APPENDIX A: POLICY DECISIONS TAKEN SINCE THE 2013-14 BUDGET

Revenue Measures

Table 1: Revenue measures since the 2013-14 Budget[(a)]

Page		2012-13	2013-14	2014-15	2015-16	2016-17
		$m	$m	$m	$m	$m
	Revenue measures since the 2013 Pre-Election Economic and Fiscal Outlook					
	ATTORNEY-GENERAL'S					
	Australian Financial Security Authority					
92	Personal insolvency fees — cost recovery arrangements	-	3.5	7.0	7.0	7.5
	Portfolio total	**-**	**3.5**	**7.0**	**7.0**	**7.5**
	EDUCATION					
	Department of Education					
129	Education grant programmes — reduced funding(b)	-	-	..	-0.1	-0.1
	Portfolio total	**-**	**-**	**..**	**-0.1**	**-0.1**
	ENVIRONMENT					
	Clean Energy Regulator					
93	Repeal of the Carbon Tax — forgone revenue from repeal of the Carbon Tax	-	-	-2,020.0	-4,230.0	-6,220.0
	Department of the Environment					
	Repeal of the Carbon Tax					
144	– abolishing other measures(b)	-	-	7.2	3.0	4.0
93	– forgone revenue from repeal of the Carbon Tax	-	-10.0	-50.0	-50.0	-90.0
	Portfolio total	**-**	**-10.0**	**-2,062.8**	**-4,277.0**	**-6,306.0**
	HEALTH					
	Department of Health					
158	Pharmaceutical Benefits Scheme — new and amended listings(b)	-	nfp	nfp	nfp	nfp
	Portfolio total	**-**	**-**	**-**	**-**	**-**
	IMMIGRATION AND BORDER PROTECTION					
	Australian Customs and Border Protection Service					
93	Repeal of the Carbon Tax — forgone revenue from repeal of the Carbon Tax	-	-	..	..	..

Table 1: Revenue measures since the 2013-14 Budget[(a)] (continued)

Page		2012-13 $m	2013-14 $m	2014-15 $m	2015-16 $m	2016-17 $m
	IMMIGRATION AND BORDER PROTECTION (continued)					
	Department of Immigration and Border Protection					
168	Reform of the Migration Zone for offshore workers — reversal(b)	-	-0.5	-0.5	-0.5	-0.5
	Portfolio total	**-**	**-0.5**	**-0.5**	**-0.5**	**-0.5**
	SOCIAL SERVICES					
	Department of Social Services					
162	2013-14 Humanitarian Programme(b)	-	-	..	..	..
129	Education grant programmes — reduced funding(b)	-	-	..	..	..
	Portfolio total	**-**	**-**	**..**	**..**	**..**
	TREASURY					
	Australian Prudential Regulation Authority					
96	Restoring integrity in the Australian tax system	-	-	-3.0	-0.3	-0.1
	Australian Taxation Office					
162	2013-14 Humanitarian Programme(b)	-	-11.5	-41.8	-77.3	-118.9
125	Free basic health care to all Australian Defence Force family members(b)	-	-	-	-	-
	Operation Slipper					
125	– Al Minhad Air Base — extension(b)	-	-3.4	-1.8	-	-
126	– Heron Remotely Piloted Aircraft — extension(b)	-	-0.3	-0.2	-	-
	Philanthropy					
94	– delaying the commencement of the *Charities Act 2013*	-	*	*	-	-
94	– updating the list of specifically listed deductible gift recipients	-	-	-0.3	-0.5	-0.5
	Repeal of the Carbon Tax					
142	– abolishing business compensation(b)	-	-	50.0	150.0	100.0

Table 1: Revenue measures since the 2013-14 Budget[a] (continued)

Page		2012-13	2013-14	2014-15	2015-16	2016-17
		$m	$m	$m	$m	$m
	TREASURY (continued)					
	Repeal of the Carbon Tax					
144	– abolishing other measures(b)	-	-	-	-	-
93	– forgone revenue from repeal of the Carbon Tax	-	-	-50.0	-120.0	-180.0
	Repeal of the Minerals Resource Rent Tax					
94	– abolishing related tax and superannuation measures	-	-	1,200.0	2,130.0	2,365.0
95	– forgone revenue from repeal	-	-	-450.0	-1,150.0	-1,800.0
192	– Regional Infrastructure Fund and Regional Development Australia Fund — discontinue(b)	-	-	-	-	-
96	Restoring integrity in the Australian tax system	-	-95.0	-608.9	-1,176.6	-1,716.5
	Clean Energy Finance Corporation					
144	Repeal of the Carbon Tax — abolishing other measures(b)	-	0.1	-43.9	-131.3	-263.9
	Department of the Treasury					
143	Repeal of the Carbon Tax — abolishing energy market compensation(b)	-	-2.8	-8.4	-15.3	-17.8
	Portfolio total	**-**	**-112.9**	**41.8**	**-391.4**	**-1,632.8**
	Decisions taken but not yet announced	**-**	**50.2**	**96.6**	**108.4**	**118.2**
	Total impact of revenue measures since the 2013 Pre-Election Economic and Fiscal Outlook (c)	**-**	**-69.6**	**-1,918.0**	**-4,553.6**	**-7,813.7**
	Total impact of revenue measures reported in the 2013 Economic Statement and the 2013 Pre-Election Economic and Fiscal Outlook (c)	**-**	**698.7**	**-5,465.8**	**3,145.0**	**4,209.6**
	Total impact of all revenue measures since the 2013-14 Budget(c)	**-**	**629.1**	**-7,383.8**	**-1,408.6**	**-3,604.1**

* The nature of the measure is such that a reliable estimate cannot be provided.

.. Not zero, but rounded to zero.

\- Nil.

nfp not for publication.

(a) A minus sign before an estimate indicates a reduction in revenue, no sign before an estimate indicates a gain in revenue.

(b) These measures can also be found in the expense measures summary table.

(c) Measures may not add due to rounding.

ATTORNEY-GENERAL'S

Personal insolvency fees — cost recovery arrangements

Revenue ($m)

	2012-13	2013-14	2014-15	2015-16	2016-17
Australian Financial Security Authority	-	3.5	7.0	7.0	7.5

The Government will increase personal insolvency fees to fully recover the costs of administering personal insolvencies. This measure will recover additional revenue of $25.0 million over four years and will be implemented in accordance with the Government's cost recovery policy. The new fee structure will come into effect on 1 January 2014.

ENVIRONMENT

Repeal of the Carbon Tax — forgone revenue from repeal of the Carbon Tax

Revenue ($m)	2012-13	2013-14	2014-15	2015-16	2016-17
Australian Customs and Border Protection Service	-	-	..	..	..
Australian Taxation Office	-	-	-50.0	-120.0	-180.0
Clean Energy Regulator	-	-	-2,020.0	-4,230.0	-6,220.0
Department of the Environment	-	-10.0	-50.0	-50.0	-90.0
Total — Revenue	-	-10.0	-2,120.0	-4,400.0	-6,490.0
Related expense ($m)					
Australian Taxation Office	-	-	*100.0*	*250.0*	*350.0*

The Government will abolish the carbon tax effective from 1 July 2014 at a cost to the Budget of $13.7 billion over the forward estimates period. In underlying cash terms, the cost to the Budget is $9.4 billion over the forward estimates period.

This includes:

- abolishing the carbon pricing mechanism, with liable entities no longer needing to surrender a carbon unit for every tonne of greenhouse gas they emit, at a cost of $12.5 billion over the forward estimates period;
- abolishing the equivalent carbon tax applied to aviation fuels, which was implemented through increases in excise and excise-equivalent customs duty, at a cost of $350.0 million over the forward estimates period;
- removing the equivalent carbon tax on the importation and production of synthetic greenhouse gases and providing a transitional provision to synthetic greenhouse gas importers for the period 1 April 2014 to 30 June 2014, at a cost of $200.0 million over the forward estimates period; and
- abolishing the equivalent carbon tax applied to liquid and gaseous fuels through reductions in entitlements to fuel tax credits, at a cost of $700.0 million over the forward estimates period.

This measure delivers on the Government's election commitment to repeal the carbon tax and associated measures.

Further information on the repeal of the carbon tax can be found in the joint press release of 15 October 2013 issued by the Prime Minister and the Minister for the Environment.

TREASURY

Philanthropy — delaying the commencement of the *Charities Act 2013*

Revenue ($m)

	2012-13	2013-14	2014-15	2015-16	2016-17
Australian Taxation Office	-	*	*	-	-

The Government will delay the commencement of the *Charities Act 2013* from 1 January 2014 to 1 September 2014. This measure is estimated to have a small but unquantifiable gain to revenue over the forward estimates period.

Philanthropy — updating the list of specifically listed deductible gift recipients

Revenue ($m)

	2012-13	2013-14	2014-15	2015-16	2016-17
Australian Taxation Office	-	-	-0.3	-0.5	-0.5

Since the 2013 Pre-Election Economic and Fiscal Outlook, Prince's Charities Australia has been approved as a deductible gift recipient (DGR).

Taxpayers may claim an income tax deduction for certain gifts of money or property to a DGR. This measure has an estimated cost to revenue of $1.4 million over the forward estimates period.

Repeal of the Minerals Resource Rent Tax — abolishing related tax and superannuation measures

Revenue ($m)

	2012-13	2013-14	2014-15	2015-16	2016-17
Australian Taxation Office	-	-	1,200.0	2,130.0	2,365.0
Related expense ($m)					
Australian Taxation Office	-	*-960.6*	*-937.9*	*-935.5*	*-922.2*
Related capital ($m)					
Australian Taxation Office	-	-	-	*-1.5*	-

The Government will repeal tax and superannuation measures associated with the minerals resource rent tax, providing a gain to the Budget of $9.5 billion over the forward estimates period. In underlying cash terms, the gain to the Budget is $8.4 billion over the forward estimates period.

These measures include:

- Abolishing the low income superannuation contribution expense measure, first announced in the 2010-11 Budget, for contributions made from 1 July 2013 providing savings of $3.8 billion over the forward estimates period.

- Unwinding the increase in the small business instant asset write-off threshold from \$1,000 to \$5,000, first announced in the 2010-11 Budget, from 1 January 2014 providing a gain to revenue of \$2.3 billion over the forward estimates period. Unwinding the increase in the small business instant asset write-off threshold from \$5,000 to \$6,500 is reported separately in *Repeal of the Carbon Tax — abolishing business compensation*.

- Discontinuing the \$5,000 accelerated depreciation for small business motor vehicle purchases, first announced in the 2011-12 Budget, from 1 January 2014 providing a gain to revenue of \$450 million over the forward estimates period.

- Discontinuing the company loss carry-back, first announced in the 2012-13 Budget, from the start of the 2013-14 income year providing a gain to revenue of \$950 million over the forward estimates period.

- Not proceeding with the phase-down of interest withholding tax, first announced in the 2010-11 Budget, from 1 July 2014 providing a gain to revenue of \$405 million over the forward estimates period.

- Rephasing the superannuation guarantee increase from 9 per cent to 12 per cent, first announced in the 2010-11 Budget, so that it is maintained at 9.25 per cent until 30 June 2016, providing a gain to revenue of \$1.6 billion over the forward estimates period.

- Discontinuing the inclusion of geothermal exploration into a wider tax definition of exploration, first announced in the 2011-12 Budget, from 1 July 2014 providing a gain to revenue of \$10 million over the forward estimates period.

This measure delivers on the Government's election commitment to repeal the minerals resource rent tax and associated measures.

Repeal of the Minerals Resource Rent Tax — forgone revenue from repeal

Revenue (\$m)

	2012-13	2013-14	2014-15	2015-16	2016-17
Australian Taxation Office	-	-	-450.0	-1,150.0	-1,800.0
Related expense (\$m)					
Australian Taxation Office	*-*	*-21.7*	*-19.1*	*-19.8*	*-21.3*

The Government will repeal the minerals resource rent tax (MRRT) with effect from 1 July 2014. Mining companies in Australia will not accrue any further MRRT liabilities from this date but will continue to pay company tax and State royalties. The repeal of the MRRT will have a cost to the Budget of \$3.3 billion over the forward estimates period.

The MRRT was introduced on 1 July 2012 and applied at an effective rate of 22.5 per cent to mining profits from Australian iron ore and coal operations. The MRRT was a complex tax which imposed a significant regulatory and compliance burden on the iron ore and coal mining industries. The repeal of the MRRT has been estimated to save taxpayers $10.5 million per annum in compliance costs.

This measure delivers on the Government's election commitment to repeal the minerals resource rent tax and associated measures.

Restoring integrity in the Australian tax system

Revenue ($m)

	2012-13	2013-14	2014-15	2015-16	2016-17
Australian Prudential Regulation Authority	-	-	-3.0	-0.3	-0.1
Australian Taxation Office	-	-95.0	-608.9	-1,176.6	-1,716.5
Total — Revenue	-	-95.0	-611.9	-1,176.9	-1,716.7
Related expense ($m)					
Department of Social Services	-	-	*20.9*	*37.2*	*51.8*
Department of Finance	-	*-0.5*	*-0.9*	-	-
Department of the Treasury	-	*-1.8*	*-101.9*	*-171.9*	*-241.9*
Australian Taxation Office	-	*-9.1*	*-10.6*	*-16.1*	*-17.1*
Total — Expense	-	*-11.5*	*-92.5*	*-150.8*	*-207.2*
Related capital ($m)					
Department of Finance	-	*-0.2*	*-1.2*	-	-
Australian Taxation Office	-	*-1.1*	*-2.7*	-	-
Total — Capital	-	*-1.3*	*-3.8*	-	-

The Government has addressed the backlog of 92 taxation and superannuation measures that were announced by former governments but not yet legislated. The Government will proceed with 34 measures as originally announced and will amend the Offshore Banking Unit measure, the section 25-90 deduction measure and the measure to strengthen integrity for refunds of overpaid GST. The cost to the Budget of these amendments and not proceeding with the remaining 55 measures is $3.1 billion over the forward estimates period. In underlying cash terms, the cost to the Budget is $2.9 billion over the forward estimates period.

Further information can be found in the joint press release by the Treasurer and Assistant Treasurer on 6 November 2013 and the Assistant Treasurer's press release on 14 December 2013.