

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

2016 - 2017

Division/Agency: Corporate and International Tax Division

Question No: 446

Topic: Unincorporated Small Business Tax Discount – medium-term costs

Reference: Written

Senator: Ketter, Chris

Question:

What is the medium-term cost, to 2026-27, of the 2016-17 Budget measure “Ten Year Enterprise Tax Plan – increase the unincorporated small business tax discount”?

Answer:

The medium-term estimate of the cost to the budget of lifting the small business entity threshold and reducing the company tax rate to 25 per cent to 2026-27 was estimated at \$48.2 billion in cash terms at the time of the 2016-17 Budget. Estimates for individual years have been provided over the relevant forward estimates period as per budget convention. The Government has not provided other medium-term costings for measures in the Enterprise Tax Plan.