

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry Portfolio
Supplementary Budget Estimates 2014-15
23 October 2014

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY

TOPIC: Petroleum Resource Rent Tax

REFERENCE: Question on Notice (Hansard, 23 October 2014, page 120)

QUESTION No.: SI-60

Senator CONROY: On the petroleum resource rent tax, how much tax revenue has been raised by the PRRT each year over the past 10 years?

Mr B Wilson: I will have to take that question on notice. It is probably one best directed to the Treasury.

Senator CONROY: You may need to take this one on notice also: could you please explain the reasons for any major shifts in the amount of tax collected by the government?

Mr B Wilson: I would also need take that one on notice.

Senator CONROY: Can you explain any changes to onshore PRRT equivalent to tax collections?

Mr B Wilson: Again, I will have to take that on notice.

Senator CONROY: How much money has been raised by the removal of the condensate excise exemption?

Mr B Wilson: Again, I will take that on notice.

Senator CONROY: How much money has been paid to the Western Australian government in compensation?

Mr B Wilson: I am not aware of any payments, but I will take that on notice.

Senator CONROY: Has the exemption, as announced in 2008, been changed?

Mr B Wilson: Not that I am aware of, but I will also take that on notice.

ANSWER

1. Petroleum Resource Rent Tax (PRRT) receipts for the previous ten years, as published in the Treasury's *Final Budget Outcome* each year, can be found in the table below.

Year	PRRT Receipts (\$m)
2004/05	1,465
2005/06	1,991
2006/07	1,594
2007/08	1,871
2008/09	2,184
2009/10	1,297
2010/11	806
2011/12	1,463
2012/13	1,817
2013/14	1,368

2. The Department of Industry is not aware of specific reasons for any major shifts in the amount of PRRT collected by the Government. Generally, fluctuations in commodity prices, exchange rates and production levels, together with the financial circumstances of each individual petroleum project, will influence PRRT revenue outcomes.
3. The Department of Industry is of the view that this question is seeking information on the contribution of onshore petroleum projects to overall PRRT revenue. The Department is not privy to taxpayer-specific information and can therefore not answer this question.
4. Excise receipts are not disaggregated in the Treasury's *Final Budget Outcome*. The Department of Industry is therefore not able to identify the amount of revenue that has been raised by the removal of the condensate excise exemption.
5. The Department of Industry cannot provide information pertaining to condensate excise compensation payments to the Western Australian government as it is collected on a commercial-in-confidence basis.
6. In 2011, two legislative amendments were made to ensure the crude oil excise regime applies to condensate produced from the North West Shelf and entered for home consumption as intended following the removal of the condensate excise exemption from 13 May 2008. This includes amendments to:
 - the *Excise Tariff Act 1921*, to clarify the area encompassed by the 'Rankin Trend' condensate production area located within the North West Shelf; and
 - the *Petroleum Excise (Prices) Act 1987*, to confirm that failure to provide petroleum producers with written notification setting out the terms of a Volume Weighted Average of Realised prices (VOLWARE price) determination does not affect the validity of the determination.

Further questions on any of the matters raised above should be addressed to the Treasury portfolio.