

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

2016 - 2017

Division/Agency: Individuals and Indirect Tax Division

Question No: 258

Topic: 2016-17 MYEFO measure – Changes to the Wine Equalisation Tax Rebate

Reference: Written

Senator: Ketter, Chris

Question:

1. Can you provide a breakdown of the measure's financial implications, in underlying cash balance and fiscal balance terms, of the elements in that new measure, that is:
 - a. The reduction in the rebate cap to \$350,000 only;
 - b. The new eligibility criteria applying from 1 July 2018;
 - c. The additional integrity measures being introduced to stop multiple claiming of the rebate on the same parcel of wine; and
 - d. The wine tourism and cellar door grant.
2. What is the assumption for the number of wine tourism and cellar door grants issued per year?
3. Is the wine tourism and cellar door grant program ongoing? If not, when does it terminate?
4. The measure description says it is a grant of up to \$100,000. Under what circumstances would the grant be less than \$100,000? If there are grants that are less than \$100,000, what is the assumption for the average grant amount that is provided?

Answer:

- 1.a. No. The changes to the wine equalisation tax (WET) rebate were costed as a package. See costing in the 2016-17 Mid-year Economic and Fiscal Outlook here: <http://www.budget.gov.au/2016-17/content/myefo/download/09-Appendix-A-Revenue.pdf>.
- 1.b. No. The changes to the WET rebate were costed as a package. See costing in the 2016-17 Mid-year Economic and Fiscal Outlook here: <http://www.budget.gov.au/2016-17/content/myefo/download/09-Appendix-A-Revenue.pdf>.
- 1.c. No. The changes to the WET rebate were costed as a package. See costing in the 2016-17 Mid-year Economic and Fiscal Outlook here: <http://www.budget.gov.au/2016-17/content/myefo/download/09-Appendix-A-Revenue.pdf>.
- 1.d. See costing in the 2016-17 Mid-year Economic and Fiscal Outlook here: <http://www.budget.gov.au/2016-17/content/myefo/download/09-Appendix-A-Revenue.pdf>.
2. The Wine Tourism and Cellar Door grant will be available to wine producers who have exceeded their WET rebate cap and meet the other eligibility criteria.
3. Wine Tourism and Cellar Door grant program is ongoing.
4. The Australian Government is undertaking a consultation process on the design of the grant. A consultation paper can be accessed at: www.agriculture.gov.au/wine-grant.