



Australian Government

The Treasury

THE TREASURY



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### **2009 Tax Expenditures Statement**

The Treasury today released the 2009 Tax Expenditures Statement. The statement provides details of concessions, benefits and incentives delivered to taxpayers through the tax system. These are referred to as 'tax expenditures'. The Tax Expenditures Statement provides details of each identified tax expenditure provided by the Australian Government and, where possible, reports the estimated pecuniary value or order of magnitude of the benefit to taxpayers.

Tax expenditures measure the benefit to taxpayers of tax concessions rather than the revenue that would be gained from abolishing tax expenditures. Estimates of the revenue gain from removing tax concessions will generally be smaller in magnitude than tax expenditure estimates because they would take account of fewer people undertaking an activity if the tax concession was removed.

The 2009 Tax Expenditures Statement lists around 340 tax expenditures drawn from announced policies applying up to the date of finalisation of the *Mid-Year Economic and Fiscal Outlook 2009-10*.

Total tax expenditures are estimated at \$102 billion in 2008-09, or around 8.5 per cent of GDP, down from \$115 billion or 10.2 per cent of GDP in 2007-08. The decline in total tax expenditures mainly reflects lower economic growth and taxation receipts resulting from the Global Financial Crisis (GFC).

The Treasury has also restructured the Tax Expenditures Statement this year to improve its usefulness to the public in understanding Australia's tax expenditures.

The 2009 Tax Expenditures Statement is available on the internet at <http://www.treasury.gov.au>. Alternatively, copies of the Statement can be purchased through CanPrint Infoservices: Toll Free 1300 889 873, or email [sales@infoservices.com.au](mailto:sales@infoservices.com.au).

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