

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

4 – 6 June 2013

Question: BET 108-111

Topic: Tobacco Excise

Hansard Page: Written, 14 June 2013

Senator HUMPHRIES asked:

108. How much did the sales of illicit tobacco cost the government in lost excise revenue in the most recent financial year for which the department has records?
109. How much additional revenue over the forward estimates does the government expect to raise based on the change in tobacco excise calculation to the average weekly ordinary time earnings (AWOTE) method from March 2014?
110. Has the department calculated the negative impact that the change in method of excise collection will have on the illicit tobacco trade?
111. Has the government calculated the negative impact that the change in method of excise collection will have on the amount of excise collected?

Answer:

108. Treasury is unable to estimate tobacco excise revenue lost because of illicit tobacco consumption as there is no official estimate of the level of this consumption in Australia.
109. There is no information publicly available to respond to this question. In the 2013-14 Budget tobacco figures were not separately reported for taxpayer confidentiality reasons.
110. No – see answer to Question 108.
111. Indexing tobacco excise to AWOTE is expected to have a positive financial impact.