

STATEMENT 5: REVENUE

The 2014-15 Budget forecasts for tax receipts are broadly unchanged since the 2013-14 MYEFO, revised upwards by \$1.8 billion in 2014-15 and \$2.1 billion over the four years to 2016-17. Excluding GST, tax receipts are \$800 million higher in 2014-15 but \$2.4 billion lower over the four years to 2016-17.

While the forecast for nominal GDP is similar to the 2013-14 MYEFO, forecast changes in the composition of growth have affected the composition of tax receipts. Household consumption and corporate profits have been revised up resulting in higher expected GST and company tax, while softer expected wage growth means lower expected individuals and superannuation fund taxes. Overall, these factors weaken the outlook for tax receipts. These variations have been broadly offset by policy decisions, including the Temporary Budget Repair Levy.

The tax-to-GDP ratio is broadly unchanged since the 2013-14 MYEFO.

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OVERVIEW

Relative to the 2013-14 MYEFO, expected tax receipts have been revised upwards by around \$1.8 billion in 2014-15 and \$2.1 billion over the four years to 2016-17. Excluding GST, tax receipts have been revised up around \$800 million in 2014-15 but down \$2.4 billion over the four years to 2016-17. As GST is paid to the states, tax receipts excluding GST represent the revenue available to the Australian Government.

Excluding policy, changes in the forecasts for the nominal economy have reduced expected tax receipts. Stronger expected company profits and household consumption have resulted in upward revisions to company tax and GST totalling around \$9.2 billion over the four years to 2016-17. This has been partially offset by weaker expected wage growth contributing to the write-down of individuals and superannuation fund taxes over the forward estimates totalling around \$7.3 billion. In addition, tobacco excise and customs duties estimates as well as resource rent taxes forecasts have in total been revised down \$3.4 billion over the four years to 2016-17.

Total tax receipts as a per cent of GDP are expected to increase from 21.6 per cent in 2013-14 to 23.2 per cent by the end of the forward estimates, an increase of 1.7 percentage points (Table 1). However, excluding GST the tax-to-GDP ratio is expected to increase by 1.5 percentage points.

Table 1: Australian Government general government receipts

	Actual	Estimates			Projections	
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Total taxation receipts (\$b)	326.4	341.6	360.4	385.3	411.7	437.6
Growth on previous year (%)	5.3	4.7	5.5	6.9	6.9	6.3
Per cent of GDP	21.4	21.6	22.1	22.5	23.0	23.2
Tax receipts excluding GST (\$b)	278.4	290.9	306.7	328.3	351.3	373.8
Growth on previous year (%)	5.5	4.5	5.4	7.0	7.0	6.4
Per cent of GDP	18.3	18.4	18.8	19.2	19.6	19.8
Non-taxation receipts (\$b)	24.6	21.9	25.4	25.1	25.2	30.4
Growth on previous year (%)	23.6	-11.3	16.3	-1.0	0.1	20.9
Per cent of GDP	1.6	1.4	1.6	1.5	1.4	1.6
Total receipts (\$b)	351.1	363.5	385.8	410.4	436.8	468.0
Growth on previous year (%)	6.4	3.5	6.1	6.4	6.4	7.1
Per cent of GDP	23.1	23.0	23.6	24.0	24.4	24.9

Total receipts, including non-tax receipts, have been revised down by \$1.4 billion in 2013-14, up \$3.0 billion in 2014-15 and up \$7.0 billion over the four years to 2016-17 (see Table 4). Relative to the 2013-14 MYEFO, tax receipts have been revised down by \$1.8 billion in 2013-14, up \$1.8 billion in 2014-15, and up \$2.1 billion over the four years to 2016-17 (Table 2).

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Table 2: Reconciliation of Australian Government general government taxation receipts from the 2013-14 Budget

	Estimates		Projections		Total
	2013-14 \$m	2014-15 \$m	2015-16 \$m	2016-17 \$m	
Tax receipts at 2013-14 Budget	354,854	377,751	405,809	431,494	1,569,908
Changes from 2013-14 Budget to 2013 PEFO					
Effect of policy decisions	947	-1,738	1,179	4,784	5,172
Effect of parameter and other variations	-7,691	-8,508	-8,327	-8,167	-32,693
Total variations	-6,744	-10,246	-7,148	-3,383	-27,521
Tax receipts at 2013 PEFO	348,110	367,506	398,661	428,111	1,542,387
Changes from 2013 PEFO to 2013-14 MYEFO					
Effect of policy decisions	1,674	-908	-3,020	-5,470	-7,724
Effect of parameter and other variations	-6,304	-7,995	-11,202	-12,310	-37,811
Total variations	-4,630	-8,903	-14,222	-17,779	-45,534
Tax receipts at 2013-14 MYEFO	343,480	358,603	384,439	410,331	1,496,853
Changes from 2013-14 MYEFO to 2014-15 Budget					
Effect of policy decisions	-2	614	1,837	2,600	5,049
Effect of parameter and other variations	-1,836	1,155	-990	-1,240	-2,911
Total variations	-1,837	1,769	847	1,359	2,138
Tax receipts at 2014-15 Budget	341,643	360,372	385,286	411,691	1,498,991

The upward revision in tax receipts in 2014-15 is primarily driven by stronger anticipated wage growth in 2014-15 since the 2013-14 MYEFO. However, over the remaining forward years, wages are expected to grow less strongly relative to the 2013-14 MYEFO.

Abstracting from policy decisions, tax receipts have been revised down \$2.9 billion over the four years to 2016-17 since the 2013-14 MYEFO. Policy measures add \$5.0 billion to tax receipts over the four years to 2016-17. These measures include reintroducing the indexation of fuel excise, introducing a temporary levy on individuals' taxable incomes above \$180,000 and removing poorly targeted tax concessions. Since the 2013 PEFO, policy decisions have lowered tax receipts by \$2.7 billion over the four years to 2016-17. For more details on revenue and expense measures introduced at this Budget, refer to *Budget Paper 2*.

The 2013-14 MYEFO made provisions for a number of election commitments that were still subject to finalisation at the time. These provisions related to the introduction of a 1.5 per cent company levy to fund the new Paid Parental Leave Scheme, as well as the associated increased income and superannuation taxes flowing from the scheme and the reduction in company tax rate to 28.5 per cent. In addition, a provision was made for the impact of a free trade agreement with Korea and for unfunded superannuation liabilities relating to New South Wales universities.

The MYEFO provision for the Korea-Australia Free Trade Agreement and unfunded superannuation liabilities relating to New South Wales universities have now been removed as these impacts are included as measures in the 2014-15 Budget.

The 2014-15 Budget provisions for the Japan Economic Partnership agreement as well as continuing to provision for the introduction of a 1.5 per cent company levy to fund the new Paid Parental Leave Scheme and reduction in the company tax rate to 28.5 per cent.

TAX OUTLOOK

Since the 2013-14 MYEFO, tax receipts, abstracting from policy, are broadly unchanged over the forward estimates. Expected tax receipts are lower in 2013-14 largely driven by lower than expected year-to-date collections, while across the forward estimates tax receipts have been affected by broadly offsetting revisions to different components of nominal GDP.

Spare capacity in the labour market has weakened the outlook for wages which is more than offset by stronger expected corporate profits, driven by higher than previously anticipated domestic prices in early 2013-14. Household consumption is expected to be higher as the household sector continues to respond to low interest rates. For more details on the economic outlook see Budget Statement 2.

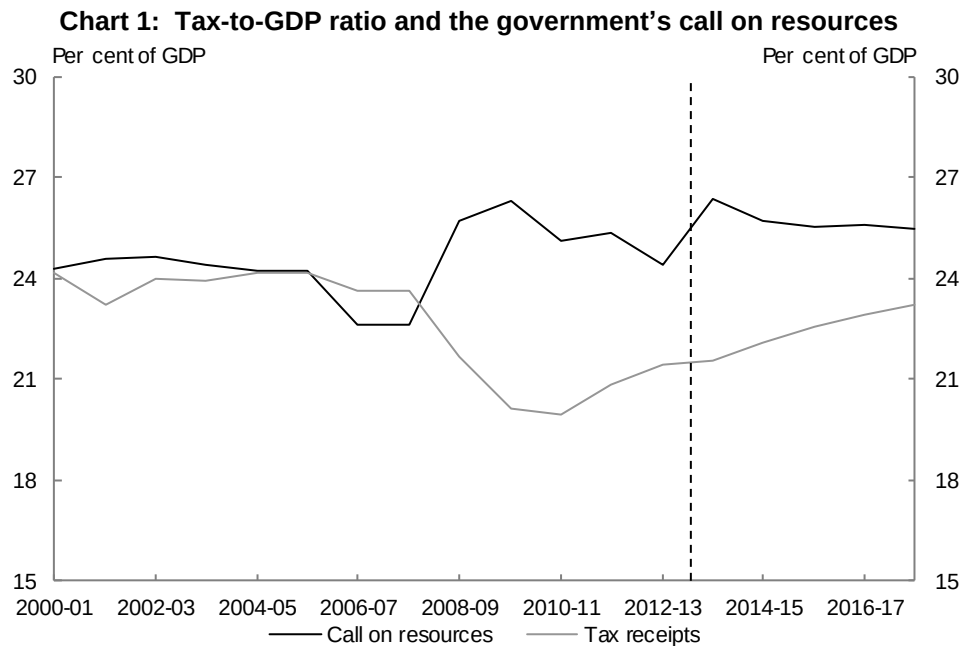
The downgrade to anticipated wage growth has resulted in a downward revision to individuals tax of around \$4.4 billion over the four years to 2016-17. Stronger forecast gross operating surplus (GOS), the National Accounts measure of corporate profits, has resulted in company tax being revised upwards over the four years to 2016-17 by \$4.7 billion since the 2013-14 MYEFO. In addition, higher than expected consumption has also led to a significant revision to GST receipts which are forecast to increase by around \$4.5 billion over the four years to 2016-17.

Forecast superannuation fund taxes are expected to be lower relative to the 2013-14 MYEFO, down \$330 million in 2013-14 and \$2.9 billion over the four years to 2016-17. The revision is primarily due to lower expected capital gains tax.

Total capital gains receipts have been revised down by around \$4.3 billion over the four years to 2016-17. This has been primarily driven by lower expected superannuation funds capital gains tax.

Including policy, revisions to forecast tax receipts mean the tax-to-GDP ratio is also broadly unchanged since the 2013-14 MYEFO, returning to and increasing above the 20-year average of 22.4 per cent by the end of the forward estimates.

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Source: Treasury.

The tax-to-GDP ratio does not show the government's total call on community resources, which is a measure of the amount of receipts and borrowings required to fund government activities. By including government borrowings, the government's call on resources falls gradually over the medium-term in marked contrast to the path of the previous six years (Chart 1).

Another aspect affecting the tax outlook is the revised medium-term economic projection methodology. The 2014-15 Budget adopts a new framework, which allows for a reduction in the spare capacity in the economy – a closing of the output gap – over the five years following the detailed forecast period. Although nominal GDP is higher as a result of the new methodology, compositional changes result in slower wage growth and higher corporate profits growth. These changes result in lower forecast total tax receipts, down \$700 million in 2016-17 and \$600 million in 2017-18 (Table 3). For more details on the revised medium-term economic projection methodology see Budget Statement 2.

Table 3: The impact in the forward estimates of the revised medium-term economic projection methodology

	Estimates			Projections	
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$m	\$m	\$m	\$m	\$m
Individuals tax	0	0	0	-1,400	-2,300
Corporate taxes	0	0	0	700	1,700
Total tax receipts	0	0	0	-700	-600

VARIATIONS IN RECEIPTS ESTIMATES

Table 4 reconciles the 2014-15 Budget's estimates of total receipts, which include non-tax receipts, with the 2013-14 Budget and the 2013-14 MYEFO estimates. These differences reflect the impact of parameter and other variations and policy decisions.

Table 4: Reconciliation of Australian Government general government receipts estimates from the 2013-14 Budget and the 2013-14 MYEFO^(a)

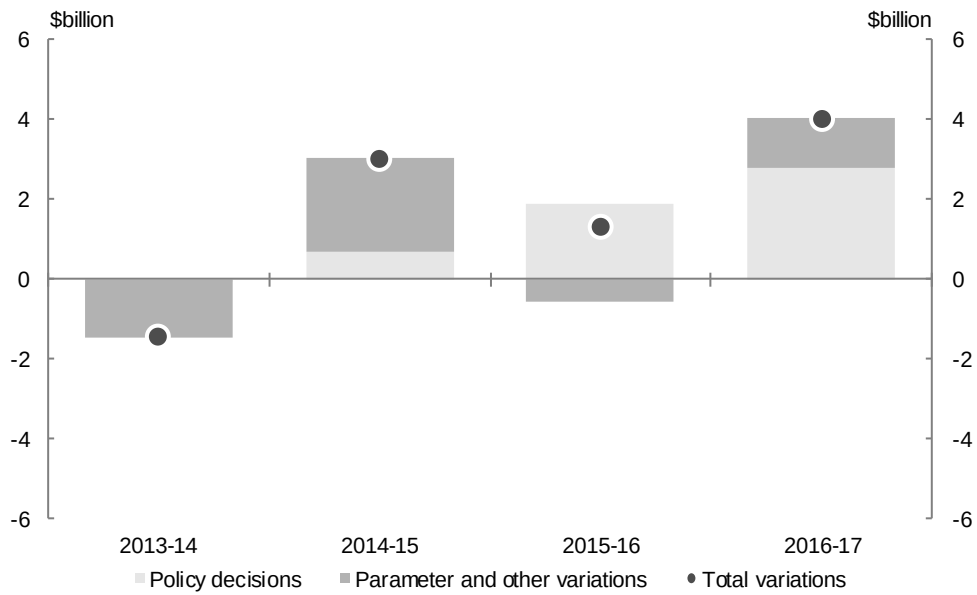
	Estimates			Projections	Total
	2013-14 \$m	2014-15 \$m	2015-16 \$m	2016-17 \$m	
Receipts at 2013-14 Budget	375,993	401,171	428,931	453,642	1,659,738
Changes from 2013-14 Budget to 2013-14 MYEFO					
Effect of policy decisions	2,741	-2,374	-1,163	-43	-839
Effect of parameter and other variations	-13,804	-16,054	-18,684	-20,783	-69,325
Total variations	-11,063	-18,428	-19,847	-20,826	-70,164
Receipts at 2013-14 MYEFO	364,930	382,743	409,084	432,817	1,589,574
Changes from 2013-14 MYEFO to 2014-15 Budget					
Effect of policy decisions	-2	673	1,916	2,786	5,373
Effect of parameter and other variations	-1,432	2,362	-573	1,247	1,604
Total variations	-1,434	3,035	1,343	4,033	6,977
Receipts at 2014-15 Budget	363,496	385,778	410,427	436,849	1,596,551

(a) Includes expected Future Fund earnings.

Since the 2013-14 MYEFO, total receipts have been revised up by \$7.0 billion in the four years to 2016-17, reflecting an upwards revision of \$1.6 billion from parameter and other variations, and an increase of \$5.4 billion of policy decisions. Excluding GST, total receipts have been revised up \$2.0 billion in 2014-15 and \$2.5 billion over the four years to 2016-17.

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Chart 2: Revisions to total receipts estimates since the 2013-14 MYEFO



Source: Treasury.

The changes in the individual revenue heads relative to the 2013-14 MYEFO are shown in Table 5 and Table 6 for 2013-14 and 2014-15 respectively.

Table 5: Reconciliation of 2013-14 general government (cash) receipts

	Estimates		Change on MYEFO	
	MYEFO \$m	Budget \$m	\$m	%
Individuals and other withholding taxes				
Gross income tax withholding	157,200	156,700	-500	-0.3
Gross other individuals	34,000	34,200	200	0.6
less: Refunds	27,200	27,100	-100	-0.4
Total individuals and other withholding tax	164,000	163,800	-200	-0.1
Fringe benefits tax	4,090	4,090	0	0.0
Company tax	69,000	68,000	-1,000	-1.4
Superannuation fund taxes	6,860	6,530	-330	-4.8
Minerals resource rent tax(a)	500	170	-330	-66.0
Petroleum resource rent tax	1,750	1,400	-350	-20.0
Income taxation receipts	246,200	243,990	-2,210	-0.9
Goods and services tax	50,248	51,003	755	1.5
Wine equalisation tax	740	760	20	2.7
Luxury car tax	400	430	30	7.5
Excise and customs duty				
Petrol	5,850	6,000	150	2.6
Diesel	8,990	8,990	0	0.0
Other fuel products	3,820	3,690	-130	-3.4
Tobacco	8,350	7,850	-500	-6.0
Beer	2,360	2,370	10	0.4
Spirits	1,990	1,890	-100	-5.0
Other alcoholic beverages(b)	970	960	-10	-1.0
Other customs duty				
Textiles, clothing and footwear	750	770	20	2.7
Passenger motor vehicles	930	920	-10	-1.1
Other imports	1,570	1,650	80	5.1
less : Refunds and drawbacks	260	360	100	38.5
Total excise and customs duty	35,320	34,730	-590	-1.7
Carbon pricing mechanism	7,180	7,180	0	0.0
Agricultural levies	459	476	17	3.8
Other taxes	2,933	3,074	140	4.8
Indirect taxation receipts	97,280	97,653	373	0.4
Taxation receipts	343,480	341,643	-1,837	-0.5
Sales of goods and services	8,626	8,764	138	1.6
Interest received	3,591	3,210	-381	-10.6
Dividends	2,883	3,040	157	5.4
Other non-taxation receipts	6,350	6,840	490	7.7
Non-taxation receipts	21,451	21,854	403	1.9
Total receipts	364,930	363,496	-1,434	-0.4
<i>Memorandum:</i>				
Total excise	26,400	25,720	-680	-2.6
Total customs duty	8,920	9,010	90	1.0
Capital gains tax(c)	7,900	7,500	-400	-5.1
Medicare and DisabilityCare Australia levy(d)	9,950	10,480	530	5.3

(a) Net receipts from the MRRT is expected to be \$100 million in 2013-14 which represents the net receipt impact across different revenue heads. These include offsetting reductions in company tax (through deductibility) and interactions with other taxes. The Government has announced the MRRT will not apply beyond 30 June 2014.

(b) Other alcoholic beverages are those not exceeding 10 per cent by volume of alcohol (excluding beer, brandy and wine).

(c) Capital gains tax is part of gross other individuals, company tax and superannuation fund taxes.

(d) At the 2013-14 MYEFO, the Medicare and DisabilityCare Australia levy estimates were based on when the liability to the levy is assessed. From the 2014-15 Budget, estimates are based on when collections relating to the levy are received.

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Table 6: Reconciliation of 2014-15 general government (cash) receipts

	Estimates		Change on MYEFO	
	MYEFO \$m	Budget \$m	\$m	%
Individuals and other withholding taxes				
Gross income tax withholding	168,800	169,400	600	0.4
Gross other individuals	36,600	37,100	500	1.4
less: Refunds	28,000	27,700	-300	-1.1
Total individuals and other withholding tax	177,400	178,800	1,400	0.8
Fringe benefits tax	4,470	4,360	-110	-2.5
Company tax	70,500	71,600	1,100	1.6
Superannuation fund taxes	8,760	7,680	-1,080	-12.3
Minerals resource rent tax(a)	300	0	-300	-100.0
Petroleum resource rent tax	2,100	1,950	-150	-7.1
Income taxation receipts	263,530	264,390	860	0.3
Goods and services tax	52,948	53,978	1,030	1.9
Wine equalisation tax	780	780	0	0.0
Luxury car tax	380	360	-20	-5.3
Excise and customs duty				
Petrol	5,650	5,950	300	5.3
Diesel	9,180	9,250	70	0.8
Other fuel products	3,580	3,710	130	3.6
Tobacco	9,110	8,710	-400	-4.4
Beer	2,360	2,400	40	1.7
Spirits	2,090	1,930	-160	-7.7
Other alcoholic beverages(b)	990	980	-10	-1.0
Other customs duty				
Textiles, clothing and footwear	600	600	0	0.0
Passenger motor vehicles	920	820	-100	-10.9
Other imports	1,600	1,650	50	3.1
less: Refunds and drawbacks	260	360	100	38.5
Total excise and customs duty	35,820	35,640	-180	-0.5
Carbon pricing mechanism	1,695	1,695	0	0.0
Agricultural levies	470	469	-1	-0.1
Other taxes	2,980	3,059	79	2.7
Indirect taxation receipts	95,073	95,982	909	1.0
Taxation receipts	358,603	360,372	1,769	0.5
Sales of goods and services	8,442	8,910	468	5.5
Interest received	3,544	3,657	113	3.2
Dividends	3,891	4,257	366	9.4
Other non-taxation receipts	8,263	8,583	320	3.9
Non-taxation receipts	24,140	25,407	1,267	5.2
Total receipts	382,743	385,778	3,035	0.8
<i>Memorandum:</i>				
Total excise	26,640	26,370	-270	-1.0
Total customs duty	9,180	9,270	90	1.0
Capital gains tax(c)	10,700	9,000	-1,700	-15.9
Medicare and DisabilityCare Australia levy(d)	10,380	14,160	3,780	36.4
Temporary Budget Repair Levy(e)	-	600	-	-

(a) Net receipts from the MRRT is expected to be zero in 2014-15 which represents the net receipt impact across different revenue heads. These include offsetting reductions in company tax (through deductibility) and interactions with other taxes.

(b) Other alcoholic beverages are those not exceeding 10 per cent by volume of alcohol (excluding beer, brandy and wine).

(c) Capital gains tax is part of gross other individuals, company tax and superannuation fund taxes.

(d) At the 2013-14 MYEFO, the Medicare and DisabilityCare Australia levy estimates were based on when the liability to the levy is assessed. From the 2014-15 Budget, estimates are based on when collections relating to the levy are received.

(e) This represents the net impact of the Temporary Budget Repair Levy on individuals and other withholding taxes. An additional \$680 million is expected to be raised over the forward estimates through the temporary increase in the FBT rate that was announced as part of the temporary levy.

Variations in receipts can stem from either policy changes or parameter and other variations — that is, recent economic conditions, the updated economic outlook, year-to-date tax collections, and other non-policy factors. The key economic parameters that influence receipts are shown in Table 7. Analysis of the sensitivity of the tax receipts estimates to changes in the economic outlook is provided in Budget Statement 3 (Appendix A).

Table 7: Key economic parameters^(a)

	Estimates			Projections	
	2013-14	2014-15	2015-16	2016-17	2017-18
Revenue parameters at 2014-15 Budget					
Nominal gross domestic product (non-farm)	4	3 1/4	4 3/4	5	5
Change since 2013-14 MYEFO	1/4	- 1/4	0	1/4	na
Compensation of employees (non-farm)(b)	3 1/4	4 1/4	4 1/4	5 1/4	5 1/4
Change since 2013-14 MYEFO	1/4	1/4	-1 1/2	- 1/4	na
Corporate gross operating surplus(c)	5 1/4	1/2	5	4	4 1/4
Change since 2013-14 MYEFO	1 1/4	-2 1/4	2 3/4	1 1/2	na
Unincorporated business income (non-farm)	1 1/4	1 1/4	2 3/4	5	5
Change since 2013-14 MYEFO	0	1/2	-2	1/4	na
Property income(d)	10 1/2	8 1/2	12 1/4	5	5
Change since 2013-14 MYEFO	- 1/4	2	7 1/4	0	na
Consumption subject to GST	4 1/2	5	5 1/4	5 1/2	5 3/4
Change since 2013-14 MYEFO	1 1/4	3/4	- 1/4	0	na

(a) Current prices, per cent change on previous years. Changes since the 2013-14 MYEFO are percentage points and may not reconcile due to rounding.

(b) Compensation of employees measures total remuneration earned by employees.

(c) Corporate GOS is an Australian System of National Accounts measure of company profits, gross of depreciation.

(d) Property income measures income derived from rent, dividends, and interest.

na not applicable.

Relative to the 2013-14 MYEFO, parameter and other variations have reduced tax receipts by \$1.8 billion in 2013-14, increased tax receipts by \$1.2 billion in 2014-15, and decreased them by \$2.9 billion over the four years to 2016-17 (Chart 3). Excluding GST, from the effect of parameter and other variations, forecast tax receipts have declined by \$2.6 billion in 2013-14, increased by around \$150 million in 2014-15 and declined by around \$7.4 billion over the four years to 2016-17.

Chart 3: Parameter and other variations to tax receipts since the 2013-14 MYEFO



Source: Treasury.

In aggregate, tax receipts are expected to grow by 4.7 per cent in 2013-14 and 5.5 per cent in 2014-15. At a disaggregated level, different revenue heads are expected to grow at different rates.

Individuals' income and other withholding taxation receipts

Receipts from gross income tax withholding (ITW) are forecast to grow by 4.6 per cent in 2013-14 and 8.1 per cent in 2014-15. Excluding measures, relative to the 2013-14 MYEFO, softer than expected wages growth has resulted in a downward revision to gross ITW receipts of \$6.1 billion over the four years to 2016-17. ITW receipts have also been affected by new policy decisions, including the Temporary Budget Repair Levy from 2014-15.

Gross receipts from other individuals (OI) are expected to grow by 2.7 per cent in 2013-14 and 8.5 per cent in 2014-15. Since the 2013-14 MYEFO, OI receipts excluding measures, are expected to be \$200 million higher in 2013-14 and around \$250 million higher over the four years. These upwards revisions are driven by slightly stronger than expected collections in 2013-14 and expected wages and salaries growth in 2013-14 and 2014-15. OI has also been affected by the Temporary Budget Repair Levy from 2014-15.

Income tax refunds for individuals, which have a negative effect on receipts, are expected to grow by 1.1 per cent in 2013-14 and 2.2 per cent in 2014-15. Relative to the 2013-14 MYEFO, refunds are expected to be lower (an increase in overall tax receipts) excluding measures, revised down \$100 million in 2013-14 and \$1.5 billion over the four years to 2016-17. This has been driven by weaker than expected payouts

for refunds in 2013-14 and lower anticipated individuals income tax over the forward estimates. The removal of the Mature Age Workers Tax Offset and Dependent Spouse Tax Offset, which had become outdated or poorly targeted, are expected to also affect refunds.

Fringe benefits tax

Tax receipts from fringe benefits tax (FBT) are forecast to grow by 4.3 per cent in 2013-14 and 6.6 per cent in 2014-15. Excluding measures, tax receipts from FBT are unchanged in 2013-14 but \$450 million lower over the four years to 2016-17 relative to the 2013-14 MYEFO. The downward revision over the forward estimates is driven by softer expected wage growth. FBT receipts have also been affected by the Temporary Budget Repair Levy from 2014-15.

Company tax

Company tax receipts are expected to grow by 1.6 per cent in 2013-14 and 5.3 per cent in 2014-15. Relative to the 2013-14 MYEFO, tax receipts from companies excluding measures are expected to be around \$1.0 billion lower in 2013-14 owing to lower than expected collections relating to the 2012-13 income year. Further information on the reasons for this weakness will become available with more tax return data. Over the four years to 2016-17, company tax receipts have been revised up by around \$4.7 billion reflecting higher corporate profitability.

Superannuation fund taxes

Superannuation funds receipts are expected to decline by 14.8 per cent in 2013-14 and grow by 17.6 per cent in 2014-15. The large growth rate in 2014-15 is driven by superannuation capital gains tax recovering from historical lows of the previous four years. Excluding measures, since the 2013-14 MYEFO, receipts are expected to be around \$330 million lower in 2013-14 and \$2.9 billion over the four years to 2016-17 largely reflecting a revision to anticipated superannuation capital gains tax with weaker wages also contributing.

Resource rent taxes

Since the 2013-14 MYEFO, minerals resource rent tax (MRRT) receipts have been revised down by \$330 million in 2013-14 and \$300 million in 2014-15. The 2014-15 nil estimate takes into account balancing payments and refunds from the 2013-14 year.

Petroleum resource rent tax (PRRT) receipts are forecast to decline by 7.1 per cent in 2013-14 and grow by 39.3 per cent in 2014-15. The growth rate in 2014-15 is driven by increased production from 2013-14 to 2014-15 as well as the timing of payments. Excluding measures, PRRT receipts have been revised down by \$350 million in 2013-14 and around \$1.3 billion over the four years to 2016-17 since the 2013-14 MYEFO. These revisions reflect lower expected profitability of PRRT liable entities.

Box 1: The MRRT has raised much less than originally forecast

This Budget confirms that receipts from the mining tax are a small fraction of what was originally estimated under the former government.

When the resource super profits tax (RSPT) was announced in May 2010, it was forecast to raise \$12.0 billion in its first two years, and \$49.5 billion over five years.

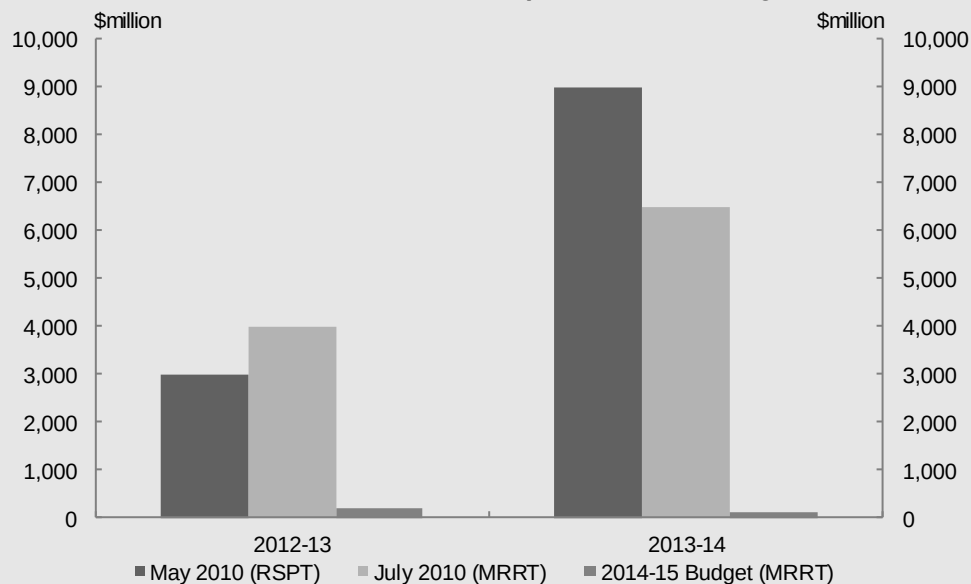
In July 2010, the former government announced it would introduce a modified mining tax from 1 July 2012, the minerals resource rent tax (MRRT), in place of the RSPT. Forecast receipts from the MRRT were \$10.5 billion over the first two years, and \$26.5 billion over five years (Chart A).

In contrast, the Final Budget Outcome for 2012-13 revealed that in its first year, the MRRT raised just \$200 million, or 5 per cent of the amount originally estimated. The shortfall in collections was driven by a combination of lower Australian dollar commodity prices and design elements of the MRRT.

In 2013-14, net receipts from the MRRT are expected to be even lower, around \$100 million, partly due to some companies claiming refunds from overpaid MRRT instalments from the previous year (this is down from \$700 million forecast in the 2013-14 Budget and 2013 PEFO). The 2014-15 Budget forecast of \$100 million is less than 2 per cent of the amount originally envisaged.

The MRRT will be repealed from 1 July 2014.

Chart A: Estimates of net receipts from the mining tax



Note: Estimates of net receipts from the RSPT and MRRT represent the net impact across different revenue heads. These include offsetting reduction in company tax (through deductibility) and interactions with other taxes.

Source: Treasury

Goods and services tax

Receipts from GST are forecast to grow by 5.0 per cent in 2013-14 and 5.8 per cent in 2014-15. Since the 2013-14 MYEFO, GST receipts excluding measures have been revised up \$750 million in 2013-14 and \$4.5 billion over the four years to 2016-17 as a result of stronger expected consumption growth.

Excise and customs duty

Excise and customs duty receipts are forecast to grow by 3.5 per cent in 2013-14 and by 2.6 per cent in 2014-15. Excluding measures, excise and customs duty receipts have been revised down from the 2013-14 MYEFO by \$600 million in 2013-14 and by \$2.7 billion over the four years to 2016-17. This is primarily a result of lower expected clearances of tobacco and alcohol. New policy decisions, particularly fuel excise indexation, have increased expected excise and customs duty receipts.

Carbon pricing mechanism

Since the 2013-14 MYEFO, there has been no revision to expected carbon tax receipts. Carbon tax receipts are expected to be \$7.2 billion in 2013-14 and \$1.7 billion in 2014-15. The 2014-15 forecast carbon tax is a result of final acquittals of carbon tax liabilities for 2013-14.

Other sales taxes

Other sales taxes include the wine equalisation tax (WET) and the luxury car tax (LCT).

Since the 2013-14 MYEFO, estimates of WET receipts are broadly unchanged and expected to grow by 4.8 per cent in 2013-14 and 2.6 per cent in 2014-15.

LCT receipts are expected to decline by 1.0 per cent in 2013-14 and 16.3 per cent in 2014-15. Excluding measures, LCT receipts have been revised up \$30 million in 2013-14, while over the four years to 2016-17 they are expected to decline by \$190 million since the 2013-14 MYEFO. This downward revision reflects lower expected sales volumes and prices of motor vehicles subject to LCT.

Non-taxation receipts

Non-taxation receipts (including Future Fund earnings) are expected to decline by 11 per cent in 2013-14 and grow by 16 per cent in 2014-15. This largely relates to proceeds from the sale of spectrum licences.

Non-taxation receipts have been revised up from the 2013-14 MYEFO by \$403 million in 2013-14 and \$4.8 billion over the four years to 2016-17. This primarily reflects higher forecasts of royalties and returns from unclaimed superannuation accounts in 2013-14 (\$455 million) and recognition of State and Territory contributions to the National Disability Insurance Scheme (NDIS) for the first time (\$3.1 billion over the four years to 2016-17).

Statement 5: Revenue

Table 8: Australian Government general government (cash) receipts

	Actual	Estimates		Projections		
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
	\$m	\$m	\$m	\$m	\$m	\$m
Individuals and other withholding taxes						
Gross income tax withholding	149,807	156,700	169,400	181,500	193,400	206,700
Gross other individuals	33,294	34,200	37,100	40,700	44,700	48,800
less: Refunds	26,801	27,100	27,700	28,600	29,800	31,800
Total individuals and other withholding tax	156,300	163,800	178,800	193,600	208,300	223,700
Fringe benefits tax	3,922	4,090	4,360	4,930	5,210	5,100
Company tax	66,911	68,000	71,600	75,400	80,000	84,700
Superannuation fund taxes	7,661	6,530	7,680	10,380	11,280	11,810
Minerals resource rent tax(a)	310	170	0	0	0	0
Petroleum resource rent tax	1,507	1,400	1,950	1,900	1,900	1,900
Income taxation receipts	236,610	243,990	264,390	286,210	306,690	327,210
Goods and services tax	48,596	51,003	53,978	57,290	60,723	64,099
Wine equalisation tax	725	760	780	810	850	880
Luxury car tax	434	430	360	310	330	360
Excise and customs duty						
Petrol	5,990	6,000	5,950	6,150	6,450	6,850
Diesel	8,594	8,990	9,250	9,610	10,020	10,490
Other fuel products	3,466	3,690	3,710	3,510	3,690	3,930
Tobacco	7,660	7,850	8,710	9,640	10,680	10,980
Beer	2,257	2,370	2,400	2,470	2,590	2,730
Spirits	1,931	1,890	1,930	1,980	2,080	2,190
Other alcoholic beverages	944	960	980	1,010	1,060	1,120
Other customs duty						
Textiles, clothing and footwear	676	770	600	430	450	480
Passenger motor vehicles	892	920	820	610	630	660
Other imports	1,499	1,650	1,650	1,680	1,790	1,880
less: Refunds and drawbacks	354	360	360	360	360	360
Total excise and customs duty	33,554	34,730	35,640	36,730	39,080	40,950
Carbon pricing mechanism	3,631	7,180	1,695	0	0	0
Agricultural levies	463	476	469	474	486	496
Other taxes	2,412	3,074	3,059	3,462	3,533	3,567
Indirect taxation receipts	89,815	97,653	95,982	99,076	105,001	110,352
Taxation receipts	326,426	341,643	360,372	385,286	411,691	437,562
Sales of goods and services	9,071	8,764	8,910	9,121	11,279	15,893
Interest received	3,561	3,210	3,657	3,893	3,977	4,088
Dividends	3,420	3,040	4,257	2,461	2,675	3,751
Other non-taxation receipts	8,575	6,840	8,583	9,665	7,227	6,689
Non-taxation receipts	24,627	21,854	25,407	25,141	25,158	30,422
Total receipts	351,052	363,496	385,778	410,427	436,849	467,985
<i>Memorandum:</i>						
Total excise	25,412	25,720	26,370	27,300	28,850	30,270
Total customs duty	8,143	9,010	9,270	9,430	10,230	10,680
Capital gains tax(b)	7,000	7,500	9,000	12,000	14,400	16,700
Medicare and DisabilityCare						
Australia levy	9,788	10,480	14,160	15,160	15,890	16,650
Temporary Budget Repair Levy(c)	-	-	600	780	850	190

(a) Net receipts from MRRT for 2013-14 and 2014-15 can be obtained from Table 5 and 6.

(b) CGT is part of other individuals, companies and superannuation fund taxes. The 2012-13 figure is an estimate.

(c) This represents the net impact of the Temporary Budget Repair Levy on individuals and other withholding taxes. An additional \$680 million is expected to be raised over the forward estimates through the temporary increase in the FBT rate that was announced as part of the temporary levy.

Revenue variations since the 2013-14 MYEFO

The revenue estimates are the accrual accounting equivalent of the cash-based receipts estimates. Changes in revenue are generally driven by the same factors – policy as well as parameter and other variations – as receipts. The timing of revenue and receipts estimates may vary. Table 9 provides a reconciliation of the Budget's revenue estimates with those at the 2013-14 MYEFO.

Table 9: Reconciliation of total Australian Government general government revenue estimates from the 2013-14 MYEFO

	Estimates			Projections	Total
	2013-14 \$m	2014-15 \$m	2015-16 \$m	2016-17 \$m	
Revenue at 2013-14 MYEFO	373,922	387,882	417,423	445,032	1,624,259
Changes from 2013-14 MYEFO to 2014-15 Budget					
Effect of policy decisions(a)	1	720	2,032	2,762	5,515
Effect of parameter and other variations	343	2,746	157	2,046	5,292
Total variations	344	3,466	2,189	4,808	10,807
Revenue at 2014-15 Budget	374,267	391,348	419,612	449,840	1,635,067

(a) Excludes secondary impacts on public debt interest of policy decisions and offsets from the Contingency Reserve for decisions taken.

Since the 2013-14 MYEFO, total revenue has been revised up around \$300 million in 2013-14 and \$10.8 billion over the four years to 2016-17. The factors affecting revisions to tax receipts are also at play with regards to revenue.

The changes to individual revenue head accrual estimates since the 2013-14 MYEFO are shown in Tables 10 and 11. For the five year accrual table, the accrual equivalent of Table 8, see Budget Statement 9, Note 3.

Revenue and Receipts historical tables that have previously been published in Appendix C of Statement 5 are now available online and can be accessed at www.budget.gov.au.

Statement 5: Revenue

Table 10: Reconciliation of 2013-14 general government (accrual) revenue

	Estimates		Change on MYEFO	
	MYEFO \$m	Budget \$m	\$m	%
Individuals and other withholding taxes				
Gross income tax withholding	158,510	158,300	-210	-0.1
Gross other individuals	36,650	37,180	530	1.4
less: Refunds	27,200	27,100	-100	-0.4
Total individuals and other withholding tax	167,960	168,380	420	0.3
Fringe benefits tax	4,140	4,140	0	0.0
Company tax	70,400	69,400	-1,000	-1.4
Superannuation fund taxes	6,990	6,580	-410	-5.9
Minerals resource rent tax(a)	500	170	-330	-66.0
Petroleum resource rent tax	1,900	1,470	-430	-22.6
Income taxation revenue	251,890	250,140	-1,750	-0.7
Goods and services tax	52,680	54,321	1,641	3.1
Wine equalisation tax	750	810	60	8.0
Luxury car tax	400	430	30	7.5
Excise and customs duty				
Petrol	5,740	5,890	150	2.6
Diesel	8,820	8,820	0	0.0
Other fuel products	3,730	3,600	-130	-3.5
Tobacco	8,260	7,770	-490	-5.9
Beer	2,320	2,330	10	0.4
Spirits	1,990	1,890	-100	-5.0
Other alcoholic beverages(b)	970	960	-10	-1.0
Other customs duty				
Textiles, clothing and footwear	750	770	20	2.7
Passenger motor vehicles	930	920	-10	-1.1
Other imports	1,580	1,660	80	5.1
less: Refunds and drawbacks	260	360	100	38.5
Total excise and customs duty	34,830	34,250	-580	-1.7
Carbon pricing mechanism	7,340	7,340	0	0.0
Agricultural levies	459	476	17	3.8
Other taxes	3,086	3,190	104	3.4
Indirect taxation revenue	99,545	100,817	1,272	1.3
Taxation revenue	351,434	350,956	-478	-0.1
Sales of goods and services	8,680	8,853	173	2.0
Interest	3,730	3,445	-286	-7.7
Dividends	3,792	4,288	496	13.1
Other non-taxation revenue	6,286	6,724	438	7.0
Non-taxation revenue	22,488	23,310	822	3.7
Total revenue	373,922	374,267	344	0.1
<i>Memorandum:</i>				
Total excise	25,900	25,230	-670	-2.6
Total customs duty	8,930	9,020	90	1.0
Capital gains tax(c)	7,900	7,500	-400	-5.1
Medicare and DisabilityCare Australia levy(d)	9,950	10,480	530	5.3

(a) Net revenue from the MRRT is expected to be \$100 million in 2013-14 which represents the net revenue impact across different revenue heads. These include offsetting reductions in company tax (through deductibility) and interactions with other taxes. The Government has announced the MRRT will not apply beyond 30 June 2014.

(b) Other alcoholic beverages are those not exceeding 10 per cent by volume of alcohol (excluding beer, brandy and wine).

(c) Capital gains tax is part of gross other individuals, company tax and superannuation fund taxes.

(d) At the 2013-14 MYEFO, the Medicare and DisabilityCare Australia levy estimates were based on when the liability to the levy is assessed. From the 2014-15 Budget, estimates are based on when collections relating to the levy are received.

Table 11: Reconciliation of 2014-15 general government (accrual) revenue

	Estimates		Change on MYEFO	
	MYEFO \$m	Budget \$m	\$m	%
Individuals and other withholding taxes				
Gross income tax withholding	170,210	171,170	960	0.6
Gross other individuals	39,500	40,120	620	1.6
less: Refunds	28,000	27,700	-300	-1.1
Total individuals and other withholding tax	181,710	183,590	1,880	1.0
Fringe benefits tax	4,550	4,440	-110	-2.4
Company tax	72,330	73,230	900	1.2
Superannuation fund taxes	8,930	7,870	-1,060	-11.9
Minerals resource rent tax(a)	300	0	-300	-100.0
Petroleum resource rent tax	2,100	2,060	-40	-1.9
Income taxation revenue	269,920	271,190	1,270	0.5
Goods and services tax	55,710	56,970	1,260	2.3
Wine equalisation tax	790	790	0	0.0
Luxury car tax	380	360	-20	-5.3
Excise and customs duty				
Petrol	5,670	5,970	300	5.3
Diesel	9,205	9,280	75	0.8
Other fuel products	3,590	3,730	140	3.9
Tobacco	9,130	8,730	-400	-4.4
Beer	2,370	2,410	40	1.7
Spirits	2,090	1,930	-160	-7.7
Other alcoholic beverages(b)	990	980	-10	-1.0
Other customs duty				
Textiles, clothing and footwear	600	600	0	0.0
Passenger motor vehicles	920	820	-100	-10.9
Other imports	1,600	1,650	50	3.1
less: Refunds and drawbacks	260	360	100	38.5
Total excise and customs duty	35,905	35,740	-165	-0.5
Carbon pricing mechanism	0	0	0	0.0
Agricultural levies	470	469	-1	-0.1
Other taxes	3,182	3,295	114	3.6
Indirect taxation revenue	96,437	97,624	1,188	1.2
Taxation revenue	366,356	368,814	2,458	0.7
Sales of goods and services	8,496	8,928	432	5.1
Interest	4,060	4,229	169	4.2
Dividends	2,448	2,570	122	5.0
Other non-taxation revenue	6,522	6,807	285	4.4
Non-taxation revenue	21,525	22,534	1,008	4.7
Total revenue	387,882	391,348	3,466	0.9
<i>Memorandum:</i>				
Total excise	26,725	26,470	-255	-1.0
Total customs duty	9,180	9,270	90	1.0
Capital gains tax(c)	10,700	9,000	-1,700	-15.9
Medicare and DisabilityCare Australia levy(d)	10,380	14,160	3,780	36.4
Temporary Budget Repair Levy(e)	-	600	-	-

(a) Net revenue from the MRRT is expected to be zero in 2014-15 which represents the net revenue impact across different revenue heads. These include offsetting reductions in company tax (through deductibility) and interactions with other taxes.

(b) Other alcoholic beverages are those not exceeding 10 per cent by volume of alcohol (excluding beer, brandy and wine).

(c) Capital gains tax is part of gross other individuals, company tax and superannuation fund taxes.

(d) At the 2013-14 MYEFO, the Medicare and DisabilityCare Australia levy estimates were based on when the liability to the levy is assessed. From the 2014-15 Budget, estimates are based on when collections relating to the levy are received.

(e) This represents the net impact of the Temporary Budget Repair Levy on individuals and other withholding taxes. An additional \$680 million is expected to be raised over the forward estimates through the temporary increase in the FBT rate that was announced as part of the temporary levy.

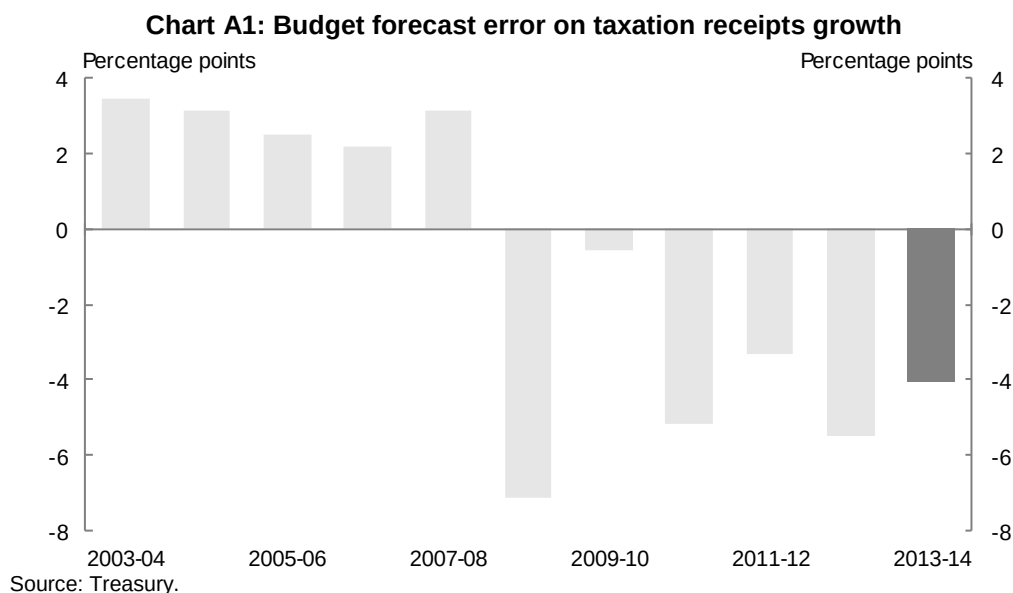
APPENDIX A: REVENUE FORECASTING METHODOLOGY AND PERFORMANCE

The Government's receipts estimates are generally prepared using a 'base plus growth' methodology. The last known outcome (2012-13 for the 2014-15 Budget) is used as the base to which estimated growth rates are applied, resulting in receipts estimates for the current and future years.

Most of the indirect heads of revenue, such as GST and fuel excise, are forecast by mapping the growth rate of an appropriate economic parameter directly to the tax growth rate in the relevant head of revenue. A number of income taxes also involve determining whether this tax will be paid in the year the income is earned, such as for pay-as-you-go withholding tax, or in future years, such as for individuals' refunds.

The Government's receipts forecasts, like all forecasts, are subject to a margin of error. The receipts forecasts between 2002-03 and 2007-08 under-predicted outcomes (Chart A1). For example, the 2007-08 Budget forecast taxation receipts to grow by 5.0 per cent in 2007-08, while the outcome was growth of 8.1 per cent, a forecast error of 3.1 percentage points. Since 2008-09, the outcome for receipts has been lower than the Budget forecast, broadly reflecting the effects of the GFC and subsequent weaker than expected growth in wages and prices.

These historical forecasting errors form the basis of the confidence intervals for the revenue forecasts presented in Appendix B of Statement 3.

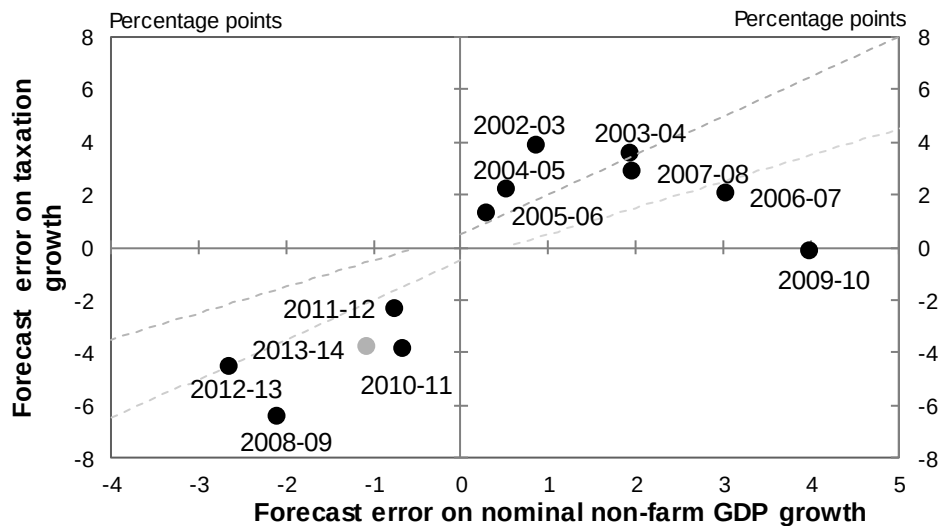


Forecasting errors may be split into three underlying sources: errors in economic forecasts that underpin the receipts forecasts; errors in translating the economy to

receipts forecasts; and miscellaneous factors such as post-Budget policy decisions, court decisions regarding tax law interpretation, changes in compliance activities of the ATO, and revisions to historical economic data. Note that there may also be secondary errors relating to the timing of payments of tax – even if the underlying forecasts were accurate, revenue may be recorded in the fiscal year before or after it was expected.

The relative contribution of each of these sources of error varies from year to year, but there is generally a strong correlation between the accuracy of the forecasts of the nominal economy and the forecasts for tax receipts, as shown in Chart A2.

Chart A2: Budget forecast errors on nominal non-farm GDP growth and taxation receipts growth (excluding CGT)



Source: Treasury.

Chart A2 plots the forecast errors for nominal GDP against the errors for tax receipts. It shows where there has been an underestimate of nominal non-farm GDP growth, tax receipts tend to be underestimated and vice versa.

Furthermore, on average, economic forecasting errors will be magnified in receipts forecasting errors, due to the progressive nature of personal income tax. The lower and upper lines are based on aggregate elasticities (of receipts with respect to nominal non-farm GDP) of 1.0 and 1.5 respectively, assuming an error of plus or minus 0.5 per cent if there is zero error on the economic forecasts. Forecasting errors outside this range could be a result of factors such as timing of tax receipts

For example, in 2002-03, nominal non-farm GDP growth turned out to be around 1 percentage point higher than forecast, but growth in tax receipts (excluding CGT) was almost 4 percentage points higher than forecast. That is, the error in the revenue forecast was higher than the around 2 percentage points that the rule of thumb

Statement 5: Revenue

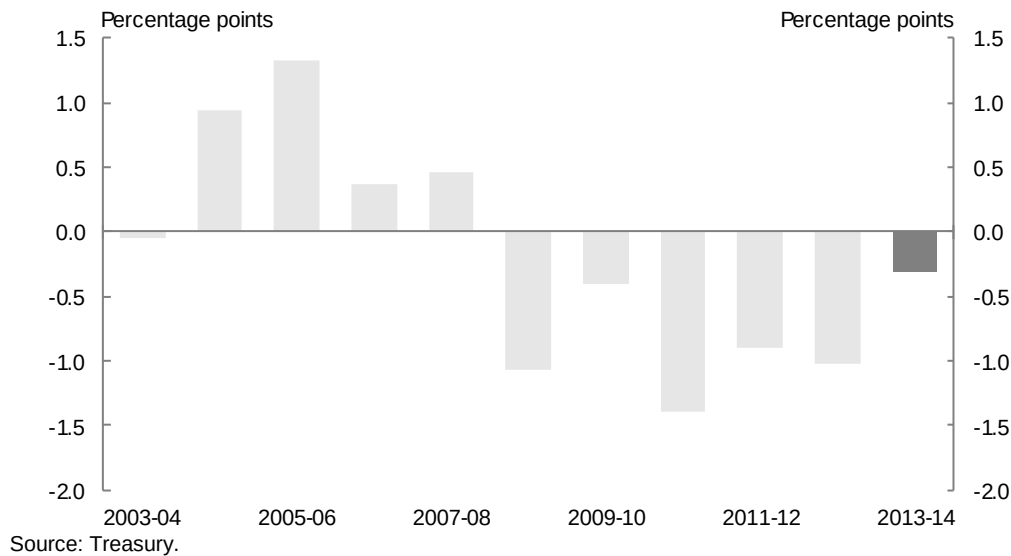
suggests should be theoretically associated with an economic forecasting error of that magnitude.

The forecast for 2013-14 tax receipts (excluding CGT) in the 2013-14 Budget is expected to be an over estimate of around 3.9 percentage points, compared to an over estimate of around 1.1 percentage points for nominal non-farm GDP growth. The forecasting error is partly attributable to the shortfall in resource rent taxes. The resource rent tax base is not expected to relate as closely to nominal GDP as taxes on wages or corporate profits. The largest driver of the expected forecast error for 2013-14, however, is gross income tax withholding (mostly withholding taxes on wages), which is estimated to be nearly \$7 billion (4.1 per cent) short of the forecast in the 2013-14 Budget. This result, caused by much lower than expected growth in average wages, comes after five years of very accurate forecasts for gross income tax withholding (average error of 0.6 per cent).

Discussions of earlier years can be found in previous budgets.

From 2008-09, forecasting errors in tax receipts have been significantly affected by the economic downturn related to the GFC, particularly with regards to capital gains tax (Chart A3).

Forecasting CGT is very difficult for several reasons. First, price movements above or below the assumption may cause CGT to be significantly different from the forecast. Secondly, CGT only applies to realised gains, so even if the asset prices are consistent with the assumptions, there may be more or less gains realised than was assumed. Thirdly, following the GFC, a large stock of capital losses were carried forward (see Box 2 of Statement 5 of the 2010-11 Budget), and the utilisation of these losses generates large uncertainty in both the timing and magnitude of the forecasts. Finally, relevant data on CGT is available over a year after the event, meaning that the forecasting assumptions will be slow to respond to changing taxpayer behaviour.

Chart A3. Forecast error on capital gains tax (contribution to tax receipts growth)

In light of concerns regarding the performance of economic and revenue forecasts, the Secretary to the Treasury commissioned an independently overseen *Review of Treasury Macroeconomic and Revenue Forecasting*, which made four recommendations in regard to revenue forecasting (out of 11 recommendations in total). These four revenue-specific recommendations were:

- developing a three sector company tax model (mining, financial and other);
- investigating whether further information can be drawn from the Australian Taxation Office's liaison with large corporate taxpayers;
- constructing a micro-simulation model for forecasting personal income tax; and
- giving further consideration to the appropriate balance between the top-down versus bottom-up approaches to forecasting revenue.

These have been implemented or are in the process of being implemented.

APPENDIX B: TAX EXPENDITURES

This appendix contains an overview of Australian Government tax expenditures, as required by the *Charter of Budget Honesty Act 1998* (CBHA).

The CBHA also requires the publication of an annual *Tax Expenditures Statement* (TES). The 2013 TES was published in January 2014 and provides a detailed description of Australian Government tax expenditures and, where possible, the estimated value or order of magnitude of each tax expenditure.

A tax expenditure arises where a provision of the tax law causes a deviation from the standard tax treatment that would apply to an activity or class of taxpayer: that is, from the benchmark tax treatment.

- The choice of benchmark unavoidably involves judgment and may therefore be contentious in some cases. This choice should not be interpreted as indicating a view on how an activity or class of taxpayer ought to be taxed.

As noted in the 2013 TES, there is a particular question about the choice of benchmark for savings. This is because most household saving is concentrated in property and superannuation – both of which are taxed concessional against the income tax benchmark. Owner occupied housing is the largest form of savings held by Australian households, and is taxed consistently with an expenditure tax benchmark. To help facilitate discussion and understanding of the impact of utilising different benchmarks, experimental estimates for superannuation using an expenditure tax benchmark were reported in the 2013 TES.

The level of the tax expenditure estimates the difference in tax liabilities relative to the benchmark. Consistent with most OECD countries, the standard methodology (the ‘revenue forgone’ approach) used to estimate tax expenditures is based on the existing level of activity utilising a tax provision. These estimates therefore do not indicate the revenue loss to the Australian Government budget of specific tax expenditures, as there may be significant changes in activity were tax expenditures to be removed. Tax expenditures estimated by the revenue gain approach do attempt to estimate these losses, and several of these estimates are included in the 2013 TES.

Care needs to be taken when comparing tax expenditures with direct expenditures as they may, for example, measure different things. In addition, estimates from different editions of the TES should not be compared because benchmarks may have changed.

The information in Table B1 is derived from the 2013 TES and does not include the impact of decisions in this Budget on tax expenditures. Further information on tax expenditures is available in the 2013 TES.

Table B1: Estimates of large measured tax expenditures

Tax expenditure		Estimate \$m			
		2014-15	2015-16	2016-17	2017-18
Large positive tax expenditures					
E6	Capital gains tax main residence exemption — discount component	17,500	17,500	17,500	18,000
C6	Superannuation — concessional taxation of superannuation entity earnings	18,450	21,700	24,100	26,950
C5	Superannuation — concessional taxation of employer contributions	17,800	19,150	20,700	22,300
E5	Capital gains tax main residence exemption	14,000	14,000	14,500	14,500
H29	GST — Food; uncooked, not prepared, not for consumption on premises of sale and some beverages	6,500	6,800	7,100	7,400
E16	Capital gains tax discount for individuals and trusts	5,410	6,970	7,640	8,310
H16	GST — Education	4,050	4,400	4,850	5,300
H19	GST — Health; medical and health services	3,600	3,900	4,150	4,450
H2	GST — Financial Supplies; input taxed treatment	3,450	3,650	3,850	4,050
C3	Concessional taxation of non-superannuation termination benefits	1,800	1,750	1,750	1,750
A42	Exemption of Family Tax Benefit, Parts A and B	2,180	2,240	2,290	2,350
B16	Exemption from interest withholding tax on certain securities	1,820	1,820	1,820	1,820
B88	Statutory effective life caps	1,795	1,780	1,705	1,605
A20	Exemption of the private health insurance rebate, including expense equivalent	1,510	1,600	1,650	1,690
D11	Philanthropy — Exemption for public and not-for-profit hospitals and public ambulance services	1,500	1,600	1,700	1,800
D14	Philanthropy — Exemption for public benevolent institutions (excluding public and not-for-profit hospitals)	1,450	1,540	1,630	1,710
A19	Exemption from the Medicare levy for residents with a taxable income below a threshold	1,790	1,960	2,040	2,120
A62	Philanthropy — Deduction for gifts to deductible gift recipients	1,230	1,330	1,410	1,500
H21	GST — Health; residential care, community care and other care services	1,120	1,200	1,290	1,380
F8	Concessional rate of excise levied on aviation gasoline and aviation turbine fuel	1,280	1,340	1,400	1,470
Large negative tax expenditures					
F25	Customs duty	- 2,870	- 2,750	- 2,900	- 3,050
F12	Higher rate of excise levied on cigarettes not exceeding 0.8 grams of tobacco	- 2,120	- 2,465	- 2,885	- 3,055

