

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Budget Estimates

1 June – 3 June 2010

**Question: BET 382**

**Topic: Henry Tax Review**

**Hansard Page: Written**

**Senator EGGLESTON asked:**

1. Will you release all the modelling done on the Henry Tax Review? If not, why not?
2. Looking at recommendations 71 & 72 of the Henry Tax Review (Part 2, Volume 2, page 442), what was the proposed rate of tax that was believed to be appropriate? Would this increase or decrease the level of tax received through the sale of alcohol?

**Answer:**

1. High level modelling of some review recommendations was undertaken to benchmark the potential implications of the recommendations for economic growth, real wages and the size of the potential fiscal growth dividend. The results of this analysis are presented in Section 11 of *Australia's Future Tax System: Report to the Treasurer – Part One Overview*.
2. The Review Panel did not propose a particular rate of tax. As a result, it is not possible to say whether the 'proposed rate of tax' would increase or decrease tax received through the sale of alcohol.