

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

2014 - 2015

Department/Agency: Treasury

Question: BET 52

Topic: Income earners

Reference: Hansard page no. 51 - 02 June 2015

Senator: Whish-Wilson, Peter

Question:

Senator WHISH-WILSON: In terms of growth, would bracket creep then be the second biggest influence?

Mr French: The figures Mr Heferen quoted about the contribution to the increase as a share of GDP are correct.

Senator WHISH-WILSON: Okay. Could you give me an idea of what proportion of that percentage of the tax-to-GDP ratio is coming from income earners creeping over the \$80,000 tax rate of 37c in the dollar?

Mr Heferen: I think we would have to take it on notice.

Answer:

Treasury's current models do not allow an accurate estimate of this effect.