

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates 29, 30 & 31 May 2007

Question: bet 26

Topic: Taxpayers

Hansard Page: E47/48

Senator SHERRY asked:

The 10 million is. If Mr Gallagher can show me the figures for the out years that are in the budget, I would be more than happy to be shown the page number.

Mr Gallagher—No, they are not available.

Senator SHERRY—You cannot give me the figure; you do not have it with you for the out years. How do you determine the growth in taxpayers? What indicators do you use to determine growth? Is it employment forecasts in the budget or some other factor or factors?

Mr Gallagher—The major determinant of growth is in actual fact the forecast of taxation revenue, because what we want to do is to maintain an income distribution so that we can do the costing and therefore we re-weight our micro simulation model so that it produces the forward estimates. The other factor that has been involved in this set of estimates is that we have allowed for the impact of the superannuation measures on the tax base, and that has taken taxpayers out of the tax base.

Senator SHERRY—Are you able to give us an estimate of the number of taxpayers that would take out, the figure that you estimated?

Mr Gallagher—I will take the question on notice.

Senator SHERRY—You cannot give me an approximate figure?

Mr Gallagher—It depends on the methodology. There is a variety of methodologies.

Answer:

The estimates of changes in senior taxation liabilities underlying the original costings have not been published.