

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Tourism and Resources Portfolio
Budget Estimates 2005-2006, 30-31 May 2005

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY, TOURISM AND RESOURCES
OUTCOME/OUTPUT: Outcome 2, Output 2.1
TOPIC: CRUDE OIL EXCISE CHANGES AND FOREGONE REVENUE
REFERENCE: HANSARD 31/05/05, PAGE E5

QUESTION No.93
(Hansard 31/05/05, p.E5)

Senator O'Brien asked about:

The Committee was advised in February that crude oil excise changes in 2001 had resulted in foregone revenue of \$140 million between July 2001 and February 2004. Can you bring that figure up to date for the value of foregone revenue between February 2004 and the current point in time?

ANSWER

The reduction in production taxation over the period from February 2004 to June 2005 (due to the excise rate revisions of 2001 to encourage oil exploration and production) is estimated to be \$90 million. Therefore, the production taxation foregone from 2001-02 to 2004-05 is estimated to be \$230 million, with excise collected over the same period being \$1.5 billion.