per cent) in 2004-05. The estimate of growth in refunds for 2004-05 is lower than average, reflecting the impact of the income tax cuts announced in the *2003-04 Budget.*

Medicare levy

Revenue from the Medicare levy is expected to increase by $340 million (6.2 per cent) in 2004-05, broadly consistent with expected growth in wages and employment.

Companies and other related income tax

Table 5: Companies and other related income tax (accrual basis)

	2003-04	2004-05	Change on 2003-04	
	Estimate	Estimate		
	$m	$m	$m	%
Companies	37,310	39,400	2,090	5.6
Superannuation funds				
Contributions and earnings	4,510	5,520	1,010	22.4
Superannuation surcharge	1,260	1,390	130	10.3
Total superannuation funds	5,770	6,910	1,140	19.8
Petroleum resource rent tax	1,200	1,100	-100	-8.3
Total	**44,280**	**47,410**	**3,130**	**7.1**

Company income tax

Company income tax includes all income taxes paid by companies, including incorporated and unincorporated associations, limited partnerships and some public unit trusts. Company tax has been collected through the PAYG instalment system since the financial year beginning 1 July 2000. This system replaced the provisional tax and company tax instalment systems. Under the PAYG instalment system, most company taxpayers now pay their liability through four quarterly instalment payments and a balancing payment (five months after the final instalment), although some small companies are still able to make an annual payment.

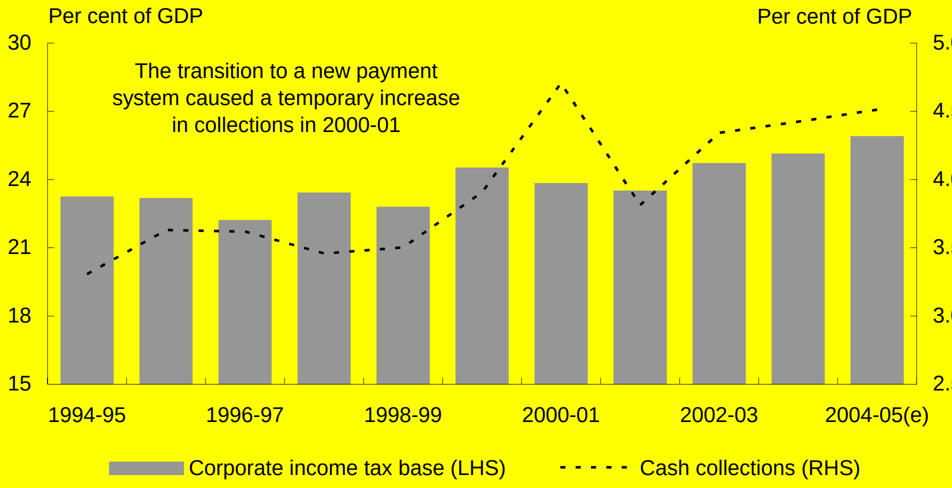
As noted in Appendix D, under the transitional PAYG arrangements, the Government allowed companies to defer some liabilities from the old (pre July 2000) company tax instalment system for up to five years. The cash estimates reflect the expected receipt of these deferred payments ($365 million in 2003-04 and $335 million in 2004-05).

Company tax revenue is expected to increase by $2.1 billion (5.6 per cent) in 2004-05. The estimate has been boosted by a stronger outlook for company profits. This continues the strong growth in company tax collections over recent years. Box 1 provides an analysis of the reasons for this growth.

Box 1: Corporate profitability and company tax collections

Company tax cash collections have increased strongly from 3.3 per cent of GDP in 1994-95 to an estimated 4.5 per cent in 2004-05, around $10.4 billion higher than it otherwise would be. This growth has been underpinned by Australia's long economic expansion and the consequent strong growth in corporate profitability (Chart 1).

Chart 1: Company tax collections and the company income tax base[(a)]



(a) The corporate income tax base is measured as the sum of corporate gross operating surplus, net interest receipts, dividend receipts and a stock valuation adjustment. It does not include an adjustment for depreciation charges.

Several other factors have also contributed to the increase in company tax paid.

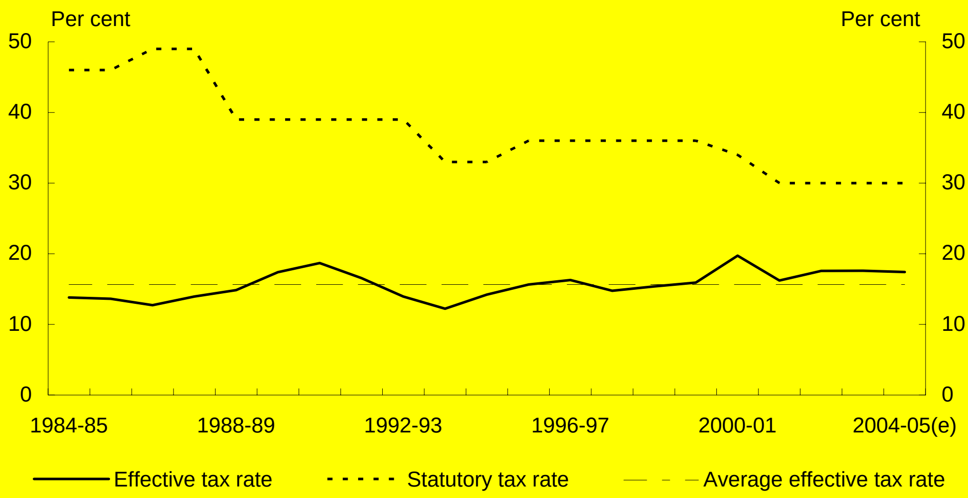
- The privatisation of General Business Enterprises such as Telstra, the Commonwealth Bank of Australia, Victoria Loy Yang A power station and the State Bank of NSW.
- Capital gains tax paid by companies has grown significantly.
- The increasing tendency of small business to incorporate, following the recession of the early 1990s.

In addition, Australia's imputation system may provide some incentive for companies to pay tax in Australia in order to maximise franking credits. In effect, the corporate tax system operates in part as a withholding system for tax due at the shareholder level. Indeed, in recent years the growth of franking credits claimed at the shareholder level has broadly matched the growth in company tax.

Box 1: Corporate profitability and company tax collections (continued)

The strong growth in company tax has arisen despite the reductions in the company tax rate from 36 to 30 per cent, with base-broadening measures in business taxation reform offsetting the reductions in the tax rate, impacting on revenue in a broadly neutral way. In fact, notwithstanding the fall in the statutory tax rate, the effective tax rate (measured as the ratio of tax paid to the corporate income base) has not moved markedly beyond its normal cyclical variation (Chart 2).

Chart 2: Statutory and effective company tax rate



The company loss carry-forward system acts to dampen the cyclical link between corporate profits and taxes paid. However, after a long period of sustained growth in profits, the prior year loss pool will be substantially reduced, and this will cause an increase in tax paid for any given level of profit. This effect may be partly responsible for the small increase in the effective tax rate evident in recent years (as illustrated in Chart 2).

Superannuation funds taxation

Like companies, superannuation funds are taxed through the PAYG instalment system, but at a concessional rate of 15 per cent in relation to taxable contributions received, investment income and capital gains.

Superannuation funds were also allowed to defer some liabilities from the old company tax instalment system for up to five years. The cash estimates reflect the expected receipt of these deferred payments ($25 million in 2003-04 and 2004-05).

Superannuation tax on contributions and earnings income is expected to increase by $1.0 billion (22.4 per cent) in 2004-05, reflecting ongoing strength in superannuation fund contributions and earnings growth and the one-off impact of $610 million from the Government's decision to extinguish its liabilities to the Telstra and Australia Post superannuation schemes. Abstracting from the impact of this decision, the underlying growth rate in superannuation contributions and earnings tax is 8.9 per cent in 2004-05.

A superannuation surcharge is also collected from superannuation funds. In 2003-04, a surcharge of up to 14½ per cent applies to the surchargable contributions of individuals with high incomes. Revenue from the superannuation surcharge is expected to increase by $130 million (10.3 per cent) in 2004-05, reflecting growth in wages. In this Budget, the Government has decided that the surcharge rate will now be reduced to 7.5 per cent by 2006-07.

Petroleum resource rent tax

Petroleum resource rent tax (PRRT) is levied on taxable profits in respect of offshore petroleum projects other than some of the North-West Shelf production and associated exploration areas, which are subject to excise (included in excise on petroleum and other fuel products) and royalties. PRRT is levied at a rate of 40 per cent of taxable profit and the amount paid is deductible from a company's total profit when determining its company tax liability.

PRRT revenue is expected to decrease by $100 million (8.3 per cent) in 2004-05, reflecting an expected decline in production levels offset to some extent by the effect of a higher expected oil price.

Indirect taxation

Table 6: Indirect taxation (accrual basis)

	2003-04 Estimate $m	2004-05 Estimate $m	Change on 2003-04 $m	%
Excise duty				
Petroleum and other fuel products				
Petrol(a)	7,380	7,460	80	1.1
Diesel	5,570	5,630	60	1.1
Other(b)	210	230	20	9.5
Total petroleum and other fuel products	13,160	13,320	160	1.2
Crude oil	310	320	10	3.2
Other excise				
Beer	1,640	1,670	30	1.8
Potable spirits	670	700	30	4.5
Tobacco products	5,160	5,210	50	1.0
Total other excise	7,470	7,580	110	1.5
Total excise	**20,940**	**21,220**	**280**	**1.3**
Customs duty(c)	5,585	5,335	-250	-4.5
Other indirect taxes				
Wine equalisation tax(d)	705	675	-30	-4.3
Luxury car tax	340	330	-10	-2.9
Wholesale sales tax(e)	-55	-15	40	-72.7
Total other indirect taxes	**990**	**990**	**0**	**0.0**
Total	**27,515**	**27,545**	**30**	**0.1**

(a) Includes unleaded petrol and lead replacement petrol.
(b) Includes aviation gasoline, aviation turbine fuel, fuel oil, heating oil and kerosene.
(c) Includes duties imposed on imported petroleum products, tobacco, beer and spirits, which are analogous to excise duty on these items.
(d) Estimates include the offsetting revenue effects of the WET rebate for cellar door and other sales.
(e) WST was abolished on 1 July 2000; however, final liabilities, net of refunds, are still being recognised.

Excise

The major categories of excise duty revenue include petroleum and other fuel products, crude oil, tobacco and alcoholic beverages. Equivalent duties on identical imported products are imposed through, and reported under, customs duty.

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

- Petrol includes unleaded petrol and lead replacement petrol (which replaced leaded petrol but is taxed at the unleaded petrol rate).
- All revenue from excise duty on aviation gasoline and aviation turbine fuel contributes to the funding of aviation programmes. The rates of excise applying to aviation fuels are adjusted, as necessary, depending on the funding requirements of those programmes.

In 2004-05, revenue from excise on petroleum and other fuel products is estimated to increase by $160 million (1.2 per cent), in line with expected increases in sales of petrol and diesel.

There are two sources of excise on crude oil: production from offshore fields in the North-West Shelf production licence areas which are not subject to PRRT; and production from onshore fields and fields in coastal waters.

- Excise on crude oil is levied on the sale price of the crude oil, and is the only excise not to be levied on a volumetric basis (where excise is applied per unit of quantity).

Revenue from crude oil excise is expected to increase by $10 million (3.2 per cent) in 2004-05.

Other excise is derived from beer, potable spirits and tobacco products.

- For cigarettes, excise is imposed per stick for cigarettes that do not exceed 0.8 grams (actual tobacco content) and a per kilogram basis for other tobacco products.

- For beer, spirits, brandy and ready to drink beverages, excise is imposed on the alcohol content. The excise rate on beer in containers greater than 48 litres (draught beer) is lower than for other beer.

Other excise revenue is expected to increase in 2004-05 by $110 million (1.5 per cent).

Wine is not subject to excise, but is subject to the wine equalisation tax (WET).

Excise indexation

The rates of duty for excisable commodities (with the exception of petroleum products and crude oil) are adjusted every August and February in line with half yearly CPI movements. If the change in the CPI is negative, the excise rate is not reduced but instead the decline is carried forward to offset the next positive CPI movement.

Excise indexation for petroleum products was removed in March 2001.

Table 7: Excise rates

Commodity	Rates applying from 1 Aug 2002 $	Rates applying from 1 Feb 2003 $	Rates applying from 1 Aug 2003 $	Rates applying from 2 Feb 2004 $
Petroleum (per litre)				
Unleaded petrol	0.38143	0.38143	0.38143	0.38143
Diesel	0.38143	0.38143	0.38143	0.38143
Aviation gasoline	0.02808	0.02808	0.03114	0.03114
Aviation turbine fuel	0.02845	0.02845	0.03151	0.03151
Fuel oil	0.07557	0.07557	0.07557	0.07557
Heating oil	0.07557	0.07557	0.07557	0.07557
Kerosene	0.07557	0.07557	0.07557	0.07557
Certain oils, greases and lubricants	0.05449	0.05449	0.05449	0.05449
Beer (per litre of alcohol over 1.15 per cent)				
Draught beer, low strength	5.78	5.86	5.94	6.01
Draught beer, mid strength	18.16	18.41	18.65	18.86
Draught beer, high strength	23.76	24.09	24.40	24.67
Other beer, low strength	28.95	29.36	29.74	30.07
Other beer, mid strength	33.75	34.22	34.66	35.04
Other beer, high strength	33.75	34.22	34.66	35.04
Potable spirits (per litre of alcohol)				
Brandy	53.38	54.13	54.83	55.43
Ready to drink beverages (RTDs)	33.75	34.22	34.66	35.04
General rate for other spirits	57.17	57.97	58.72	59.37
Cigarettes (per stick)	0.21227	0.21524	0.21804	0.22044
Tobacco products (per kg)	265.34	269.05	272.55	275.55

Customs duty

Customs duty is imposed either as a percentage of the value of the imported good or on a volumetric basis (where duty is applied per unit of quantity) for excise equivalent products.

Tariffs on passenger motor vehicles (PMV) and textile, clothing and footwear (TCF) account for around one-third of the total duty collected. A further one-third of customs duty revenue is derived from duty imposed on imports of petroleum products, tobacco, beer and spirits, which is akin to excise duty on these items. The other dutiable goods currently attract a general tariff rate of 5 per cent.

Customs duty is expected to decrease by $250 million (4.5 per cent) in 2004-05. This is due to the combined impact of tariff reductions for PMV and TCF in January 2005, the Australia-United States Free Trade Agreement and more subdued growth in nominal imports due to the higher exchange rate.

Other indirect taxes

Other indirect taxes include the WET, luxury car tax (LCT) and the final wholesale sales tax liability.

All wines, meads, ciders and sakes are subject to the WET rate of 29 per cent, with tax being paid on the wholesale value of the goods. With the proposed rebate for up to $1 million of domestic sales, WET is expected to decline by $30 million (4.3 per cent) in 2004-05.

A LCT of 25 per cent applies to the GST exclusive price of a car above the luxury car tax threshold ($57,009), and there is expected to be a fall in collections of $10 million (2.9 per cent) in 2004-05.

Other indirect taxes are expected to remain unchanged in 2004-05.

Fringe benefits tax and other taxes

Fringe benefits tax

Fringe benefits tax (FBT) is paid on non-salary benefits provided by employers to employees, which are provided in place of, or in addition to, the salary and wages of employees. FBT is payable by employers and is assessed on the value of the fringe benefits provided to employees or their associates. FBT is levied at 48.5 per cent on the grossed-up taxable value of benefits as calculated under the FBT rules. FBT instalments are paid by employers each quarter of the FBT year from April to March (on the Business Activity Statement), with a final balancing payment due in May together with lodgement of the FBT return.

FBT is expected to increase by $10 million (0.3 per cent) in 2004-05.

Agricultural levies and other taxes

Revenue estimates for agricultural levies and other taxes in 2003-04 and 2004-05 are provided in Table 8.

Table 8: Agricultural levies and other taxes (accrual basis)

	2003-04	2004-05	Change on 2003-04	
	Estimate	Estimate		
	$m	$m	$m	%
Agricultural taxes	561	583	23	4.1
Levies, other than agricultural	81	82	1	1.5
Broadcasting licence fees	225	234	9	4.0
Other(a)	810	845	35	4.3
Total	**1,677**	**1,744**	**68**	**4.0**

(a) Includes all other taxation revenue collected by Australian Government agencies.

Total agricultural and other tax revenue is estimated to increase by $68 million (4.0 per cent) in 2004-05. This mainly reflects higher expected revenue from agricultural taxes and the superannuation guarantee charge.

Non-taxation revenue

Revenue estimates for 2003-04 and 2004-05 are provided in Table 9 for the various categories of non-taxation revenue.

Table 9: Non-taxation revenue (accrual basis)

	2003-04 Estimate $m	2004-05 Estimate $m	Change on 2003-04 $m	%
Sales of goods and services	4,192	4,266	74	1.8
Interest				
Interest from other governments	215	202	-13	-6.0
Interest from other sources	1,029	880	-149	-14.5
Total interest	1,244	1,082	-162	-13.0
Dividends				
Dividends from associated entities	4,126	2,543	-1,583	-38.4
Dividends from other sources	45	27	-18	-39.9
Total dividends	4,171	2,570	-1,601	-38.4
Petroleum royalties	558	590	32	5.7
Other non-taxation revenue(a)	1,949	2,063	114	5.9
Total	**12,115**	**10,571**	**-1,543**	**-12.7**

(a) Includes all other non-taxation revenue collected by Australian Government agencies.

Non-taxation revenue is expected to decrease by $1.5 billion (12.7 per cent) in 2004-05. This largely reflects reduced dividend revenue from associated entities.

Sales of goods and services

This category consists of revenue from the direct provision of goods and services by the Australian Government general government sector, including reimbursement of GST administration costs received from the States. Sales of goods and services are expected to increase by $74 million (1.8 per cent) in 2004-05, mainly due to an increase in revenue from GST administration fees and immigration fees.

Interest

Interest income is expected to decrease by $162 million (13.0 per cent) in 2004-05.

Interest from other Governments

This category mainly consists of revenue from the States on General Purpose and Specific Purpose borrowings.

The Australian Government receives interest payments from the States in respect of General Purpose borrowings made on behalf of the States under the State Governments' Loan Council Programme (and from the Northern Territory in respect of advances made under similar general purpose capital assistance arrangements). Payments relating to these advances are made, in turn, by the Australian Government to bond holders.

Interest from the States on General Purpose borrowings is declining as a result of the June 1990 Loan Council decision that the States and Territories make additional payments to the Australian Government each year to facilitate the redemption of all maturing Australian Government securities issued on their behalf. The reduction in interest revenue from the States is matched by a reduction in public debt interest expenses.

The Australian Government also receives interest on Specific Purpose borrowings to the States, including on advances made under the Commonwealth-State Housing Agreements, States (Works and Housing) Assistance Acts, Northern Territory Housing Advances, and by the Australian Capital Territory on debts assumed upon self-government.

Interest from other governments is expected to decrease by $13 million (6.0 per cent) in 2004-05.

Interest from other sources

This item includes interest income on Australian Government cash balances and on other financial assets. It excludes swap transactions entered into as part of the Australian Government's debt management strategy, as they are classified as financing transactions under Government Finance Statistics standards. The Australian Office of Financial Management is responsible for the management and reporting of the Australian Government's net debt portfolio.

Interest income from other sources is expected to decrease by $149 million (14.5 per cent) in 2004-05.

Dividends

The main sources of dividends are the Australian Government's Business Enterprises and the Reserve Bank of Australia (RBA). Dividend payments from the RBA can be volatile, as they are sensitive to movements in interest rates and the exchange rate.

Total dividends are expected to decrease by $1.6 billion (38.4 per cent) in 2004-05, largely due to a decline in RBA dividends. The decrease results from lower estimated earnings due to lower world interest rates and the re-building of RBA foreign exchange reserves.

Petroleum royalties

Petroleum royalties are paid by producers operating in the North-West Shelf oil and gas fields off Western Australia as well as the Timor Sea.

Petroleum royalties are expected to increase by $32 million (5.7 per cent) in 2004-05, due to expected increases in crude oil prices.

Other sources of non-taxation revenue

Other non-taxation revenue includes Child Support Trust Revenue (collected by the Child Support Agency) and seigniorage from circulation coin production.

Other non-taxation revenue is expected to increase by $114 million (5.9 per cent) in 2004-05. There is a $150 million increase due to the recognition of revenue in relation to trust fund receipts from the Reinsurance Trust Fund levies. These levies are imposed by the *Private Health Insurance (Reinsurance Trust Fund Levy) Act 2003*. This revenue is fully offset by an equivalent change in expenses reflecting the payment of the levy into the Trust Fund.

APPENDIX A: FORWARD ESTIMATES OF REVENUE

Table A1: Australian Government revenue (accrual basis)

	2002-03 Actual $m	2003-04 Estimate $m	2004-05 Estimate $m	2005-06 Projection $m	2006-07 Projection $m	2007-08 Projection $m
Taxation revenue						
Income taxation						
Individuals and other withholding tax(a)						
Gross income tax withholding	84,640	89,870	95,150	100,280	107,220	114,490
Gross other individuals	18,314	19,760	20,390	20,940	21,510	22,510
less: Refunds	11,651	12,200	12,850	13,490	14,220	15,140
Total individuals and other withholding tax	91,303	97,430	102,690	107,730	114,510	121,860
Companies	33,365	37,310	39,400	42,230	44,760	47,300
Superannuation funds						
Contributions and earnings	3,617	4,510	5,520	5,290	5,630	6,040
Superannuation surcharge	1,279	1,260	1,390	1,410	1,330	1,190
Total superannuation funds	4,896	5,770	6,910	6,700	6,960	7,230
Petroleum resource rent tax	1,715	1,200	1,100	1,080	1,290	1,190
Total income taxation	**131,278**	**141,710**	**150,100**	**157,740**	**167,520**	**177,580**
Indirect taxation						
Excise duty						
Petroleum and other fuel products	12,920	13,160	13,320	13,460	13,650	13,760
Crude oil	417	310	320	300	290	280
Other excise	7,450	7,470	7,580	7,650	7,770	7,870
Total excise duty	20,787	20,940	21,220	21,410	21,710	21,910
Customs duty	5,573	5,585	5,335	5,149	5,113	5,321
Other indirect taxes	896	990	990	1,050	1,120	1,180
Total indirect taxation	**27,255**	**27,515**	**27,545**	**27,609**	**27,943**	**28,411**
Fringe benefits tax(b)	2,832	3,180	3,190	3,220	3,310	3,410
Agricultural levies	586	561	583	592	594	586
Other taxes	1,104	1,116	1,161	1,216	1,197	1,156
Total taxation revenue	**163,055**	**174,082**	**182,580**	**190,377**	**200,565**	**211,142**
Non-taxation revenue						
Interest received	1,185	1,244	1,082	1,049	1,682	2,556
Dividends and other	10,773	10,870	9,489	9,957	9,953	9,431
Total non-taxation revenue	**11,958**	**12,115**	**10,571**	**11,006**	**11,635**	**11,987**
Total revenue	**175,014**	**186,197**	**193,151**	**201,383**	**212,199**	**223,129**

(a) Includes Medicare levy revenue.
(b) Consistent with GFS reporting standards, excludes fringe benefits tax collected from Australian Government agencies (estimated at $364 million in 2003-04 and $380 million in 2004-05).

Table A2: Australian Government receipts (cash basis)

	2002-03 Actual $m	2003-04 Estimate $m	2004-05 Estimate $m	2005-06 Projection $m	2006-07 Projection $m	2007-08 Projection $m
Taxation receipts						
Income taxation						
Individuals and other withholding tax(a)						
Gross income tax withholding	84,134	89,450	94,400	99,500	106,400	113,610
Gross other individuals	17,436	18,890	19,610	20,170	20,810	21,770
less: Refunds	11,651	12,200	12,850	13,490	14,220	15,140
Total individuals and other withholding tax	89,919	96,140	101,160	106,180	112,990	120,240
Companies	32,752	35,880	38,760	41,640	43,830	46,350
Superannuation funds						
Contributions and earnings	3,865	4,510	5,510	5,280	5,590	6,000
Superannuation Surcharge	975	1,180	1,300	1,320	1,240	1,100
Total superannuation funds	4,840	5,690	6,810	6,600	6,830	7,100
Petroleum resource rent tax	1,712	1,180	1,100	1,080	1,290	1,190
Total income taxation	**129,222**	**138,890**	**147,830**	**155,500**	**164,940**	**174,880**
Indirect taxation						
Excise duty						
Petroleum and other fuel products	12,866	13,170	13,320	13,460	13,650	13,760
Crude oil	417	310	320	300	290	280
Other excise	7,450	7,470	7,580	7,650	7,770	7,870
Total excise duty	20,733	20,950	21,220	21,410	21,710	21,910
Customs duty	4,982	5,020	4,770	4,540	4,540	4,760
Other indirect taxes	858	980	990	1,040	1,110	1,170
Total indirect taxation	**26,573**	**26,950**	**26,980**	**26,990**	**27,360**	**27,840**
Fringe benefits tax(b)	3,103	3,120	3,160	3,250	3,340	3,440
Agricultural levies	586	561	583	592	594	586
Other taxes	1,176	1,023	1,110	1,148	1,147	1,118
Total taxation receipts	**160,661**	**170,544**	**179,663**	**187,480**	**197,381**	**207,864**
Non-taxation receipts						
Interest received	982	1,132	1,014	838	1,357	2,197
Dividends and other	14,504	13,539	13,560	13,513	13,094	12,688
Total non-taxation receipts	**15,487**	**14,671**	**14,574**	**14,351**	**14,451**	**14,884**
Total receipts	**176,147**	**185,214**	**194,237**	**201,831**	**211,832**	**222,748**

(a) Includes Medicare levy receipts.
(b) Consistent with GFS reporting standards, excludes fringe benefits tax collected from Australian Government agencies (estimated at $364 million in 2003-04 and $380 million in 2004-05).

APPENDIX B: CHANGES IN REVENUE SINCE MYEFO

Table B1: Reconciliation of 2003-04 revenue estimates (accrual basis)

	2003-04			
	MYEFO $m	Budget $m	Change on MYEFO $m	Change on MYEFO %
Taxation revenue				
Income taxation				
Individuals and other withholding tax(a)				
Gross income tax withholding	88,750	89,870	1,120	1.3
Gross other individuals	19,410	19,760	350	1.8
less: Refunds	12,300	12,200	-100	-0.8
Total individuals and other withholding tax	95,860	97,430	1,570	1.6
Companies	35,650	37,310	1,660	4.7
Superannuation funds				
Contributions and earnings	4,400	4,510	110	2.5
Superannuation surcharge	1,170	1,260	90	7.7
Petroleum resource rent tax	1,280	1,200	-80	-6.3
Total income taxation	**138,360**	**141,710**	3,350	2.4
Indirect taxation				
Excise duty				
Petroleum and other fuel products	13,140	13,160	20	0.2
Crude oil	250	310	60	24.0
Other excise	7,360	7,470	110	1.5
Total excise duty	20,750	20,940	190	0.9
Customs duty	5,915	5,585	-330	-5.6
Other indirect taxes	920	990	70	7.6
Total indirect taxation	**27,585**	**27,515**	-70	-0.3
Fringe benefits tax(b)	3,150	3,180	30	1.0
Agricultural levies	591	561	-30	-5.1
Other taxes	1,001	1,116	115	11.5
Total taxation revenue	**170,687**	**174,082**	3,395	2.0
Non-taxation revenue	11,969	12,115	146	1.2
Total revenue	**182,655**	**186,197**	3,541	1.9

(a) Includes Medicare levy revenue.
(b) Consistent with GFS reporting standards, excludes fringe benefits tax collected from Australian Government agencies (estimated at $364 million in 2003-04).

Table B2: Reconciliation of 2004-05 revenue estimates (accrual basis)

	2004-05			
	MYEFO $m	Budget $m	Change on MYEFO $m	Change on MYEFO %
Taxation revenue				
Income taxation				
Individuals and other withholding tax(a)				
Gross income tax withholding	94,430	95,150	720	0.8
Gross other individuals	20,220	20,390	170	0.8
less: Refunds	12,930	12,850	-80	-0.6
Total individuals and other withholding tax	101,720	102,690	970	1.0
Companies	37,630	39,400	1,770	4.7
Superannuation funds				
Contributions and earnings	4,590	5,520	930	20.3
Superannuation surcharge	1,200	1,390	190	15.8
Petroleum resource rent tax	920	1,100	180	19.6
Total income tax	**146,060**	**150,100**	4,040	2.8
Indirect taxation				
Excise duty				
Petroleum and other fuel products	13,235	13,320	85	0.6
Crude oil	155	320	165	106.5
Other excise	7,430	7,580	150	2.0
Total excise duty	20,820	21,220	400	1.9
Customs duty	5,825	5,335	-490	-8.4
Other indirect taxes	1,000	990	-10	-1.0
Total indirect taxation	**27,645**	**27,545**	-100	-0.4
Fringe benefits tax(b)	3,090	3,190	100	3.2
Agricultural levies	606	583	-23	-3.8
Other taxes	1,009	1,161	152	15.1
Total taxation revenue	**178,411**	**182,580**	4,169	2.3
Non-taxation revenue	10,403	10,571	168	1.6
Total revenue	**188,814**	**193,151**	4,337	2.3

(a) Includes Medicare levy revenue.
(b) Consistent with GFS reporting standards, excludes fringe benefits tax collected from Australian Government agencies (estimated at $380 million in 2004-05).

APPENDIX C: REVENUE MEASURES

A summary of the revenue measures introduced since MYEFO is provided in Table C1. A full description of these measures can be found in Budget Paper No. 2.

Table C1: Revenue measures since the 2003-04 MYEFO (accrual basis)

	2004-05 $m	2005-06 $m	2006-07 $m	2007-08 $m
ATTORNEY-GENERAL'S				
Australia-United States Free Trade Agreement	-190.0	-400.0	-420.0	-450.0
Portfolio total	**-190.0**	**-400.0**	**-420.0**	**-450.0**
CROSS PORTFOLIO				
Melbourne 2006 Commonwealth Games				
– contribution	-	-1.4	-	-
Portfolio total	**-**	**-1.4**	**-**	**-**
EDUCATION, SCIENCE AND TRAINING				
Investing in Australia's Aged Care				
– better skills for better care	-	..	0.1	0.1
MedicarePlus				
– additional medical school places for Queensland	-	-	..	..
Our Universities				
– Higher Education Loan Programme	11.7	28.1	29.9	26.3
Portfolio total	**11.7**	**28.1**	**29.9**	**26.4**
ENVIRONMENT AND HERITAGE				
Climate Change Strategy				
– continuing administration of the Mandatory Renewable Energy Target	0.5	0.6	0.7	0.9
Portfolio total	**0.5**	**0.6**	**0.7**	**0.9**
FINANCE AND ADMINISTRATION				
Parliamentary superannuation changes	-0.2	-0.6	-0.6	-0.8
Portfolio total	**-0.2**	**-0.6**	**-0.6**	**-0.8**
HEALTH AND AGEING				
Medical Indemnity				
– changes to United Medical Protection liability contributions	-6.7	-9.8	-9.4	-9.4
– run-off reinsurance vehicle	*	*	*	*
Portfolio total	**-6.7**	**-9.8**	**-9.4**	**-9.4**
IMMIGRATION AND MULTICULTURAL AND INDIGENOUS AFFAIRS				
Indigenous Home Ownership Programme				
– expansion	0.5	1.0	1.0	1.0
Migration (non-humanitarian) program	5.8	6.1	6.3	7.0
Regional Migration Initiatives	6.7	14.8	17.5	18.7
Portfolio total	**13.0**	**21.9**	**24.8**	**26.7**

Table C1: Revenue measures since the 2003-04 MYEFO (accrual basis) (continued)

	2004-05	2005-06	2006-07	2007-08
	$m	$m	$m	$m
TREASURY				
A more flexible and adaptable retirement income system				
– allowing people to access their superannuation in the transition to retirement	-	*	*	*
– assets test exemption for income streams	-0.1	-0.2	-0.4	-0.5
– preserving rolled over employer eligible termination payments	*	*	*	*
– removing the requirement for actuarial certificates	-	-	-	-
– removing the work test for superannuation contributions for people under the age of 65	12.8	-34.5	-40.1	-45.9
– requiring compulsory payment of superannuation benefits for people over 75	-1.3	3.3	3.1	3.3
– simplifying the superannuation guarantee notional earnings bases	-10.0	-15.0	-21.0	-24.0
– simplifying the superannuation work test rules for those aged over 65	..	..	..	..
Airservices Australia				
– extension of the Location Specific Pricing subsidy	5.0	2.0	-	-
Australian Prudential Regulation Authority				
– strengthened capabilities	7.4	14.4	11.7	11.9
Australian Securities and Investments Commission				
– enhanced enforcement activities and consumer protection and corporate sector regulation	13.9	15.3	15.8	16.7
Australian Taxation Office				
– taxation and superannuation compliance	251.0	347.8	291.3	259.2
Capital gains tax				
– allowing all insolvency practitioners to declare shares and other securities worthless	*	*	*	*
– excluding input tax credits from the cost base	*	*	*	*
– providing a roll-over on transition to the new superannuation safety arrangements	-	-	-	-
Civil Aviation Safety Authority				
– financial viability	6.5	6.5	6.5	6.5
Consolidation				
– providing greater flexibility	*	*	*	*
Foreign resident withholding				
– requiring withholding from alienated personal services payments	-	-	-	-
– requiring withholding from prescribed payments	125.0	130.0	140.0	145.0
Fringe benefits reporting				
– providing an exclusion for child tuition assistance	..	..	..	..
– providing exclusions for police officers	..	..	..	..
Fringe benefits tax				
– broadening the exemption for the purchase of a new dwelling as a result of relocation	..	..	..	..
– ensuring concessions are available for public ambulance services	-3.0	-4.0	-4.0	-4.0
– extending the transitional arrangements for payments into worker entitlement funds	-	-	-	-

Table C1: Revenue measures since the 2003-04 MYEFO (accrual basis) (continued)

	2004-05 $m	2005-06 $m	2006-07 $m	2007-08 $m
TREASURY (continued)				
– increasing the thresholds for exempt long service award benefits	..	..	..	..
– providing an exemption for certain benefits received by recipients of military compensation payments	..	..	..	..
Fuel tax reform				
– introducing a new energy content based fuel excise system	-	-	-	-
Interest withholding tax				
– updating of exemptions and the definition of interest	-5.0	-5.0	-5.0	-5.0
Land transport facilities borrowings tax offset				
– phasing down of the scheme	-	-	-	-
Personal income tax				
– reductions in personal income tax	-1,925.0	-3,800.0	-4,250.0	-4,750.0
– increasing the Medicare levy low income thresholds	-41.0	-21.0	-21.0	-21.0
– providing exemptions for certain military compensation payments	..	..	..	..
– simplifying the foreign employment exemption	-	-	-	-
– standardising the dependant child age criteria	-	..	-3.0	-3.0
Petroleum resource rent tax				
– providing an immediate uplift for exploration expenditure in designated offshore frontier areas	-	-2.0	-6.0	-9.0
Philanthropy				
– changing the requirements for the concessional treatment of testamentary gifts and philanthropic funds	-	..	..	..
– creating two new deductible gift recipient categories	-0.5	-1.0	-1.0	-1.0
– implementing the Government's response to the Charities Definition Inquiry	-3.0	-	-	-
– updating the list of eligible deductible gift recipients	*	*	*	*
Small business tax simplification				
– allowing companies more time to repay loans or put loans on a commercial footing	-	*	*	*
– extending depreciating asset roll-over relief for Simplified Tax System partnerships	-	-6.0	-5.0	-5.0
– facilitating movement from annual to quarterly Pay As You Go instalments	-	-	-	-
– facilitating the payment of franked distributions during a private company's first taxable year	-	..	..	..
– increasing flexibility for making family trust and interposed entity elections	-	*	*	*
– providing a fringe benefits tax exemption for additional work-related items	-1.0	-3.0	-4.0	-5.0
– providing a fringe benefits tax exemption for engagement of relocation consultants	*	*	*	*
– removing the customary requirement for the fringe benefits tax remote area housing exemption	-	-2.0	-2.5	-3.0
Superannuation				
– incentivies for saving for retirement – surcharge rate reduction	-	-55.0	-170.0	-385.0
– improving the integrity of the superannuation system	*	*	*	*

Table C1: Revenue measures since the 2003-04 MYEFO (accrual basis) (continued)

	2004-05	2005-06	2006-07	2007-08
	$m	$m	$m	$m
TREASURY (continued)				
Superannuation Complaints Tribunal				
– relocation	0.8	0.3	0.3	0.3
Tax losses				
– simplifying the loss recoupment rules for companies	*	*	*	*
Uniform capital allowances				
– allowing deductions for the cost of acquiring certain telecommunications rights	-1.1	-3.2	-4.5	-5.5
Venture capital				
– ensuring the Venture Capital Limited Partnership regime operates as intended	-	-	-	-
Water facilities and landcare tax concessions				
– providing access for irrigation water providers	-	-5.0	-5.0	-5.0
Wine industry assistance				
– providing a wine equalisation tax producer rebate	-58.0	-90.0	-90.0	-100.0
– removing accelerated depreciation of grapevine plantings	2.0	6.0	11.0	17.0
Portfolio total	**-1,624.6**	**-3,521.3**	**-4,152.8**	**-4,912.0**
Decisions taken but not yet announced	-	-	-60.0	-60.0
Total impact of revenue measures	**-1,796.2**	**-3,882.5**	**-4,587.4**	**-5,378.2**

A summary of the revenue measures introduced from the 2003-04 Budget up to MYEFO is provided in Table C2. A full description of these measures can be found in MYEFO.

Table C2: Revenue measures up to the 2003-04 MYEFO (accrual basis)

	2004-05 $m	2005-06 $m	2006-07 $m	2007-08 $m
ATTORNEY-GENERAL'S				
Australia-Thailand Closer Economic Relations				
– Free Trade Agreement	-90.0	-100.0	-100.0	-110.0
Customs duty				
– changes to Australia's duty free concessions	..	..	..	..
– extension of concessions for goods used in the oil and gas sector	..	..	..	..
– textile, clothing and footwear tariff reductions	-	-	-	-
Textile, clothing and footwear assistance package post-2005				
– extension of the Expanded Overseas Assembly Provision scheme	-	-5.0	-5.0	-5.0
Import Credit Scheme	-	-	-5.0	-5.0
Portfolio total	**-90.0**	**-105.0**	**-110.0**	**-120.0**
COMMUNICATIONS, INFORMATION TECHNOLOGY AND THE ARTS				
Postal Industry Ombudsman				
– establishment	0.3	0.3	0.3	0.3
Regional Telecommunications Inquiry				
– cost recovery for enhanced regional telecommunications monitoring	1.7	1.1	1.2	1.2
Portfolio total	**2.0**	**1.4**	**1.4**	**1.5**
EDUCATION, SCIENCE AND TRAINING				
Our Universities				
– Commonwealth Grants Scheme – increased flexibility	-	0.4	1.1	1.9
enhancements to higher education reform package	-	-	2.4	5.0
– Higher Education Loans Programme (HELP) extension	-	0.1	0.2	0.4
Portfolio total	**-**	**0.4**	**3.7**	**7.4**
HEALTH AND AGEING				
Medical Indemnity				
– Incurred-But-Not-Reported (IBNR) Indemnity Scheme Levy	*	*	*	*
Portfolio total	**-**	**-**	**-**	**-**
TRANSPORT AND REGIONAL SERVICES				
Air Passenger Ticket Levy discontinuation	-	-	-	-
Portfolio total	**-**	**-**	**-**	**-**
TREASURY				
Income tax				
Asset financing arrangements involving tax-preferred entities	*	*	*	*
Capital gains tax				
– demutualisation of friendly societies	..	..	..	..
– preservation of pre-CGT interests in entities that demerge	-	-	-	-
– small business concessions and discretionary trusts	*	*	*	*
Company tax loss recoupment rules	-	-	-	-

Table C2: Revenue measures up to the 2003-04 MYEFO (accrual basis) (continued)

	2004-05 $m	2005-06 $m	2006-07 $m	2007-08 $m
TREASURY (continued)				
Concessions for Australian Defence Force personnel serving overseas	-	-	-	-
Deductible gift recipients				
– changes to eligible organisations	*	*	*	*
– deductions for contributions with an associated minor benefit	-	-3.0	-3.0	-3.0
Family Tax Benefit				
– income tax deduction for the cost of tax agent fees	-	-	-	-
Farm Management Deposits scheme				
– clarifying eligibility rules	-	-	-	-
Foreign Investment Fund rules				
– additional approved stock exchange	..	..	..	..
Fringe benefits tax				
– transition arrangements for payments to worker entitlement funds	-	-	-	-
Imputation				
– simplified rules for life insurance companies	..	..	..	..
International taxation				
– not proceeding with the foreign income tax exemption for temporary residents	40.0	45.0	45.0	50.0
Superannuation				
– changes to the taxation of overseas superannuation transfers	1.1	0.1	0.1	0.1
– deferral of pension and annuity changes by three months	*	*	*	*
– delayed replacement of the personal superannuation contributions rebate	-	-	-	-
– smaller reduction in the Superannuation Surcharge rate	145.0	205.0	175.0	170.0
Tax administration				
– amendments to the *Crimes (Taxation Offences) Act 1980*	-	-	-	-
– changes to hardship provisions	..	..	..	..
– new civil penalty to deter the promotion of tax avoidance schemes	-	15.0	25.0	35.0
Tax treatment of a payment out of the National Guarantee Fund	-	-	-	-
Taxation of financial arrangements				
– backdating elections under the foreign currency rules	..	-	-	-
– deferral of reforms to commodity hedging taxation arrangements	*	*	*	*
Portfolio total	**186.1**	**262.1**	**242.1**	**252.1**
Decisions taken but not yet announced	-43.0	48.0	27.0	19.0
Total impact of revenue measures	**55.1**	**206.9**	**164.2**	**159.9**

APPENDIX D: ACCRUAL AND CASH TAXATION ESTIMATES

Table D1: Estimates of taxation revenue on an accrual and cash basis

	2003-04	**2004-05**	2005-06	2006-07	2007-08
	$b	**$b**	$b	$b	$b
Taxation revenue (accrual)	174.1	**182.6**	190.4	200.6	211.1
Taxation receipts (cash)	170.5	**179.7**	187.5	197.4	207.9
Difference (accrual less cash)	**3.5**	**2.9**	**2.9**	**3.2**	**3.3**
Memorandum items:					
ACIS(a)	0.6	**0.6**	0.6	0.6	0.6
Deferred company tax payments	-0.4	**-0.4**	-0.4	0.0	0.0
Other	3.4	**2.7**	2.6	2.6	2.7
Total	3.5	**2.9**	2.9	3.2	3.3

(a) Automotive Competitiveness and Investment Scheme

Accrual estimates are prepared using the tax liability method (TLM) of revenue recognition. Under the TLM, taxation revenue is recognised at the time a taxpayer makes a self-assessment or when an assessment of a tax liability is raised by the Australian Taxation Office or the Australian Customs Service. This method retains some elements of cash revenue recognition — for example, revenue is recognised when cash payment occurs prior to an assessment being raised.

Specific drivers of the difference between the accrual and cash taxation revenue estimates are discussed below.

Automotive Competitiveness and Investment Scheme

The Automotive Competitiveness and Investment Scheme (ACIS) operates by providing customs duty credits to exporters of Australian automotive products. The credits can be used to offset future customs duty on specific imports.

Under accrual accounting, an expense is recognised when the ACIS credits are issued. The later redemption of the credits results in an increase in the difference between the accrual and cash estimates for customs duty revenue, because the customs duty accrual revenue is recognised at the point of credit redemption but no cash is received. ACIS credits account for $560 million of the difference between the accrual and cash estimates in 2004-05.

Deferred company tax payments

The PAYG arrangements for companies and superannuation funds (introduced as part of *The New Tax System*) better align tax payments with the period in which income is earned. In the absence of transitional arrangements, this would have created an overlap of tax payments, because payments of tax obligations for 1999-2000 (under the previous payment arrangements) and PAYG instalments for 2000-01 (under the new payment arrangements) both occurred during 2000-01. For a medium-sized company, for example, there would have been six payments due, instead of the usual four.

The Government implemented transitional arrangements to assist these taxpayers move to the new PAYG system, by allowing them to spread some of their tax payments in interest free instalments for up to 5 years. While the full amount of the tax obligations was included in accrual revenue for 2000-01, the year in which the liabilities were recognised, the cash estimates will continue to be affected for the 5 year period, reflecting when the deferred tax payments will be received.

The impact of these deferred payments has been to increase the cash taxation receipt estimates by around $390 million in 2003-04 and $360 million in 2004-05, while they have no impact on the accrual estimates in either year.

Other

This category consists of timing differences between the recognition of accrual and cash revenue and instances where revenue has been recognised but payment is no longer expected to be received. For example:

- *receivables* arise where tax liabilities are recognised in one period, but the taxpayer is not expected to pay the liability until a later period;

- *remissions* occur where tax liabilities are recognised, but circumstances are taken into account and the Commissioner of Taxation reduces the amount of various penalties and interest required to be paid;

- a tax liability may be *written off* where the previously recognised revenue is no longer expected to be received; and

- a *credit amendment* may be issued where a tax assessment is amended (for example, where a court decision leads to a change in the interpretation of the tax laws).

To the extent that revenue includes tax assessments for which payment may not be received, expenses are recognised (that is, in respect of *remissions* and *write-offs* of bad and doubtful debts). The higher revenue is offset by these expenses, leaving the fiscal balance unaffected.

APPENDIX E: TAX EXPENDITURES

This appendix contains a brief overview of the cost of tax concessions provided by the concessional tax treatment of specific activities and/or taxpayers.

Tax concessions provide a benefit to a specified activity or class of taxpayer. Tax concessions can be delivered in a variety of ways, for example by a tax exemption, tax deduction, tax offset, reduced tax rate or by deferring a tax liability. The Government can use tax concessions to allocate resources to different activities or taxpayers in much the same way that it can use direct expenditure programmes. For this reason, and noting their direct impact on the fiscal balance, these tax concessions are generally called tax expenditures.

The data reported in this appendix are consistent with tax expenditure data reported in the *2003 Tax Expenditures Statement* published in January 2004. The Tax Expenditures Statement (TES) is an annual statement of Australian Government tax expenditures.

Table E1 contains estimates of total tax expenditures for the period 2000-01 to 2007-08. There are several considerations that need to be taken into account when analysing tax expenditure data.

- These figures may understate the total cost of tax expenditures, as some identified tax expenditures have not been estimated due to a lack of data and the TES does not necessarily provide a comprehensive listing of all tax expenditures.
- Some caution should be exercised when using these tax expenditure estimates to measure the amount of tax revenue forgone. Tax expenditure estimates measure the benefit of the tax concession to the recipient, not the impact on the fiscal balance from the removal of that tax expenditure. The two might differ due to behavioural responses or for other reasons (see sections 2.1 and 2.5 of the *2003 Tax Expenditures Statement*).
- These figures may overstate the total cost of tax expenditures, as each tax expenditure estimate is an independent calculation of the financial benefits derived by taxpayers that receive that concession, and as such do not generally take into account any inter relationship between tax expenditures.
- Trends in aggregate tax expenditures over time will reflect both changes to the cost of individual tax expenditures and changes in the coverage of tax expenditures being costed.
- Tax expenditure aggregates are net aggregates as they include the offsetting effects of negative tax expenditures.

- Changes over time in methodology and data used to calculate the value of particular tax expenditures can result in large revisions to tax expenditure estimates. Therefore estimates that were provided in previous editions of the TES or in previous Budgets may not be strictly comparable to figures reported here.

Table E1: Aggregate tax expenditures 2000-01 to 2007-08

Year	Superannuation $m	Other tax expenditures $m	Total $m	Tax expenditures as a proportion of GDP (%)
2000-01 (est)	9,685	20,263	29,948	4.5
2001-02 (est)	9,215	20,555	29,770	4.2
2002-03 (est)	10,075	19,946	30,021	4.0
2003-04 (proj)	10,960	19,486	30,446	3.8
2004-05 (proj)	**11,775**	**19,478**	**31,253**	**3.6**
2005-06 (proj)	12,625	19,814	32,439	3.6
2006-07 (proj)	13,450	20,302	33,752	3.5
2007-08 (proj)	14,310	20,849	35,159	3.5

Measured tax expenditures are projected to decline as a proportion of GDP from 4.5 per cent in 2000-01 to around 3.5 per cent in 2007-08. The largest single contributing factor to the decline in total measured tax expenditures is the removal of accelerated depreciation under The New Business Tax System.

APPENDIX F: CASH REVENUE STATISTICS AND HISTORY

Table F1: Australian Government receipts (cash basis)[(a)]

	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04(b)	2004-05(b)
	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m
Taxation receipts												
Income taxation												
Individuals and other withholding tax(c)												
Gross income tax withholding	47,988	51,831	57,791	62,272	66,842	72,376	77,934	75,009	78,983	84,134	89,450	94,400
Gross other individuals	8,697	9,481	10,078	11,820	12,119	13,103	13,370	13,226	16,290	17,436	18,890	19,610
Gross PPS(d)	1,871	2,169	2,179	2,250	2,524	2,794	3,120	0	0	0	0	0
less: Refunds	7,103	7,931	8,285	8,808	9,525	10,325	10,946	10,989	10,637	11,651	12,200	12,850
Total individuals and other withholding tax	51,452	55,551	61,763	67,533	71,959	77,948	83,478	77,246	84,636	89,919	96,140	101,160
Companies	12,700	15,588	18,252	19,173	19,406	20,734	24,453	31,582	27,230	32,752	35,880	38,760
Superannuation funds												
Contributions and earnings	1,191	1,913	1,634	2,595	2,746	3,630	3,243	4,110	3,550	3,865	4,510	5,510
Superannuation surcharge	0	0	0	0	347	286	577	690	824	975	1,180	1,300
Total superannuation funds	1,191	1,913	1,634	2,595	3,093	3,916	3,820	4,800	4,373	4,840	5,690	6,810
Petroleum resource rent tax	1,072	865	791	1,308	907	419	1,184	2,379	1,361	1,712	1,180	1,100
Total income taxation	**66,416**	**73,916**	**82,440**	**90,610**	**95,366**	**103,017**	**112,936**	**116,006**	**117,601**	**129,222**	**138,890**	**147,830**
Indirect taxation(e)												
Excise duty												
Petroleum and other fuel products	8,499	9,406	10,224	10,543	10,895	10,974	11,189	11,919	12,386	12,866	13,170	13,320
Crude oil and LPG	62	27	13	9	16	31	219	526	393	417	310	320
Other excise	2,253	2,567	2,612	2,739	2,663	2,614	2,670	6,572	6,837	7,450	7,470	7,580
Total excise duty	10,814	12,001	12,849	13,291	13,574	13,619	14,078	19,017	19,616	20,733	20,950	21,220
Customs duty	3,226	3,474	3,124	3,289	3,637	3,634	3,771	4,584	4,625	4,982	5,020	4,770
Other indirect taxes	10,414	11,624	12,955	13,308	14,085	15,162	15,532	1,929	785	858	980	990
Total indirect taxation	**24,455**	**27,099**	**28,928**	**29,888**	**31,296**	**32,415**	**33,381**	**25,530**	**25,026**	**26,573**	**26,950**	**26,980**

Table F1: Australian Government receipts (cash basis)[a] (continued)

	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04(b)	2004-05(b)
	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m
Fringe benefits tax	1,417	2,740	3,031	3,163	3,168	3,289	3,373	3,207	3,272	3,103	3,120	3,160
Other taxes	1,736	1,933	1,988	2,154	2,390	2,383	1,005	1,312	1,645	1,762	1,584	1,693
Total taxation receipts	**94,024**	**105,687**	**116,386**	**125,815**	**132,219**	**141,104**	**150,695**	**146,056**	**147,544**	**160,661**	**170,544**	**179,663**
Non-taxation receipts												
Interest received	2,051	1,790	1,403	1,126	1,139	682	995	1,140	918	982	1,132	1,014
Dividends and other	4,671	2,952	3,899	4,089	3,610	4,659	14,116	13,634	14,062	14,504	13,539	13,560
Total non-taxation receipts	**6,722**	**4,743**	**5,302**	**5,216**	**4,749**	**5,341**	**15,111**	**14,774**	**14,980**	**15,487**	**14,671**	**14,574**
Total receipts	**100,747**	**110,430**	**121,688**	**131,031**	**136,968**	**146,444**	**165,806**	**160,829**	**162,524**	**176,147**	**185,214**	**194,237**

(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.
(b) Estimates.
(c) Includes the Medicare levy.
(d) PPS denotes Prescribed Payments System, which was replaced by the PAYG withholding system from 1 July 2000.
(e) These items are reported net of Revenue Replacement Payments (RRPs) to the States.

Table F2: Major categories of receipts as a proportion of gross domestic product (cash basis)[(a)]

	Taxation receipts															Non-taxation receipts			
	Income taxation								Other taxation receipts										
	Gross ITW	Gross other individuals	Refunds	Total individuals & w'holding (b)	Companies	Super funds	PRRT	Total income tax	Petrol & other fuel products	Other excise	Customs duty	FBT	Total other tax(c)	Total tax receipts	Interest	Dividends and other	Total non-tax receipts	Total receipts
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
1974-75	10.3	2.4	1.2	11.5	3.5	-	-	15.0	1.0	1.5	1.2	-	5.8	20.7	1.7	0.0	1.7	22.5
1975-76	10.6	2.8	1.7	11.7	3.2	-	-	14.9	1.3	1.6	1.2	-	6.4	21.3	1.7	0.1	1.8	23.1
1976-77	10.8	2.8	1.4	12.2	3.1	-	-	15.2	1.2	1.5	1.3	-	6.3	21.6	1.7	0.2	1.9	23.5
1977-78	10.7	2.5	0.9	12.2	3.1	0.0	-	15.3	1.3	1.4	1.1	-	6.1	21.4	1.8	0.3	2.1	23.5
1978-79	10.2	2.1	0.9	11.4	2.7	0.0	-	14.1	1.9	1.5	1.2	-	6.7	20.7	1.7	0.3	2.0	22.7
1979-80	10.4	2.2	0.9	11.8	2.6	0.0	-	14.4	2.5	1.4	1.2	-	6.9	21.4	1.5	0.3	1.7	23.1
1980-81	10.6	2.3	0.8	12.1	3.2	0.0	-	15.4	2.8	1.2	1.2	-	7.1	22.5	1.5	0.3	1.7	24.2
1981-82	11.3	2.3	0.8	12.7	3.0	0.0	-	15.8	2.5	1.1	1.2	-	6.9	22.6	1.4	0.3	1.8	24.4
1982-83	11.6	2.3	1.1	12.8	2.7	0.0	-	15.5	2.7	1.1	1.1	-	7.3	22.8	1.5	0.5	2.0	24.8
1983-84	11.1	2.2	1.2	12.2	2.2	0.0	-	14.5	2.8	1.0	1.1	-	7.6	22.1	1.5	0.6	2.1	24.1
1984-85	11.5	2.4	0.9	13.2	2.5	0.0	-	15.6	2.9	1.0	1.3	-	8.0	23.6	1.4	0.7	2.1	25.7
1985-86	11.8	2.7	1.4	13.4	2.5	0.0	-	15.9	2.9	1.0	1.3	-	8.0	23.8	1.4	1.0	2.4	26.3
1986-87	12.0	3.2	1.3	14.2	2.5	0.0	-	16.7	2.7	0.9	1.2	0.2	7.9	24.6	1.3	1.1	2.5	27.0
1987-88	11.6	3.2	1.3	13.7	2.8	0.0	-	16.5	2.4	0.9	1.2	0.3	7.8	24.3	1.2	0.8	2.0	26.3
1988-89	11.9	2.8	1.5	13.7	2.9	0.0	-	16.6	2.0	0.6	1.1	0.3	7.2	23.8	1.1	0.3	1.4	25.2
1989-90	11.6	2.7	1.5	13.2	3.4	0.1	0.0	16.7	2.0	0.6	1.0	0.3	7.0	23.7	0.9	0.3	1.2	24.9
1990-91	11.3	2.9	1.7	12.9	3.6	0.3	0.1	16.8	2.0	0.6	0.8	0.3	6.7	23.4	0.8	0.4	1.2	24.7
1991-92	11.0	2.3	1.9	11.7	3.3	0.3	0.2	15.5	1.8	0.6	0.8	0.3	6.1	21.6	0.7	0.6	1.4	23.0
1992-93	10.8	2.0	1.8	11.3	3.1	0.4	0.3	15.1	1.7	0.6	0.8	0.3	5.9	21.0	0.6	0.7	1.3	22.3
1993-94	10.7	1.9	1.6	11.5	2.8	0.3	0.2	14.9	1.9	0.5	0.7	0.3	6.2	21.0	0.5	1.0	1.5	22.5
1994-95	11.0	2.0	1.7	11.8	3.3	0.4	0.2	15.7	2.0	0.5	0.7	0.6	6.7	22.4	0.4	0.6	1.0	23.4
1995-96	11.5	2.0	1.6	12.3	3.6	0.3	0.2	16.4	2.0	0.5	0.6	0.6	6.8	23.1	0.3	0.8	1.1	24.2
1996-97	11.8	2.2	1.7	12.7	3.6	0.5	0.2	17.1	2.0	0.5	0.6	0.6	6.6	23.7	0.2	0.8	1.0	24.7

Table F2: Major categories of receipts as a proportion of gross domestic product (cash basis)[(a)] (continued)

	Taxation receipts															Non-taxation receipts			
	Income taxation								Other taxation receipts										
	Gross ITW	Gross other individuals	Refunds	Total individuals & w'holding (b)	Companies	Super funds	PRRT	Total income tax	Petrol & other fuel products	Other excise	Customs duty	FBT	Total other tax(c)	Total tax receipts	Interest	Dividends and other	Total non-tax receipts	Total receipts
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
1997-98	11.9	2.2	1.7	12.8	3.5	0.6	0.2	17.0	1.9	0.5	0.6	0.6	6.6	23.6	0.2	0.6	0.8	24.4
1998-99	12.2	2.2	1.7	13.2	3.5	0.7	0.1	17.4	1.9	0.4	0.6	0.6	6.4	23.8	0.1	0.8	0.9	24.7
1999-00	12.4	2.1	1.7	13.3	3.9	0.6	0.2	18.0	1.8	0.4	0.6	0.5	6.0	24.1	0.2	2.3	2.4	26.5
2000-01	11.2	2.0	1.6	11.5	4.7	0.7	0.4	17.3	1.9	1.0	0.7	0.5	4.5	21.8	0.2	2.0	2.2	24.0
2001-02	11.1	2.3	1.5	11.8	3.8	0.6	0.2	16.5	1.8	1.0	0.6	0.5	4.2	20.7	0.1	2.0	2.1	22.8
2002-03	11.2	2.3	1.5	11.9	4.3	0.6	0.2	17.1	1.8	1.0	0.7	0.4	4.2	21.3	0.1	1.9	2.1	23.4
2003-04(d)	11.0	2.3	1.5	11.9	4.4	0.7	0.1	17.1	1.7	0.9	0.6	0.4	3.9	21.0	0.1	1.7	1.8	22.8
2004-05(d)	11.0	2.3	1.5	11.8	4.5	0.8	0.1	17.2	1.6	0.9	0.6	0.4	3.7	20.9	0.1	1.6	1.7	22.6

(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.
(b) Also includes gross Prescribed Payments System and Reportable Payments System receipts.
(c) Includes wholesale sales tax, wine equalisation tax, luxury car tax, agricultural levies and other taxes.
(d) Estimates.

Table F3: Major categories of receipts as a proportion of total receipts (cash basis)[(a)]

	Taxation receipts														Non-taxation receipts		
	Income taxation							Other taxation receipts									
	Gross ITW	Gross other individuals	Refunds	Total individuals & w'holding (b)	Companies	Super funds	PRRT	Total income tax	Petrol & other fuel products	Other excise	Customs duty	FBT	Total other tax (c)	Total tax receipts	Interest	Dividends and other	Total non-tax receipts
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
1974-75	45.9	10.8	5.6	51.1	15.5	-	-	66.6	4.6	6.7	5.5	-	25.7	92.3	7.7	0.0	7.7
1975-76	46.1	12.0	7.3	50.7	13.7	-	-	64.5	5.7	6.9	5.1	-	27.7	92.2	7.5	0.3	7.8
1976-77	46.0	11.7	6.0	51.8	13.1	-	-	64.9	5.2	6.3	5.4	-	27.0	91.8	7.4	0.8	8.2
1977-78	45.3	10.5	4.0	51.9	13.1	0.0	-	65.0	5.7	5.9	4.8	-	26.0	91.0	7.6	1.4	9.0
1978-79	44.8	9.3	4.0	50.0	11.8	0.0	-	61.8	8.3	6.6	5.3	-	29.3	91.1	7.4	1.5	8.9
1979-80	45.1	9.6	3.8	50.9	11.4	0.0	-	62.4	10.7	6.0	5.2	-	30.0	92.4	6.4	1.2	7.6
1980-81	43.7	9.7	3.3	50.1	13.3	0.0	-	63.4	11.4	5.1	5.1	-	29.4	92.8	6.1	1.1	7.2
1981-82	46.4	9.2	3.5	52.2	12.3	0.0	-	64.6	10.1	4.5	5.0	-	28.2	92.8	5.9	1.3	7.2
1982-83	46.9	9.1	4.4	51.7	10.8	0.1	-	62.5	10.8	4.5	4.5	-	29.4	91.9	6.1	2.1	8.1
1983-84	45.9	9.1	4.9	50.7	9.3	0.0	-	60.0	11.7	4.3	4.7	-	31.4	91.4	6.0	2.6	8.6
1984-85	44.7	9.4	3.6	51.2	9.6	0.0	-	60.8	11.4	3.7	5.0	-	30.9	91.8	5.5	2.7	8.2
1985-86	45.0	10.3	5.2	51.0	9.4	0.0	-	60.4	10.9	3.6	5.0	-	30.4	90.8	5.3	3.9	9.2
1986-87	44.6	11.8	5.0	52.6	9.1	0.0	-	61.8	9.9	3.5	4.4	0.7	29.2	90.9	4.9	4.2	9.1
1987-88	44.0	12.0	5.1	52.2	10.8	0.0	-	63.0	9.2	3.4	4.5	1.1	29.6	92.5	4.4	3.0	7.5
1988-89	47.3	11.3	5.8	54.4	11.6	0.0	-	65.9	7.9	2.5	4.2	1.1	28.5	94.5	4.2	1.3	5.5
1989-90	46.4	10.8	6.1	53.1	13.5	0.4	0.0	67.0	8.0	2.3	4.1	1.2	28.1	95.2	3.6	1.2	4.8
1990-91	45.8	11.6	6.9	52.2	14.4	1.1	0.3	68.0	8.2	2.4	3.4	1.3	27.1	95.0	3.4	1.6	5.0
1991-92	47.8	9.8	8.3	50.9	14.4	1.2	0.9	67.4	7.7	2.5	3.5	1.4	26.6	94.1	3.2	2.7	5.9
1992-93	48.5	8.8	8.2	50.8	13.7	1.6	1.5	67.6	7.7	2.5	3.5	1.4	26.5	94.1	2.6	3.3	5.9
1993-94	47.6	8.6	7.1	51.1	12.6	1.2	1.1	65.9	8.5	2.2	3.2	1.4	27.4	93.3	2.0	4.6	6.7
1994-95	46.9	8.6	7.2	50.3	14.1	1.7	0.8	66.9	8.5	2.3	3.1	2.5	28.8	95.7	1.6	2.7	4.3
1995-96	47.5	8.3	6.8	50.8	15.0	1.3	0.6	67.7	8.4	2.1	2.6	2.5	27.9	95.6	1.2	3.2	4.4
1996-97	47.5	9.0	6.7	51.5	14.6	2.0	1.0	69.2	8.1	2.1	2.5	2.4	26.9	96.0	0.9	3.1	4.0

Table F3: Major categories of receipts as a proportion of total receipts (cash basis)(a) (continued)

	Taxation receipts														Non-taxation receipts		
	Income taxation								Other taxation receipts								
	Gross ITW	Gross other individuals	Refunds	Total individuals & w'holding (b)	Companies	Super funds	PRRT	Total income tax	Petrol & other fuel products	Other excise	Customs duty	FBT	Total other tax (c)	Total tax receipts	Interest	Dividends and other	Total non-tax receipts
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
1997-98	48.8	8.8	7.0	52.5	14.2	2.3	0.7	69.6	8.0	1.9	2.7	2.3	26.9	96.5	0.8	2.6	3.5
1998-99	49.4	8.9	7.1	53.2	14.2	2.7	0.3	70.3	7.5	1.8	2.5	2.2	26.0	96.4	0.5	3.2	3.6
1999-00	47.0	8.1	6.6	50.3	14.7	2.3	0.7	68.1	6.9	1.6	2.3	2.0	22.8	90.9	0.6	8.5	9.1
2000-01	46.6	8.2	6.8	48.0	19.6	3.0	1.5	72.1	7.7	4.1	2.8	2.0	18.7	90.8	0.7	8.5	9.2
2001-02	48.6	10.0	6.5	52.1	16.8	2.7	0.8	72.4	7.9	4.2	2.8	2.0	18.4	90.8	0.6	8.7	9.2
2002-03	47.8	9.9	6.6	51.0	18.6	2.7	1.0	73.4	7.5	4.2	2.8	1.8	17.8	91.2	0.6	8.2	8.8
2003-04(d)	48.3	10.2	6.6	51.9	19.4	3.1	0.6	75.0	7.3	4.0	2.7	1.7	17.1	92.1	0.6	7.3	7.9
2004-05(d)	48.6	10.1	6.6	52.1	20.0	3.5	0.6	76.1	7.0	3.9	2.5	1.6	16.4	92.5	0.5	7.0	7.5

(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.
(b) Also includes gross Prescribed Payments System and Reportable Payments System receipts.
(c) Includes wholesale sales tax, wine equalisation tax, luxury car tax, agricultural levies and other taxes.
(d) Estimates.