

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Budget Estimates

1 June 2010

**Question: BET 204**

**Topic: Tax Allowances in Remote Australia (ATO)**

**Hansard Page: Written**

**Senator MACDONALD asked:**

1. What is the number of people receiving Zone A Tax allowances in Remote Australia?
2. What is the number of people receiving Zone B Tax allowances in Remote Australia?
3. What is the number of people receiving other zone Tax allowances in Remote Australia?
4. What is the total value of the allowances referred to in 1-3 above?
5. What is the definition of Remote Australia for the purposes of Taxation?

**Answer:**

**1-3:** Tax offsets for Zone A, Zone B, Special Area and Overseas Forces Tax Offset are claimed at the Zone or Overseas Forces Offset label, T8, on the Tax Return for Individuals.

The information provided by taxpayers at this label does not allow the ATO to determine which tax offset is being claimed, for instance, Zone A, Zone B, Special Area or Overseas Forces.

As at 30 June 2010, for the 2008-09 financial year, 561,084 taxpayers claimed a Zone or Overseas Forces Tax Offset.

**4.** As at 30 June 2010, for the 2008-09 financial year, 561,084 taxpayers claimed a total of \$247.24 million in Zone or Overseas Forces Tax Offset label, T8, on the Tax Return for Individuals. This was down by \$13.77 million from claims in 2007-08 where 591,438 taxpayers claimed the offset at a total of \$261.01 million.

**5.** Taxpayers in remote areas of Australia may receive a tax offset (Zone A, Zone B or Special Area) in recognition of the climatic conditions and isolation of these remote locations and the high cost of living there.

Zone A is generally areas of Australia north of the Tropic of Capricorn while Zone B is generally remote areas of northern and central mainland Australia (not included in Zone A) and north west Tasmania.

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A special offset is available to taxpayers residing in particularly isolated areas (called Special Areas) within either Zone A or B or for taxpayers who serve in a qualifying overseas locality as a member of the Australian Defence Force (overseas forces).

Common locations for Zone A, B and Special Areas are listed each year in the TaxPack Supplement (this list is at Attachment A).

Taxpayers can use an online tool on [www.ato.gov.au](http://www.ato.gov.au) to determine whether a particular location is within a Zone for tax offset purposes.

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**ATTACHMENT A**

**Selected localities within the zones and special areas**

Table 14: Zone A	Table 15: Zone B	
<p><b>Western Australia</b>                      Bidyadanga (Lagrange)                      Broome*                      Carnarvon                      Dampier                      Derby                      Goldsworthy                      Karratha                      Marble Bar                      Newman*                      Pannawonica                      Paraburdoo                      Port Hedland*                      Roebourne                      Shay Gap                      Tom Price*                      Wittenoom</p> <p><b>Northern Territory</b>                      Alice Springs*                      Batchelor                      Darwin                      Hermannsburg                      Katherine*                      Pine Creek                      Santa Teresa                      Tindal</p> <p><b>Queensland</b>                      Camooweal                      Cloncurry                      Mount Isa*</p>	<p><b>Queensland</b>                      Airlie Beach                      Atherton                      Augathella                      Ayr                      Barcaldine                      Blackall                      Bowen                      Cairns                      Cardwell                      Charleville                      Charters Towers                      Clifton Beach                      Collinsville                      Coppabella                      Cunnamulla                      Greenvale                      Home Hill                      Ingham                      Innisfail                      Longreach                      Mackay                      Mareeba                      Mossman                      Port Douglas                      Proserpine                      Quilpie                      Sarina                      Tambo                      Townsville                      Tully                      Winton</p>	<p><b>Western Australia</b>                      Boulder                      Coolgardie                      Esperance                      Kalgoorlie*                      Kambalda                      Leonora                      Mullewa                      Norseman                      Northampton                      Ravensthorpe                      Southern Cross</p> <p><b>New South Wales</b>                      Bourke                      Brewarrina                      Broken Hill                      Cobar                      Collarenebri                      Lightning Ridge                      Menindee                      Wilcannia</p> <p><b>Tasmania</b>                      Queenstown                      Rosebery</p> <p><b>South Australia</b>                      Woomera</p>

\* Locations that are within 250 kilometres of these locations are also in the relevant zone.

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**Table 16: Special areas**

<p><b>Western Australia</b></p> <ul style="list-style-type: none"><li>Balladonia</li><li>Deakin</li><li>Denham</li><li>Eucla</li><li>Exmouth</li><li>Fitzroy Crossing</li><li>Halls Creek</li><li>Kununurra</li><li>Laverton</li><li>Leinster</li><li>Madura</li><li>Meekatharra</li><li>Mount Magnet</li><li>Onslow</li><li>Rawlinna</li><li>Turkey Creek (Bow River)</li><li>Wiluna</li><li>Wyndham</li></ul> <p><b>Northern Territory</b></p> <ul style="list-style-type: none"><li>Alyangula</li><li>Angurugu</li><li>Borrooloola</li><li>Elliott</li><li>Galiwinku</li><li>Jabiru</li><li>Lajamanu (Hooker Creek)</li><li>Maningrida</li><li>Milikapiti</li><li>Milingimbi</li><li>Nguiu</li><li>Ngukurr</li><li>Nhulunbuy (Gove)</li><li>Numbulwar</li><li>Oenpelli</li><li>Papunya</li><li>Ramingining</li><li>Tennant Creek</li><li>Yirrkala</li><li>Yuendumu</li><li>Yulara</li></ul>	<p><b>Queensland</b></p> <ul style="list-style-type: none"><li>Boulia</li><li>Burketown</li><li>Cooktown</li><li>Doomadgee</li><li>Georgetown</li><li>Helen Vale</li><li>Hughenden</li><li>Julia Creek</li><li>Karumba</li><li>Kowanyama</li><li>Normanton</li><li>Stamford</li><li>Thargomindah</li><li>Weipa</li><li>Windorah</li></ul> <p><b>South Australia</b></p> <ul style="list-style-type: none"><li>Amata Aboriginal Community</li><li>Cooper Pedy</li><li>Cook</li><li>Innaminka</li><li>Leigh Creek</li><li>Marree</li><li>Nullarbor</li><li>Oodnadatta</li><li>Penong</li><li>Roxby Downs</li><li>Tarcoola</li></ul> <p><b>New South Wales</b></p> <ul style="list-style-type: none"><li>White Cliffs</li></ul> <p><b>Islands and territories</b></p> <ul style="list-style-type: none"><li>Australian Antarctic Territory</li><li>Cocos (Keeling) Islands</li><li>Heard Island</li><li>Lord Howe Island</li><li>Macquarie Island</li><li>McDonald Islands</li><li>Norfolk Island</li><li>Palm Isles Group</li></ul> <p><b>Tasmania</b></p> <ul style="list-style-type: none"><li>Furneaux Group Islands</li><li>King Island</li></ul>
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