

## Statement 5: Revenue

The upgrades to receipts in this Budget are much smaller than recent budget upgrades, at around a fifth of the average of the previous three Budgets. This Budget sees tax receipts excluding GST and policy decisions, increasing since MYEFO by \$8.2 billion in 2024–25 and \$27.0 billion over the forward estimates period.

Higher employment and continuing strength in the labour market is a key driver of upgrades, accounting for \$21.6 billion of the net \$27.0 billion upgrade to tax receipts since MYEFO. Higher corporate profits make a broadly similar contribution to the upgrade to tax receipts. These have been partly offset by a weaker than expected outlook for tobacco excise and superannuation fund earnings.

The revenue outlook continues to be exposed to underlying economic risks. The global economic outlook is uncertain, posing considerable risks for exports and global commodity prices. There is also uncertainty around the responsiveness of household consumption and the labour market to evolving economic conditions.

The Government has legislated tax cuts for all 13.6 million Australian taxpayers from 1 July 2024 to provide cost-of-living relief, return bracket creep and boost labour supply. The Government is also implementing production tax incentives to accelerate investment in Future Made in Australia priority industries and reforms to enhance tax system compliance and integrity.

Policy decisions taken since MYEFO increase tax receipts by \$1.7 billion in 2024–25 and \$4.9 billion over the five years from 2023–24 to 2027–28.



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# Statement 5: Revenue

## Overview

Since MYEFO, tax receipts excluding GST and policy decisions have been revised up by \$27.0 billion over the five years from 2023–24 to 2027–28, mainly reflecting higher personal income tax and company tax. The upgrades to receipts in this Budget are much smaller than recent budget updates, at around a fifth of the average of the previous three Budgets.

Higher employment and continuing strength in the labour market is a key driver of upgrades, accounting for \$21.6 billion of the net \$27.0 billion upgrade to tax receipts since MYEFO. Higher corporate profits make a broadly similar contribution to the upgrade to tax receipts. These have been partly offset by a weaker than expected outlook for tobacco excise and superannuation fund earnings.

Policy decisions are expected to increase tax receipts by \$4.9 billion over the five years to 2027–28. An overview of key receipts measures is provided in this statement, with detailed information on all receipts policy decisions in *Budget Statement 1* and Budget Paper No. 2.

Since MYEFO, non-tax receipts are expected to decrease by \$1.3 billion in 2024–25 and increase by \$8.8 billion over the five years from 2023–24 to 2027–28.

**Table 5.1: Australian Government general government receipts**

	Actual	Estimates				
	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	\$b	\$b	\$b	\$b	\$b	\$b
<b>Total taxation receipts (\$b)</b>	<b>601.3</b>	<b>638.8</b>	<b>642.5</b>	<b>661.6</b>	<b>702.3</b>	<b>742.3</b>
Growth on previous year (%)	12.1	6.2	0.6	3.0	6.2	5.7
Per cent of GDP	23.5	23.8	23.3	23.1	23.2	23.3
<b>Tax receipts excluding GST (\$b)</b>	<b>520.0</b>	<b>553.1</b>	<b>555.0</b>	<b>569.4</b>	<b>604.5</b>	<b>639.0</b>
Growth on previous year (%)	12.3	6.4	0.3	2.6	6.2	5.7
Per cent of GDP	20.3	20.6	20.1	19.8	20.0	20.1
<b>Non-taxation receipts (\$b)</b>	<b>48.2</b>	<b>53.6</b>	<b>55.9</b>	<b>57.8</b>	<b>57.7</b>	<b>59.5</b>
Growth on previous year (%)	0.8	11.2	4.4	3.3	-0.1	3.1
Per cent of GDP	1.9	2.0	2.0	2.0	1.9	1.9
<b>Total receipts (\$b)</b>	<b>649.5</b>	<b>692.3</b>	<b>698.4</b>	<b>719.4</b>	<b>760.0</b>	<b>801.8</b>
Growth on previous year (%)	11.1	6.6	0.9	3.0	5.7	5.5
Per cent of GDP	25.3	25.8	25.3	25.1	25.1	25.2

## Tax receipts outlook

Relative to MYEFO, tax receipts are forecast to be \$9.0 billion (or 1.4 per cent) higher in 2024–25, and \$26.0 billion (or 0.8 per cent) higher over the five years from 2023–24 to 2027–28. Over half of this upgrade is in the first two years of the forward estimates. This upgrade reflects a stronger outlook for personal income tax and company tax, partly offset by a weaker outlook for superannuation fund tax, tobacco excise and GST receipts. The upgrade since MYEFO is driven by continuing strength in the labour market and corporate profits.

Personal income taxes have been revised up by \$8.0 billion in 2024–25 and \$26.0 billion over the five years from 2023–24 to 2027–28. This principally reflects strength in tax withholding from salary and wages, supported by a higher level of employment. Relative to MYEFO employment reaches a higher level sooner, with smaller expected upgrades by the end of the forward estimates.

Company tax has been revised up by \$5.5 billion in 2024–25 and \$26.2 billion over the five years from 2023–24 to 2027–28. Strong corporate profits, including from iron ore and coal prices in late 2023 and the very early part of 2024 exceeding those assumed in MYEFO and robust demand, contribute to an upgraded company tax outlook. The stronger company tax outlook includes additional tax from resource companies that made significant payments when lodging their tax returns last year, after previously being in a tax loss position, owing to significant past investments.

Superannuation fund taxes have been revised down by \$3.4 billion in 2024–25 and \$12.6 billion over the five years from 2023–24 to 2027–28 reflecting lower-than-expected collections to date in 2023–24 and a weaker outlook for tax from earnings on investments.

Lower-than-expected collections of tobacco excise in 2023–24 coupled with a weaker forecast level of tobacco consumption contribute to a downgrade to tobacco excise receipts of \$1.7 billion in 2024–25 and \$12.5 billion over the five years from 2023–24 to 2027–28.

GST receipts have been revised down by \$919.4 million in 2024–25 and \$5.5 billion over the five years from 2023–24 to 2027–28. This is consistent with the outlook for nominal consumption subject to GST, which has been downgraded since MYEFO owing to weaker discretionary consumption.

Policy decisions in this Budget focus on reforms to provide cost-of-living relief, support investment, promote integrity and tackle fraud. Policy decisions taken since MYEFO increase tax receipts by \$1.7 billion in 2024–25 and \$4.9 billion over the five years from 2023–24 to 2027–28. Key policy decisions include:

- *Personal Income Tax – Cost of Living Tax Cuts*
- *Strengthening Tax Compliance – extending the Shadow Economy Compliance Program*
- *Strengthening Tax Compliance – extending the Tax Avoidance Taskforce*

- *Strengthening the foreign resident capital gains tax regime*
- *Small Business Support – \$20,000 instant asset write-off.*

In addition to these measures the Government has announced production tax incentives to accelerate investment in Future Made in Australia priority industries. While delivered through the tax system, these tax credits are treated as expenses for budget purposes.

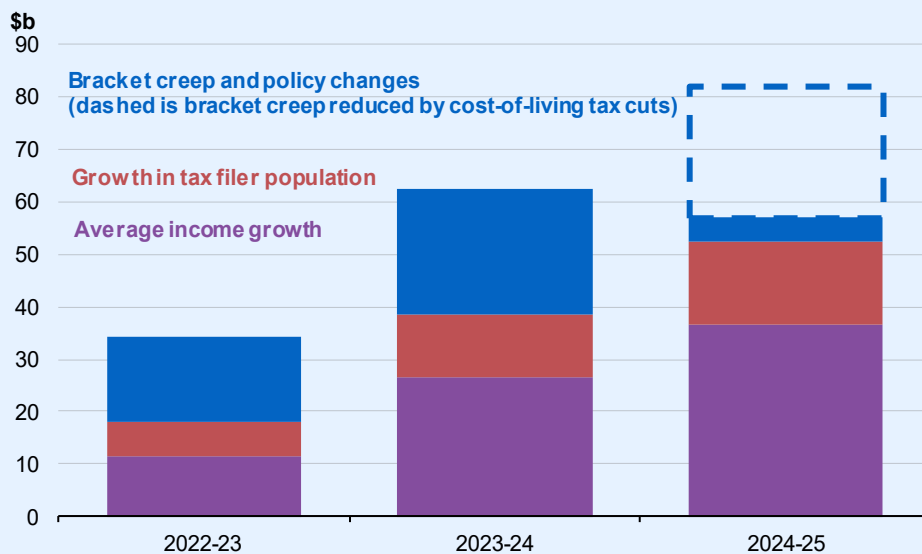
For more details on policy decisions, see *Budget Statement 1* and Budget Paper No. 2.

**Box 5.1 Growth in incomes driving personal income tax**

The resilient labour market, which has resulted in stronger wage and employment growth, is contributing to a rise in personal income tax that is expected to be \$67 billion (26 per cent) higher on a receipts basis and \$57 billion (20 per cent) on an income year basis in 2024–25 than 2021–22. Two thirds of the increase in 2024–25 relative to 2021–22 is driven by strong expected growth in incomes, while around a quarter is due to tax filer population growth (Chart 5.1). The impact of bracket creep is much smaller, accounting for less than 10 per cent of the forecast increase in 2024–25. Without the Government’s cost-of-living tax cuts, increases in average tax rates including bracket creep would have contributed to a third of the personal income tax increase in 2024–25 relative to 2021–22.

Growth in personal income tax is determined by the number of tax filers (driven by growth in population and employment), income growth, increases in average tax rates (often referred to as bracket creep) and changes in tax policy. Chart 5.1 decomposes the growth in personal income tax into those components.

**Chart 5.1: Drivers of growth in personal income tax compared to 2021–22 (income year basis)**



Source: Treasury.

Note: Growth in the number of tax filers reflects a combination of population growth, labour force participation and other economic factors that affect the number of individuals earning income. Growth in average incomes includes the effect of growth in nominal wages and non-employment incomes, including capital gains, business income and dividend income. Bracket creep reflects the increase in the average tax rate due to income growth, as individuals pay a decreasing share of their income at lower marginal tax rates, and includes the effect of policy changes.

The chart is prepared on an income year basis, which differs from tax receipts due to differences in when tax is incurred compared to when paid.

*Continued on next page*



**Box 5.1 Growth in incomes driving personal income tax (continued)**

Growth in average incomes is expected to be the largest driver of growth in personal income tax, accounting for two thirds of the forecast rise in 2024–25. The average income per tax filer is expected to increase from \$71,000 in 2021–22 to \$80,000 in 2024–25, which would contribute an additional \$36 billion in income tax by 2024–25 with constant average tax rates. Growth in average incomes is broad-based over this period for workers, business owners and retirees, with growth in incomes being concentrated in salary and wages income, business income, and interest income.

Continuing employment and population growth, which increases the number of tax filers, is expected to account for around a quarter of the forecast rise in personal income taxes in 2024–25. The 6 per cent increase in tax filers, primarily from strong employment growth, contributes a further \$16 billion in income tax in 2024–25. The vast majority of additional tax filers have been wage and salary earners.

Policy changes significantly reduce the effect of bracket creep in 2024–25, especially the Government’s cost-of-living tax cuts that will deliver a tax cut to every Australian taxpayer from 1 July 2024 and reduce the personal income tax take by \$23 billion in 2024–25. This policy change means, that despite continuing to forecast strength in the labour market, personal income tax receipts are expected to be lower in 2024–25 than in 2023–24.

## Variations in receipts estimates

Since MYEFO, total receipts have been revised up by \$7.7 billion in 2024–25 and \$31.8 billion over the five years from 2023–24 to 2027–28. Table 5.2 reconciles the 2024–25 Budget estimates of total receipts with the 2023–24 Budget and MYEFO.

**Table 5.2: Reconciliation of Australian Government general government receipts estimates from the 2023–24 MYEFO and 2023–24 Budget**

	Estimates					Total \$m
	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	
<b>Receipts at 2023-24 Budget</b>	<b>668,142</b>	<b>671,238</b>	<b>700,922</b>	<b>735,118</b>	*	*
<b>Changes from 2023-24 Budget to 2023-24 MYEFO</b>						
Effect of policy decisions	450	255	87	407	*	*
Effect of parameter and other variations	16,674	19,228	10,329	19,851	*	*
<b>Total variations</b>	<b>17,124</b>	<b>19,483</b>	<b>10,416</b>	<b>20,259</b>	*	*
<b>Receipts at 2023-24 MYEFO</b>	<b>685,266</b>	<b>690,721</b>	<b>711,339</b>	<b>755,377</b>	<b>797,385</b>	<b>3,640,087</b>
<b>Changes from 2023-24 MYEFO to 2024-25 Budget</b>						
Effect of policy decisions	136	2,215	-1,000	1,989	4,725	8,064
Effect of parameter and other variations	6,906	5,509	9,015	2,644	-298	23,776
<b>Total variations</b>	<b>7,042</b>	<b>7,725</b>	<b>8,015</b>	<b>4,633</b>	<b>4,427</b>	<b>31,840</b>
<b>Receipts at 2024-25 Budget</b>	<b>692,307</b>	<b>698,446</b>	<b>719,353</b>	<b>760,010</b>	<b>801,811</b>	<b>3,671,927</b>

\* Data is not available.

Since MYEFO, parameter and other variations have increased total receipts by \$5.5 billion in 2024–25 and \$23.8 billion over the five years from 2023–24 to 2027–28. Policy decisions increase total receipts by \$2.2 billion in 2024–25 and \$8.1 billion over the five years from 2023–24 to 2027–28 compared with MYEFO. The upgrade to the forecasts of total receipts overwhelmingly reflects upgrades to the forecasts of tax receipts.

## Tax receipts estimates

Relative to MYEFO, forecasts of tax receipts have been revised up by \$9.0 billion in 2024–25 and by \$26.0 billion over the five years from 2023–24 to 2027–28.

Table 5.3 reconciles the 2024–25 Budget estimates of tax receipts with the 2023–24 Budget and MYEFO.

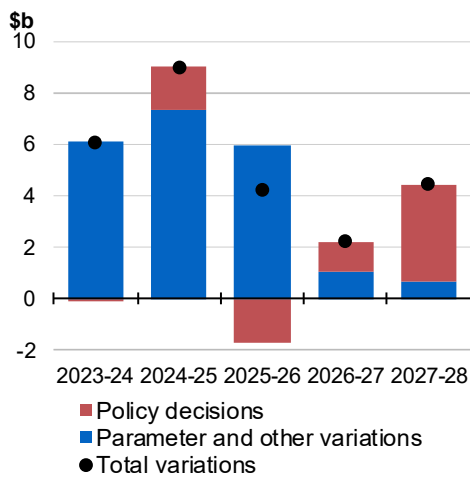
**Table 5.3: Reconciliation of Australian Government general government tax receipts estimates from the 2023–24 MYEFO and 2023–24 Budget**

	Estimates					Total \$m
	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	
<b>Tax receipts at 2023-24 Budget</b>	<b>616,275</b>	<b>614,332</b>	<b>647,846</b>	<b>680,743</b>	*	*
<b>Changes from 2023-24 Budget to 2023-24 MYEFO</b>						
Effect of policy decisions	-7	-644	-902	-665	*	*
Effect of parameter and other variations	16,398	19,854	10,378	19,971	*	*
<b>Total variations</b>	<b>16,391</b>	<b>19,210</b>	<b>9,476</b>	<b>19,306</b>	*	*
<b>Tax receipts at 2023-24 MYEFO</b>	<b>632,666</b>	<b>633,543</b>	<b>657,323</b>	<b>700,049</b>	<b>737,850</b>	<b>3,361,431</b>
<b>Changes from 2023-24 MYEFO to 2024-25 Budget</b>						
Effect of policy decisions	-30	1,669	-1,699	1,161	3,808	4,909
Effect of parameter and other variations	6,114	7,330	5,959	1,068	640	21,111
<b>Total variations</b>	<b>6,084</b>	<b>8,999</b>	<b>4,260</b>	<b>2,229</b>	<b>4,448</b>	<b>26,020</b>
<b>Tax receipts at 2024-25 Budget</b>	<b>638,750</b>	<b>642,542</b>	<b>661,583</b>	<b>702,278</b>	<b>742,299</b>	<b>3,387,451</b>

\* Data is not available.

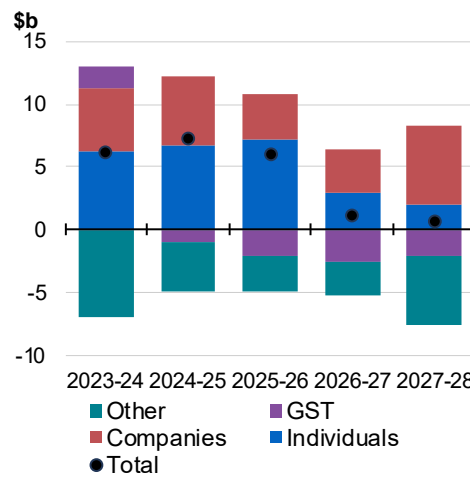
Since MYEFO, parameter and other variations are expected to increase tax receipts by \$7.3 billion in 2024–25 and \$21.1 billion over the five years from 2023–24 to 2027–28. Policy decisions are estimated to increase tax receipts by \$1.7 billion in 2024–25 and \$4.9 billion over the five years from 2023–24 to 2027–28 compared with MYEFO.

**Chart 5.2: Revisions to total tax receipts since 2023–24 MYEFO**



Source: Treasury.

**Chart 5.3: Parameter and other variations to total tax receipts since 2023–24 MYEFO**



Source: Treasury.

Tax receipts forecasts are based on available information prior to each economic and fiscal update. Growth in the key economic parameters that influence tax receipts is shown in Table 5.4.

**Table 5.4: Key economic parameters for tax receipts<sup>(a)</sup>**

	Outcomes		Forecasts			
	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
<b>Revenue parameters</b>						
Nominal gross domestic product	9.9	4 3/4	2 3/4	4	5 1/4	5 1/4
Change since 2023-24 MYEFO		1/2	1/2	- 1/2	1/4	
Compensation of employees <sup>(b)</sup>	10.1	7 1/2	4 1/4	4 1/4	4 1/2	5 1/4
Change since 2023-24 MYEFO		1/2	1/2	- 1/4	- 3/4	
Corporate gross operating surplus <sup>(c)</sup>	11.1	-1	-4 3/4	1/4	6	5 1/2
Change since 2023-24 MYEFO		2 1/4	3/4	-2 3/4	2	
Non-farm gross mixed income	-1.7	2 1/4	8 3/4	6 1/2	6 1/2	6 1/2
Change since 2023-24 MYEFO		- 1/2	0	- 1/4	3/4	
Property income <sup>(d)</sup>	21.5	15 3/4	4	3 3/4	6	5 1/4
Change since 2023-24 MYEFO		1 3/4	-2	-2 1/2	3/4	
Consumption subject to GST	14.4	2	3 3/4	5 1/4	5	4 3/4
Change since 2023-24 MYEFO		-1 1/2	- 3/4	1/4	0	

a) Current prices, per cent change on previous year. Changes since 2023–24 MYEFO are percentage points.

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

c) Corporate gross operating surplus 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.

Source: ABS Australian National Accounts: National Income, Expenditure and Product; and Treasury.

Changes in the outlook for individual heads of revenue are explained in more detail below.

### Individuals and other withholding taxes

Since MYEFO, total individuals and other withholding tax receipts have been revised up by \$8.0 billion in 2024–25 and \$26.0 billion over the five years from 2023–24 to 2027–28.

Individuals and other withholding tax receipts are expected to fall in 2024–25 with delivery of the Government’s cost-of-living tax cut for every Australian taxpayer.

Excluding new policy decisions, individuals and other withholding tax receipts have been revised up by \$6.7 billion in 2024–25 and \$25.1 billion over the five years from 2023–24 to 2027–28.

Income tax withholding (predominantly tax on salary and wages) has been revised up by \$5.8 billion in 2024–25 and \$21.6 billion over the five years from 2023–24 to 2027–28 excluding policy decisions. This reflects strength in year-to-date collections, which have been supported by stronger-than-expected employment growth and a pick-up in wage growth. In annual terms, the upgrade over the forward estimates peaks in 2025–26 consistent with the forecast moderation of employment growth.

Net other individuals (gross other individuals less refunds) has been revised up by \$855.2 million in 2024–25 and up \$3.5 billion over the five years from 2023–24 to 2027–28 excluding policy decisions. This largely reflects moderately higher than expected income on tax returns that boosts receipts in the first part of the forward estimates. This is then expected to unwind from 2025–26 in line with a weaker outlook for income flowing to individuals from unincorporated businesses and investments.

New tax policy measures announced since MYEFO are expected to increase individuals and other withholding tax receipts by \$1.3 billion in 2024–25 and \$857.7 million over the five years from 2023–24 to 2027–28.

### **Fringe benefits tax**

Since MYEFO, fringe benefits tax receipts have been revised up by \$80.0 million in 2024–25 and \$470.0 million over the five years from 2023–24 to 2027–28. This reflects continuing strength in the labour market.

### **Company tax**

Since MYEFO, company tax receipts have been revised up to be \$5.5 billion higher in 2024–25 and \$26.2 billion higher over the five years from 2023–24 to 2027–28.

Excluding new policy decisions, company tax has been revised up by \$5.6 billion in 2024–25 and \$23.8 billion over the five years from 2023–24 to 2027–28.

The upgrade across the forward estimates reflects strong corporate profits flowing through to higher pay-as-you-go instalments. Mining company profits are relatively unchanged in aggregate over the forward estimates, with higher commodity prices in the near term offset by lower export volumes in all years. Despite this, the resources sector contributes to the company tax upgrade due to large companies moving to a tax paying position after exhausting prior year losses (see Box 5.2). Strength in company tax receipts in later years of the forward estimates is also supported by an improved outlook for the non-mining sector.

New tax policy measures announced since MYEFO are expected to decrease company tax receipts by \$68.5 million in 2024–25 but increase company tax receipts by \$2.4 billion over the five years from 2023–24 to 2027–28.

**Box 5.2 Contribution to company income tax from the oil and gas sector**

The mining sector is a significant contributor to company income tax (company tax); estimated to contribute two-fifths of company tax payable in 2022–23. Mining sector profits are closely tied to volatile commodity prices, which poses significant challenges for forecasting near-term company tax receipts. After mining, the next largest contribution to total company tax is from the finance industry.

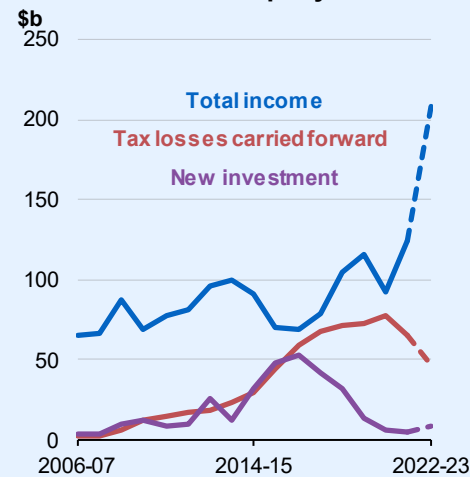
Sustained high export prices, particularly in 2022, spiked income for mining companies, which led to several large oil and gas extraction companies making large company tax payments on 1 June 2023. In many cases, these companies had never previously paid company tax, and were not expected to pay any tax in the near term.

Significant capital investments in liquified natural gas (LNG) projects in Australia were made between 2010 and 2019. LNG projects are highly capital intensive due to the requirements for processing and liquefaction in addition to field and pipeline costs. As a result, LNG exporting companies accrued a significant stock of tax losses that have been carried forward to offset income in later years, which has kept company tax liabilities low (see Chart 5.4).

However, the unprecedented shock to the global LNG market from the war in Ukraine caused total income for the oil and gas sector in 2022–23 to increase by 67 per cent. For some large LNG exporting companies in 2022–23, elevated profits exceeded their stock of company tax losses. These companies, who were previously expected to individually enter the tax system over several years, now had significant company tax liabilities for the 2022–23 income year (see Chart 5.5).

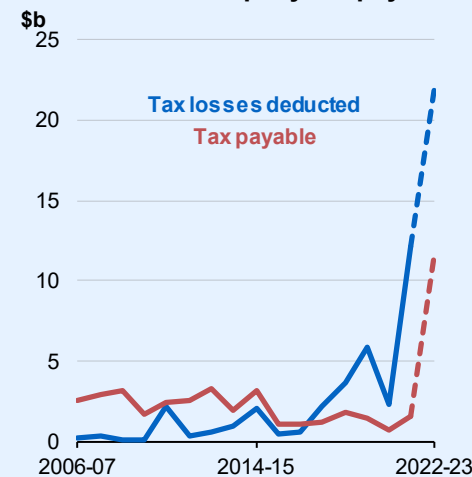
**Oil and gas extraction companies**

**Chart 5.4: Total income, new investment and company tax losses**



Source: Treasury analysis of ATO data.

**Chart 5.5: Company tax losses deducted and company tax payable**



Source: Treasury analysis of ATO data.

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### **Box 5.2 Contribution to company income tax from the oil and gas sector (continued)**

Based on the current price outlook, these companies are expected to continue paying company tax given their stock of tax losses has been exhausted, leading to a sustained increase in the company tax base.

Some of these companies also operate projects subject to the Petroleum Resource Rent Tax (PRRT) which imposes an additional tax on profits from the sale of offshore petroleum products. The Government has introduced to Parliament further changes to the PRRT to deliver a fairer return to the Australian community from the offshore gas sector, including a cap on the use of deductions. These changes will ensure the offshore LNG industry pays more tax, sooner, while providing industry and investors policy certainty to allow the sufficient supply of domestic gas, and ensuring Australia remains a reliable international energy supplier and investment partner.

### **Superannuation fund taxes**

Since MYEFO, superannuation fund tax receipts have been revised down by \$3.4 billion in 2024–25 and \$12.6 billion across the five years from 2023–24 to 2027–28. Excluding new policy decisions, the downgrade is \$3.4 billion in 2024–25 and \$12.8 billion over the five years from 2023–24 to 2027–28.

Superannuation fund taxes have been revised down in 2023–24 in line with weaker fund earnings and higher-than-expected refunds. Weakness in tax from fund earnings is expected to persist over the forward estimates, with an updated outlook for net foreign income, capital gains and foreign exchange gains and losses contributing to the downgrade. Strength in the labour market drives a partially offsetting improvement to superannuation contributions taxes, although the extent of this improvement diminishes over the forward estimates.

New tax policy measures announced since MYEFO are expected to have a negligible increase to superannuation fund taxes receipts in 2024–25 but increase superannuation fund taxes receipts by \$177.0 million over the five years from 2023–24 to 2027–28.

### **Petroleum resource rent tax (PRRT)**

Since MYEFO, PRRT receipts have been revised up by \$400.0 million in 2024–25 and revised down by \$750.0 million over the five years from 2023–24 to 2027–28. The downgrade over the forward estimates is driven by lower oil prices than assumed at MYEFO.

The downgrade to PRRT receipts in 2023–24, and subsequent upgrade in 2024–25, reflects the delay in the passage of legislation for the 2023–24 Budget measure *Petroleum Resource Rent Tax – Government Response to the Review of the PRRT Gas Transfer Pricing arrangement*.

The first tax payments from this measure are now expected in 2024–25 rather than 2023–24. This is only a change in timing and does not change the total expected receipts from this measure of \$2.4 billion from 2023–24 to 2026–27.

### **Goods and services tax (GST)**

Since MYEFO, GST receipts have been revised down by \$919.4 million in 2024–25 and \$5.5 billion over the five years from 2023–24 to 2027–28.

Excluding new policy decisions, GST has been revised down by \$914.4 million in 2024–25 and \$5.9 billion over the five years from 2023–24 to 2027–28. GST receipts have been upgraded in 2023–24 due to stronger-than-expected year-to-date collections. From 2024–25 the downgrade is driven by the lower outlook for nominal consumption subject to GST, partially offset by higher nominal dwelling investment.

New tax policy measures announced since MYEFO are expected to decrease GST receipts by \$5.0 million in 2024–25 but increase GST receipts by \$400.1 million over the five years from 2023–24 to 2027–28.

### **Excise and customs duty**

Since MYEFO, total excise and customs duty receipts have been revised down by \$1.8 billion in 2024–25 and \$11.9 billion over the five years from 2023–24 to 2027–28.

Excluding new policy decisions, excise and customs duty receipts have been revised down by \$1.9 billion in 2024–25 and \$11.5 billion over the five years from 2023–24 to 2027–28. This overwhelmingly reflects the significant downward revision to tobacco excise receipts. This revision is due to a combination of weaker-than-expected tobacco imports in 2023–24 and a larger expected decline in tobacco consumption over the forward estimates.

Policy decisions are expected to increase excise and customs duty receipts by \$123.3 million in 2024–25 but decrease by \$388.7 million over the five years from 2023–24 to 2027–28. This is primarily lower fuel excise receipts due to the introduction of a New Vehicle Efficiency Standard.

The 2024–25 Budget estimates continue to include provision for the Australia European Union Free Trade Agreement, which has not been finalised. This provision is assumed to impact customs duty receipts. No other Free Trade Agreements (FTAs) that are currently under negotiation are expected to have a material impact on revenue over the forward estimates. A full list of FTAs currently under negotiation is available on the Department of Foreign Affairs and Trade website.

### **Other taxes**

Other taxes encompass a range of sources of receipts, including visa application charges, major bank levy, luxury car tax, wine equalisation tax and agricultural levies.



Since MYEFO, other tax receipts have been revised up by \$1.0 billion in 2024–25 and \$4.1 billion over the five years from 2023–24 to 2027–28. New tax policy measures announced since MYEFO are expected to decrease other tax receipts by \$57.4 million in 2024–25 and \$76.4 million over the five years from 2023–24 to 2027–28.

### **Non-tax receipts estimates**

Since MYEFO, non-tax receipts are expected to decrease by \$1.3 billion in 2024–25 and increase by \$8.8 billion over the five years from 2023–24 to 2027–28.

Since MYEFO, parameter and other variations are expected to decrease non-tax receipts by \$1.8 billion in 2024–25 and increase non-tax receipts by \$5.6 billion over the five years from 2023–24 to 2027–28. This movement is partially driven by the Commonwealth Superannuation Corporation reprofiling the transfer of funded benefits to the Consolidated Revenue Fund, earnings from the Future Fund and Australian Government Investment Funds, and interest on cash deposits. In addition, non-tax receipts have been revised up by \$2.9 billion in 2027–28 to account for the difference between the medium-term projection methodology at MYEFO and the forward estimate in this Budget. This increase in non-tax receipts is partially offset by revised assumptions under the Unclaimed Superannuation Monies program, reflecting less money in unclaimed superannuation accounts and greater amounts being reunited with active superannuation funds.

Since MYEFO, policy decisions are expected to increase non-tax receipts by \$0.5 billion in 2024–25, and by \$3.2 billion over the five years from 2023–24 to 2027–28.

**Table 5.5: Reconciliation of 2023–24 general government (cash) receipts**

	Estimates		Change on MYEFO	
	MYEFO \$m	Budget \$m	\$m	%
Individuals and other withholding taxes				
Gross income tax withholding	291,600	296,000	4,400	1.5
Gross other individuals	73,700	76,100	2,400	3.3
less: Refunds	37,000	37,500	500	1.4
Total individuals and other withholding tax	328,300	334,600	6,300	1.9
Fringe benefits tax	4,270	4,360	90	2.1
Company tax	137,900	142,900	5,000	3.6
Superannuation fund taxes	15,710	11,660	-4,050	-25.8
Petroleum resource rent tax	2,000	1,150	-850	-42.5
<b>Income taxation receipts</b>	<b>488,180</b>	<b>494,670</b>	<b>6,490</b>	<b>1.3</b>
Goods and services tax	84,079	85,758	1,679	2.0
Wine equalisation tax	1,110	1,080	-30	-2.7
Luxury car tax	1,200	1,310	110	9.2
Excise and customs duty				
Petrol	6,900	6,950	50	0.7
Diesel	16,130	16,160	30	0.2
Other fuel products	2,260	2,090	-170	-7.5
Tobacco	12,850	10,500	-2,350	-18.3
Beer	2,630	2,630	0	0.0
Spirits	3,370	3,340	-30	-0.9
Other alcoholic beverages(a)	1,680	1,680	0	0.0
Other customs duty				
Textiles, clothing and footwear	180	160	-20	-11.1
Passenger motor vehicles	450	380	-70	-15.6
Other imports	1,500	1,490	-10	-0.7
less: Refunds and drawbacks	700	850	150	21.4
Total excise and customs duty	47,250	44,530	-2,720	-5.8
Major Bank Levy	1,600	1,630	30	1.9
Agricultural levies	598	620	22	3.7
Visa application charges	3,232	3,290	58	1.8
Other taxes	5,417	5,862	445	8.2
<b>Indirect taxation receipts</b>	<b>144,486</b>	<b>144,080</b>	<b>-406</b>	<b>-0.3</b>
<b>Taxation receipts</b>	<b>632,666</b>	<b>638,750</b>	<b>6,084</b>	<b>1.0</b>
Sales of goods and services	19,764	19,938	174	0.9
Interest received	8,862	10,404	1,542	17.4
Dividends and distributions	6,936	5,918	-1,018	-14.7
Other non-taxation receipts	17,038	17,297	259	1.5
<b>Non-taxation receipts</b>	<b>52,600</b>	<b>53,557</b>	<b>958</b>	<b>1.8</b>
<b>Total receipts</b>	<b>685,266</b>	<b>692,307</b>	<b>7,042</b>	<b>1.0</b>
<i>Memorandum:</i>				
Total excise	29,990	29,940	-50	-0.2
Total customs duty	17,260	14,590	-2,670	-15.5
Capital gains tax(b)	25,000	26,400	1,400	5.6

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

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

**Table 5.6: Reconciliation of 2024–25 general government (cash) receipts**

	Estimates		Change on MYEFO	
	MYEFO \$m	Budget \$m	\$m	%
Individuals and other withholding taxes				
Gross income tax withholding	283,800	290,300	6,500	2.3
Gross other individuals	73,800	76,800	3,000	4.1
less: Refunds	39,100	40,600	1,500	3.8
Total individuals and other withholding tax	318,500	326,500	8,000	2.5
Fringe benefits tax	4,130	4,210	80	1.9
Company tax	133,600	139,100	5,500	4.1
Superannuation fund taxes	23,160	19,810	-3,350	-14.5
Petroleum resource rent tax	2,250	2,650	400	17.8
<b>Income taxation receipts</b>	<b>481,640</b>	<b>492,270</b>	<b>10,630</b>	<b>2.2</b>
Goods and services tax	88,592	87,673	-919	-1.0
Wine equalisation tax	1,160	1,150	-10	-0.9
Luxury car tax	1,100	1,140	40	3.6
Excise and customs duty				
Petrol	7,350	7,300	-50	-0.7
Diesel	17,140	17,390	250	1.5
Other fuel products	2,340	2,210	-130	-5.6
Tobacco	13,250	11,550	-1,700	-12.8
Beer	2,790	2,760	-30	-1.1
Spirits	3,580	3,590	10	0.3
Other alcoholic beverages(a)	1,770	1,750	-20	-1.1
Other customs duty				
Textiles, clothing and footwear	190	170	-20	-10.5
Passenger motor vehicles	420	380	-40	-9.5
Other imports	1,530	1,530	0	0.0
less: Refunds and drawbacks	700	730	30	4.3
Total excise and customs duty	49,660	47,900	-1,760	-3.5
Major Bank Levy	1,660	1,720	60	3.6
Agricultural levies	634	623	-11	-1.7
Visa application charges	3,435	3,882	447	13.0
Other taxes	5,662	6,183	522	9.2
<b>Indirect taxation receipts</b>	<b>151,903</b>	<b>150,272</b>	<b>-1,631</b>	<b>-1.1</b>
<b>Taxation receipts</b>	<b>633,543</b>	<b>642,542</b>	<b>8,999</b>	<b>1.4</b>
Sales of goods and services	21,044	21,396	352	1.7
Interest received	7,899	9,275	1,376	17.4
Dividends and distributions	7,240	6,789	-451	-6.2
Other non-taxation receipts	20,995	18,444	-2,552	-12.2
<b>Non-taxation receipts</b>	<b>57,179</b>	<b>55,904</b>	<b>-1,275</b>	<b>-2.2</b>
<b>Total receipts</b>	<b>690,721</b>	<b>698,446</b>	<b>7,725</b>	<b>1.1</b>
<i>Memorandum:</i>				
Total excise	31,810	31,870	60	0.2
Total customs duty	17,850	16,030	-1,820	-10.2
Capital gains tax(b)	22,900	23,600	700	3.1

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

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

**Table 5.7: Australian Government general government (cash) receipts**

	Actual	Estimates				
	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m
Individuals and other withholding taxes						
Gross income tax withholding	269,264	296,000	290,300	304,900	323,200	345,400
Gross other individuals	69,407	76,100	76,800	80,300	83,800	91,700
less: Refunds	42,014	37,500	40,600	41,700	42,800	44,300
Total individuals and other withholding tax	296,658	334,600	326,500	343,500	364,200	392,800
Fringe benefits tax	4,009	4,360	4,210	4,120	4,170	4,380
Company tax	151,068	142,900	139,100	134,000	144,200	150,800
Superannuation fund taxes	10,406	11,660	19,810	21,360	24,210	23,060
Petroleum resource rent tax	2,287	1,150	2,650	2,050	1,850	1,750
<b>Income taxation receipts</b>	<b>464,427</b>	<b>494,670</b>	<b>492,270</b>	<b>505,030</b>	<b>538,630</b>	<b>572,790</b>
Goods and services tax	81,518	85,758	87,673	92,338	97,866	103,438
Wine equalisation tax	1,107	1,080	1,150	1,210	1,270	1,340
Luxury car tax	1,143	1,310	1,140	1,200	1,270	1,330
Excise and customs duty						
Petrol	5,680	6,950	7,300	7,550	7,800	8,000
Diesel	13,091	16,160	17,390	17,750	18,620	19,320
Other fuel products	2,722	2,090	2,210	2,230	2,290	2,340
Tobacco	12,596	10,500	11,550	11,500	11,100	10,700
Beer	2,543	2,630	2,760	2,870	3,020	3,170
Spirits	3,348	3,340	3,590	3,770	3,970	4,170
Other alcoholic beverages(a)	1,610	1,680	1,750	1,810	1,910	2,010
Other customs duty						
Textiles, clothing and footwear	199	160	170	170	190	150
Passenger motor vehicles	445	380	380	370	330	110
Other imports	1,519	1,490	1,530	1,590	1,650	900
less: Refunds and drawbacks	723	850	730	730	730	730
Total excise and customs duty	43,029	44,530	47,900	48,880	50,150	50,140
Major Bank Levy	1,525	1,630	1,720	1,780	1,860	1,960
Agricultural levies	666	620	623	645	641	650
Visa application charges	3,156	3,290	3,882	4,096	4,315	4,484
Other taxes	4,730	5,862	6,183	6,404	6,276	6,167
<b>Indirect taxation receipts</b>	<b>136,873</b>	<b>144,080</b>	<b>150,272</b>	<b>156,553</b>	<b>163,648</b>	<b>169,509</b>
<b>Taxation receipts</b>	<b>601,300</b>	<b>638,750</b>	<b>642,542</b>	<b>661,583</b>	<b>702,278</b>	<b>742,299</b>
Sales of goods and services	19,282	19,938	21,396	22,549	23,506	23,888
Interest received	7,009	10,404	9,275	8,705	9,051	9,591
Dividends and distributions	5,164	5,918	6,789	7,160	7,522	8,001
Other non-taxation receipts	16,722	17,297	18,444	19,357	17,652	18,034
<b>Non-taxation receipts</b>	<b>48,177</b>	<b>53,557</b>	<b>55,904</b>	<b>57,770</b>	<b>57,732</b>	<b>59,513</b>
<b>Total receipts</b>	<b>649,477</b>	<b>692,307</b>	<b>698,446</b>	<b>719,353</b>	<b>760,010</b>	<b>801,811</b>
<i>Memorandum:</i>						
Total excise	26,022	29,940	31,870	32,670	34,120	35,350
Total customs duty	17,006	14,590	16,030	16,210	16,030	14,790
Capital gains tax(b)	31,700	26,400	23,600	23,800	24,800	26,100

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

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

## Variations in revenue estimates

The revenue estimates are the accrual accounting equivalent of the cash-based receipts estimates. Changes in revenue are generally driven by the same factors as receipts.

Revenues are usually higher than the cash equivalents because the amounts are generally recognised when they are owed rather than when they are paid. The differences between the accrual and cash amounts therefore generally reflect payment timing differences.

Table 5.8 provides a reconciliation of the 2024–25 Budget revenue estimates with those at the 2023–24 Budget and MYEFO.

**Table 5.8: Reconciliation of Australian Government general government revenue estimates from the 2023–24 MYEFO and the 2023–24 Budget**

	Estimates					Total
	2023-24	2024-25	2025-26	2026-27	2027-28	
	\$m	\$m	\$m	\$m	\$m	\$m
<b>Revenue at 2023-24 Budget</b>	<b>680,372</b>	<b>677,333</b>	<b>713,738</b>	<b>748,237</b>	*	*
<b>Changes from 2023-24 Budget to 2023-24 MYEFO</b>						
Effect of policy decisions(a)	475	303	137	456	*	*
Effect of parameter and other variations	19,775	22,657	12,169	21,660	*	*
<b>Total variations</b>	<b>20,250</b>	<b>22,960</b>	<b>12,306</b>	<b>22,116</b>	*	*
<b>Revenue at 2023-24 MYEFO</b>	<b>700,622</b>	<b>700,293</b>	<b>726,044</b>	<b>770,352</b>	*	*
<b>Changes from 2023-24 MYEFO to 2024-25 Budget</b>						
Effect of policy decisions(a)	54	2,267	-956	3,366	5,972	10,702
Effect of parameter and other variations	6,201	8,945	7,652	2,521	*	*
<b>Total variations</b>	<b>6,255</b>	<b>11,212</b>	<b>6,696</b>	<b>5,887</b>	*	*
<b>Revenue at 2024-25 Budget</b>	<b>706,877</b>	<b>711,505</b>	<b>732,740</b>	<b>776,239</b>	<b>819,628</b>	<b>3,746,989</b>

\* Data is not available.

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

Since MYEFO, total revenue has been revised up by \$11.2 billion in 2024–25 and by \$36.9 billion over the five years from 2023–24 to 2027–28.

The changes in the individual heads of revenue accrual estimates relative to MYEFO are shown in Tables 5.9 and 5.10, for 2023–24 and 2024–25, respectively. For the 5-year accrual table, the accrual equivalent of Table 5.7, see *Budget Statement 10*, Note 3.

Additional revenue and receipts historical tables are available online and can be accessed at [www.budget.gov.au](http://www.budget.gov.au).

**Table 5.9: Reconciliation of 2023–24 general government (accrual) revenue**

	Estimates		Change on MYEFO	
	MYEFO \$m	Budget \$m	\$m	%
Individuals and other withholding taxes				
Gross income tax withholding	295,000	299,400	4,400	1.5
Gross other individuals	78,600	81,500	2,900	3.7
less: Refunds	37,000	37,500	500	1.4
Total individuals and other withholding tax	336,600	343,400	6,800	2.0
Fringe benefits tax	4,190	4,280	90	2.1
Company tax	140,300	144,900	4,600	3.3
Superannuation fund taxes	15,740	11,780	-3,960	-25.2
Petroleum resource rent tax	2,380	1,430	-950	-39.9
<b>Income taxation revenue</b>	<b>499,210</b>	<b>505,790</b>	<b>6,580</b>	<b>1.3</b>
Goods and services tax	88,180	90,180	2,000	2.3
Wine equalisation tax	1,130	1,090	-40	-3.5
Luxury car tax	1,180	1,290	110	9.3
Excise and customs duty				
Petrol	6,900	6,950	50	0.7
Diesel	16,180	16,210	30	0.2
Other fuel products	2,290	2,120	-170	-7.4
Tobacco	12,850	10,500	-2,350	-18.3
Beer	2,660	2,650	-10	-0.4
Spirits	3,400	3,370	-30	-0.9
Other alcoholic beverages(a)	1,680	1,680	0	0.0
Other customs duty				
Textiles, clothing and footwear	180	160	-20	-11.1
Passenger motor vehicles	450	380	-70	-15.6
Other imports	1,500	1,490	-10	-0.7
less: Refunds and drawbacks	700	850	150	21.4
Total excise and customs duty	47,390	44,660	-2,730	-5.8
Major bank levy	1,620	1,660	40	2.5
Agricultural levies	598	618	19	3.3
Visa application charges	3,232	3,290	58	1.8
Other taxes	6,716	7,461	745	11.1
<b>Indirect taxation revenue</b>	<b>150,046</b>	<b>150,249</b>	<b>203</b>	<b>0.1</b>
<b>Taxation revenue</b>	<b>649,256</b>	<b>656,039</b>	<b>6,783</b>	<b>1.0</b>
Sales of goods and services	20,058	20,274	216	1.1
Interest	10,034	11,131	1,097	10.9
Dividends and distributions	6,866	5,798	-1,068	-15.6
Other non-taxation revenue	14,408	13,635	-773	-5.4
<b>Non-taxation revenue</b>	<b>51,365</b>	<b>50,838</b>	<b>-527</b>	<b>-1.0</b>
<b>Total revenue</b>	<b>700,622</b>	<b>706,877</b>	<b>6,255</b>	<b>0.9</b>
<i>Memorandum:</i>				
<i>Total excise</i>	30,080	30,020	-60	-0.2
<i>Total customs duty</i>	17,310	14,640	-2,670	-15.4
<i>Capital gains tax(b)</i>	25,000	26,400	1,400	5.6

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

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

**Table 5.10: Reconciliation of 2024–25 general government (accrual) revenue**

	Estimates		Change on MYEFO	
	MYEFO \$m	Budget \$m	\$m	%
Individuals and other withholding taxes				
Gross income tax withholding	287,100	293,700	6,600	2.3
Gross other individuals	78,800	82,500	3,700	4.7
less: Refunds	39,100	40,600	1,500	3.8
Total individuals and other withholding tax	326,800	335,600	8,800	2.7
Fringe benefits tax	4,050	4,130	80	2.0
Company tax	136,000	141,200	5,200	3.8
Superannuation fund taxes	23,190	19,830	-3,360	-14.5
Petroleum resource rent tax	2,290	2,590	300	13.1
<b>Income taxation revenue</b>	<b>492,330</b>	<b>503,350</b>	<b>11,020</b>	<b>2.2</b>
Goods and services tax	92,580	92,070	-510	-0.6
Wine equalisation tax	1,180	1,150	-30	-2.5
Luxury car tax	1,080	1,110	30	2.8
Excise and customs duty				
Petrol	7,200	7,150	-50	-0.7
Diesel	16,790	17,040	250	1.5
Other fuel products	2,310	2,190	-120	-5.2
Tobacco	13,250	11,550	-1,700	-12.8
Beer	2,760	2,660	-100	-3.6
Spirits	3,580	3,590	10	0.3
Other alcoholic beverages(a)	1,770	1,750	-20	-1.1
Other customs duty				
Textiles, clothing and footwear	190	170	-20	-10.5
Passenger motor vehicles	420	380	-40	-9.5
Other imports	1,530	1,530	0	0.0
less: Refunds and drawbacks	700	730	30	4.3
Total excise and customs duty	49,100	47,280	-1,820	-3.7
Major bank levy	1,680	1,740	60	3.6
Agricultural levies	634	627	-6	-1.0
Visa application charges	3,435	3,882	447	13.0
Other taxes	7,116	7,753	637	9.0
<b>Indirect taxation revenue</b>	<b>156,805</b>	<b>155,612</b>	<b>-1,192</b>	<b>-0.8</b>
<b>Taxation revenue</b>	<b>649,135</b>	<b>658,962</b>	<b>9,828</b>	<b>1.5</b>
Sales of goods and services	21,260	21,636	376	1.8
Interest	9,044	10,276	1,232	13.6
Dividends and distributions	7,269	6,815	-454	-6.3
Other non-taxation revenue	13,585	13,815	230	1.7
<b>Non-taxation revenue</b>	<b>51,158</b>	<b>52,542</b>	<b>1,384</b>	<b>2.7</b>
<b>Total revenue</b>	<b>700,293</b>	<b>711,505</b>	<b>11,212</b>	<b>1.6</b>
<i>Memorandum:</i>				
Total excise	31,250	31,250	0	0.0
Total customs duty	17,850	16,030	-1,820	-10.2
Capital gains tax(b)	22,900	23,600	700	3.1

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

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

## Appendix A: Tax Expenditures

This appendix contains an overview of Australian Government tax expenditures. Section 12 of the *Charter of Budget Honesty Act 1998* requires the publication of an overview of estimated tax expenditures.

The Government published the 2023–24 Tax Expenditures and Insights Statement (TEIS) on 31 January 2024. The TEIS provides an estimate of the revenue forgone from tax expenditures, along with distributional analysis on large tax expenditures and commonly utilised features of the tax system.

Tax benchmarks represent a standard tax treatment that applies to similar taxpayers or types of activities. Policy approaches can apply a tax treatment different from a standard approach, which can give rise to positive or negative tax expenditures. The choice of benchmark unavoidably involves some judgment.

Consistent with most OECD countries, estimates of tax expenditures reflect the extent to which they are used, similar to Budget estimates of outlays on demand-driven expenditure programs. This is known as the ‘revenue forgone’ approach which, in practice, involves estimating the difference in revenue between the actual and benchmark tax treatments but, importantly, assuming taxpayer behaviour is the same in each circumstance. Revenue forgone estimates therefore do not indicate the revenue gain to the Budget if a specific tax expenditure was abolished through policy change, as there may be significant changes in taxpayer behaviour.

Care needs to be taken when comparing tax expenditures with direct expenditures as they may measure different things. In addition, estimates from different editions of previously released Statements are generally not directly comparable, because of changes or modifications to—for example—benchmarks, individual tax expenditures, data used or modelling methodology.

Table A.1 lists the largest measured tax expenditures for 2023–24 and several personal deduction categories. It is derived from the 2023–24 TEIS and is based on economic parameters as at the publication of MYEFO. It does not include the impact of policy decisions, or changes in the economic outlook since then on tax expenditures. The TEIS is not a statement of policy intent.

The 2023–24 TEIS also contains distributional analysis on some features of the tax system, including deductions for individuals. The items in the deductions category are not tax expenditures so they do not result in forgone revenue against the benchmark. However, the difference between tax paid with the deduction and tax that would have been paid if the deduction was not claimed has been included in Table A.1 for comparison purposes.



**Table A.1: Estimates of large measured tax expenditures and deductions**

Benchmark	Code	Title	Revenue forgone/ value of deduction 2023-24* (\$m)	Average growth 2019-20 to 2022-23 (%)	Average projected growth over FEs (%)
<b>Positive tax expenditures and deductions</b>					
Super	C2	Concessional taxation of employer superannuation contributions	28,550	11.3	2.8
Deductions		Rental deductions	27,100	8.9	4.1
CGT	E8	Main residence exemption – discount component	25,000	33.8	-7.5
CGT	E7	Main residence exemption	22,500	33.6	-7.7
Super	C4	Concessional taxation of superannuation entity earnings	20,050	17.7	-3.5
CGT	E15	Discount for individuals and trusts	19,050	39.8	-11.9
Deductions		Work-related expenses	10,800	7.5	2.8
Income	A26	Exemption for National Disability Insurance Scheme amounts	10,480	35.6	13.4
GST	H25	Food	9,100	4.6	3.5
Income	B81	Accelerated depreciation for business entities	7,400	NA	NA
GST	H17	Health – medical and health services	5,400	8.9	5.8
GST	H2	Financial supplies – input taxed treatment	4,850	10.2	7.9
GST	H14	Education	4,100	5.1	4.2
Income	A57	Philanthropy – deduction for gifts to deductible gift recipients	3,855	-4.4	-2.0
Income	B87	Simplified depreciation rules	3,800	165.3	NA
Income	A27	Exemption of Child Care Assistance payments	3,750	15.7	6.3
Income	B62	Lower tax rate for small companies	3,400	56.3	-3.1
Income	B24	Temporary loss carry-back for certain incorporated entities	2,990	NA	NA
FBT	D15	Exemption for public benevolent institutions (excluding hospitals)	2,700	6.5	2.3
Income	A20	Medicare levy exemption for residents with taxable income below the low-income thresholds	2,650	4.2	0.9
Super	C6	Deductibility of life and total and permanent disability insurance premiums provided inside of superannuation	2,530	1.3	3.7
Income	B11	Exemption from interest withholding tax on certain securities	2,180	-5.9	0.2
Income	B1	Local government bodies income tax exemption	1,960	5.0	2.3
Income	A24	Concessional taxation of non-superannuation termination benefits	1,950	-8.7	NA
GST	H5	Child care services	1,920	10.4	6.4
Super	C3	Concessional taxation of personal superannuation contributions	1,750	20.5	-5.1
Income	A39	Exemption of Family Tax Benefit payments	1,720	-7.7	4.8
FBT	D11	Exemption for public and not-for-profit hospitals and public ambulance services	1,700	4.3	0.7
Other	F6	Concessional rate of excise levied on aviation gasoline and aviation turbine fuel	1,620	10.5	7.3
Deductions		Cost of managing tax affairs and other deductions	1,600	4.6	0.0

\* For deductions, 'Revenue forgone' refers to the reduction in tax in relation to the specified income year due to the utilisation of deductions.

**Table A.1: Estimates of large measured tax expenditures and deductions (continued)**

Benchmark	Code	Title	Revenue forgone/ value of deduction 2023-24* (\$m)	Average growth 2019-20 to 2022-23 (%)	Average projected growth over FEs (%)
GST	H18	Health – residential care, community care and other care services	1,600	6.2	5.9
Income	A18	Exemption of the Private Health Insurance Rebate	1,550	-2.2	2.5
Income	B82	Capital works expenditure deduction	1,450	1.7	1.6
Income	A38	Exemption of certain income support benefits, pensions or allowances	1,400	-10.8	1.4
Super	C1	Concessional taxation of capital gains for superannuation funds	1,300	7.1	2.7
GST	H3	Financial supplies – reduced input tax credits	1,200	10.1	7.8
GST	H6	Water, sewerage and drainage	1,190	1.8	2.9
FBT	D21	Application of statutory formula to value car benefits	1,100	12.4	1.7
Income	B12	Exemption of inbound non-portfolio distributions from income tax	1,060	1.9	-0.2
Income	B5	Reduced withholding tax under international tax treaties	1,040	6.3	14.9
<b>Negative tax expenditures</b>					
Other	F21	Customs duty	-2,160	8.8	-14.1
Other	F5	Luxury car tax	-1,180	23.4	2.1
Income	A21	Medicare levy surcharge	-1,070	24.1	8.1

\* For deductions, 'Revenue forgone' refers to the reduction in tax in relation to the specified income year due to the utilisation of deductions.