

## Senate Standing Committee on Economics

### ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

31 May – 2 June 2011

Question No: BET 219

Topic: Taxation – Ready to Drink Alcohol Beverages

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Senator Cormann asked:

**Senator CORMANN:** I will move through some other issues, because it looks to me as if you will not be able to assist me much more on the private health insurance rebates. Remember the measure in the 2008-09 budget in relation to an increase in taxation applying to ready-to-drink alcohol beverages effective April 2008? The original estimate was that it would raise \$3.1 billion. Then it was revised down, I think initially to \$1.6 billion or \$1.7 billion. Can Treasury advise us on how much additional revenue has actually been received as a result of this measure and how it compares to the original forecasts of May 2008 and June 2009?

**Ms Mrakovcic:** Senator, we would have to take that on notice. We do not have the information here with us.

**Senator CORMANN:** It is a fair question though, isn't it? We come here budget after budget. A budget is always a best guess and it is only really two or three years down the track that you can assess how you have performed against what you thought your best guess was. So I would appreciate it if on notice you could provide us information on that.

**Ms Mrakovcic:** We will certainly look into it.

Answer:

- Taxation statistics 2008-09 reports that ready to drink beverages raised \$873 million in 2009-10. It is not possible to accurately assess the revenue that would have been raised had the policy change not been made.