

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

2016 - 2017

Division/Agency: Tax Analysis Division

Question No: 472

Topic: Receipts from total individuals and other withholding taxes

Reference: Written

Senator: Ketter, Chris

Question:

- 1) What was the reason for 2015-16 FBO figure for receipts from total individuals and other withholding taxes being \$1.3 billion lower than estimated than at the May 2016 budget?
- 2) What occurred in the less than two months to the end of June 2016 that caused this decrease?
- 3) How does the 2015-16 FBO result compare to the estimates in the 2012-13, 2013-14, 2014-15 and 2015-16 Budgets?

Answer:

1) Receipts from total individuals and other withholding taxes were \$1.3 billion below the 2016-17 Budget estimate. This primarily reflected weaker-than-expected tax withheld for employees of large companies late in the year (monthly tax information is only available the month after the tax is collected).

Lower-than-expected payments on assessment and higher-than-expected refunds related to 2014-15 income year returns also contributed to the outcome.

2) Please refer to the response to question 1), above.

3) The evolution of the forecast for total individuals and other withholding taxes can be found below:

Budget	2015-16 tax receipts (\$m)
2012-13	199,800
2013-14	203,450
2014-15	193,600
2015-16	189,600
2016-17	188,400
2015-16 FBO	187,101