

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Tourism and Resources Portfolio
Supplementary Budget Estimates 2005-2006, 2 November 2005

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY, TOURISM AND RESOURCES
OUTCOME/OUTPUT: Outcome 1, Output 1.2
TOPIC: CRUDE OIL EXCISE REVENUE FOREGONE
REFERENCE: HANSARD 02/11/05, PAGE E35

QUESTION No.SBI-11
(Hansard 02/11/05, p.E35)

Senator O'Brien asked about:

In February 2004, Mr Hartwell told the committee that crude oil excise changes in 2001 had resulted in foregone revenue of \$140 million between July 2001 and February 2004. I would like to find out what the value of foregone revenue between February 2004 and the present time is.

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 total production taxation foregone from 2001-02 to 2004-05 is estimated to be \$230 million, with excise collected over this period being \$1.5 billion.