

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE
Treasury Portfolio

Inquiry into Treasury Laws Amendment (2023 Measures No. 1) Bill 2023

Division: Corporate and International Tax Division
Topic: Schedule 5 modelling
Reference: Written
Senator: Andrew Bragg

Question:

Have you modelled what impact Schedule 5 will have on company tax raised from Australian companies in Australia?

Answer:

Consistent with paragraph 3.5 of the Budget Process Operational Rules, only first-round (direct) effects were considered as part of this costing. Treasury estimated that this measure would have no direct impact on company tax receipts.

As noted in the answer to question 2, IQ23-000051, the vast majority of companies were not engaging in the behaviour targeted by this measure, and companies have been complying with the measure since it was announced. Therefore, passage of the Bill is not expected to impact companies' behaviour or tax payments.