

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

31 May – 2 June 2011

Question No: BET 80

Topic: Marginal Tax Rates

Hansard Page: Written

Senator Bushby asked:

1. Can you advise what will be the top and second-top marginal tax rates facing individual taxpayers in 2011-12, taking into account the medicare levy, the medicare levy surcharge and the flood tax?
2. In light of these high marginal tax rates, can you advise me what work Treasury is currently doing for the government on achieving its "aspirations for the tax system", set out in the 2008-09 Budget (BP #1, p. 1-10), to:

- § Reduce the number of marginal tax rates from four to three;
- § Reduce the top marginal tax rate to 40%; and
- § Reduce the second-top marginal tax rate to 30%

by 2013-14, now only two years away?

Answer:

Both of these questions were answered by the Treasury officials before the Committee.

The answers are available on pages 86 and 87 of the Hansard for the Senate Economics Legislation Committee Estimates for Wednesday 1 June 2011.