

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

2014 - 2015

Department/Agency: Treasury

Question: AET 409

Topic: cut in rate of company tax

Reference: Hansard page no. 72 - 26 February 2015

Senator: Ketter, Chris

Question:

Senator KETTER: I will move to the issue of company tax. There was an election commitment from the government to big business that there would be a cut in the rate of company tax. Are you able to advise us why the government has broken that promise?

Senator Ronaldson: I do not think this officer can answer that. I will take that wider question on notice.

Senator KETTER: The government is proceeding with a cut to small business tax. Are you able to advise us how that tax cut will be funded and which small businesses it will apply to? Will there be a particular turnover threshold there?

Mr Heferen: The Treasurer is still working through the decision of the tax cut for small business.

Senator KETTER: How far away are we from some development?

Senator Ronaldson: That will be a matter for the Treasurer.

Senator KETTER: Will the government be committing to some form of belated consultation before any decision is made on this matter?

Senator Ronaldson: That is not a question for the officer. Obviously that is a question for me. I am not entirely sure about the consultation, but I am happy to take that on notice.

Answer:

On 2 February 2015, the Prime Minister announced at the National Press Club that: “At the heart of our small business jobs package will be a small business company tax cut on July 1 — at least as big as the 1.5 per cent already flagged.”

Details of the small business jobs package, including the tax cut, have been announced in the Budget.