

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

26 February 2014

Question: AET 3042

Topic: Wine producer rebates to Australian producers and New Zealand producers

Hansard Page: 153, 26 February 2014

Senator EDWARDS asked:

3042. Senator EDWARDS: In your forecast for the 2014 year, do you expect the percentage of rebates of tax receipts to rise or fall?

Mr Hefern: We will take that on notice again.

Senator EDWARDS: Is it dramatic, and in double figures?

Mr Hefern: We will take that double figures on notice. We might be qualified for the dramatic.

Senator EDWARDS: I would think anything over three or four per cent would be dramatic. Is that consistent, or mirrored, over the same period in your dealings with New Zealand and the rebate to them?

Mr Hefern: Can I be clear, in the question that we will take on notice, it is the—

Senator EDWARDS: The percentage of rebate.

Mr Hefern: The percentage of rebate to Australian producers versus the percentage of rebate to New Zealand producers?

Answer:

3042. The forecast for wine equalisation tax (WET) at the 2014-15 Budget was \$760 million (cash) for 2013-14. This amount includes rebates. The rebates, including the New Zealand component, are not explicitly forecast. The forecast implicitly assumes that the rebate grows in line with the growth in the net tax.

The *2011-12 Taxation Statistics* reports that in the 2012-13 year, the Commonwealth collected around \$1 billion in WET and refunded around \$300 million, primarily through the WET producer rebate. The New Zealand wine producer rebate was \$23 million.