

**Senate Economics Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Supplementary Estimates, November 2004

**Question: Supp 45**

**Topic: Estimates & Calculations - New Business Tax System  
(Integrity and Other Measures) Act 1999**

**Hansard Page: Written**

Senator Murray asked:

With reference to the Explanatory Memorandum to Schedule 9 of the New Business Tax System (Integrity and Other Measures) Act 1999, which stated:

***Financial impact:*** The financial impact of this measure is part of the estimate for the measures limiting indexation of cost bases of CGT assets in this Bill, CGT concessions for individuals, trusts and other entities, and abolishing averaging for individuals. The provisions relating to the abolishing of averaging are to be included in a later Bill.

The financial impact of these measures is set out in the following table:

2000-2001	2001-2002	2002-2003	2003-2004	2004-2005
\$130m	\$170m	\$90m	\$30m	-\$70m

Can Treasury confirm whether these estimates and calculations turned out to be accurate? What was the actual result, or the nearest estimate to the actual result, and can Treasury please provide reasons for the differences between the original estimates and the actual outcome?

Answer:

No, post implementation estimates of the impact of these measures have not been calculated. The volatile nature of aggregate CGT receipts would make it difficult to attribute ex-post movements in the series to any particular measure.