

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

**Budget Estimates**

1 June – 3 June 2010

**Question: BET 377**

**Topic: Company Tax Rate**

**Hansard Page: Written**

**Senator EGGLESTON asked:**

1. If the company tax rate is going to be reduced, then surely this will further reduce the tax take given the result since MYEFO?

**Answer:**

Yes, reducing the tax rate will reduce overall company tax collections. The forward estimates for company tax both in the 2010-11 Budget and in the 2010-11 Economic Statement incorporated the impact of reductions in the company tax rate.