

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

2017 - 2018

Division/Agency: Productivity Commission
Question No: 158
Topic: Zone Tax Rebate
Reference: Hansard page 57 (31 May 2017)
Senator: Macdonald, Ian

Question:

Senator IAN MACDONALD: My time has finished, but can I just put a question on notice to you: have you ever looked at the zone tax rebate in connection with this or other inquiries that you have done? Do you have any thoughts on it? That would be a question on notice, because I have run out of time.

Ms Chester: I am happy to take that question on notice.

Senator IAN MACDONALD: Thank you.

Answer:

The Productivity Commission has not examined the zone tax offset in the course of the present study into Transitioning Regional Economies. The Commission has looked at the zone tax offset in connection with previous work. Most recently, in the 2014 research report on Geographic Labour Mobility, the Commission briefly described the offset (pp. 254-55), and noted that there had been calls to review it. However, the Commission did not do any further analysis or make any findings or recommendations in respect of the zone tax offset. In its previous incarnation as the Industry Commission, the Commission also looked at the zone tax offset (or rebate) in its 1993 inquiry report on Impediments to Regional Industry Adjustment.