

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

31 May – 2 June 2011

Question No: BET 103

Topic: Funds expended 2010/11 year to date

Hansard Page: Written

Senator Bushby asked:

The estimates for the 2010-11 budget measure for the ETR were substantially different to the estimates in the 2009/10 ATO Budget statements. For example, the 2009/10 Budget statements indicated that the original estimate for the ETR was 1,062 million, and then the 2010/11 statements put this at 515 million.

2009-10 (\$m)	2010-11 (\$m)	2011-12 (\$m)	2012-13 (\$m)	2013-14 (\$m)
515	742	858	888	933

1. Why was the forecast so different? ie 1,062 million to 515 million?
2. For the 2010/11 year, how much has been expended to date?
3. For the 2010/11 year were there any difference in eligible expenses for ETR compared with previous years for items? i.e the purchase, lease or hire-purchase of, computers and computer-related equipment, such as printers and disability aids, and associated costs , a home Internet connection ,computer software, school textbooks and other paper-based school learning material, including stationery.

Answer:

1. The forecast for the education tax refund contained in the 2009-10 ATO Budget Statements reflects the trend established in previous years, in that people were not claiming the maximum entitlement amount and the number of people claiming was less than originally estimated. The forecast was estimated at a point in time that did not include the results of the entire Tax Time for the relevant year.
2. The ATO is unable to provide this figure as claims for the 2010-11 year will only begin to be lodged from 1 July 2011.
3. The ATO does not hold this information as people are not required to provide a record of their purchases when they make a claim for the education tax refund.