$\overline{\text { Australian Taxation Office }}$

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## Taxation Statistics 2001-02

A summary of taxation,
superannuation and industry
benchmark statistics 2001-02
and 2002-03

## Taxation

 Statistics

A summary of taxation, superannuation and industry benchmark statistics 2001-02 and 2002-03

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## PREFACE

Welcome to the latest edition of Taxation statistics - the Tax Office's most comprehensive statistical publication.
Taxation statistics 2001-02: a summary of taxation, superannuation and industry benchmark statistics 2001-02 and 2002-03 presents an overview of the income and tax status of Australian individuals, companies, partnerships, trusts and funds for the 2001-02 income year. The publication also contains statistics for goods and services tax (GST), pay as you go (PAYG) withholding, fringe benefits tax (FBT), excise, fuel rebate and grant schemes, and superannuation for the 2002-03 financial year.
The first chapter presents a description of the different taxes and collection systems and the sources of the statistics in this publication. We have also included a new section in the first chapter which lists instructions on how you may find the information you need in the book, CDROM or website versions of this publication. The second chapter presents a summary of the tax statistics reported in this edition. The remaining chapters present statistics and background information (for example, tax reforms that could have influenced the statistics) on specific taxes, collections systems, and fuel rebates and grants for the 2001-02 income year and/or 2001-02 financial year - current at the time of publication. However, some chapters also present time series tables showing statistics in earlier income or financial years. In this edition, we have included new time series tables (or detailed statistical tables) in the fringe benefits tax, PAYG withholding, goods and services tax and other taxes, fuel rebate and grant schemes chapters.

Once again, the CD-ROM attached to this publication contains an electronic copy of this publication and detailed statistical tables. These statistical tables include industry benchmark statistics (or financial ratios) on selected groups of business activities listed in the Tax Office publication, Business industry codes 2002. All detailed statistical tables can be downloaded in three different file formats - PDF, Excel and CSV.
A glossary that defines the items reported in the detailed tables is included on the CD-ROM. For your convenience, we have divided the glossary into smaller, self-contained parts which can be viewed and downloaded separately in PDF format.

The publication and CD-ROM are free. All the contents (chapters, detailed statistical tables and the glossary) included in this book and the CD-ROM are also available online on our website at www.ato.gov.au We recommend that you view the publication on our website for any possible updates to the statistics and other information presented in the book and CD-ROM.

I hope you find the publication useful.


Michael Carmody Commissioner of Taxation

## GENERAL NOTES

The following symbol used in this publication means: n.a. not applicable or not available

Data for Taxation statistics 2001-02 was compiled before all processing for the 2001-02 income year was completed. Statistics in some chapters are sourced from 2002 annual income tax returns and associated schedules (such as the capital gains tax schedule 2002) processed by 31 October 2003. The statistics in these chapters are not necessarily complete and will continue to change as data from 2002 tax returns and schedules processed after 31 October 2003 is included. Caution should be exercised in making comparisons between the statistics for the 2001-02 and prior income years. Better comparisons will be possible when Taxation statistics 2002-03 is published. In that edition, the 2001-02 income year statistics will include data from returns and amendments processed up to 31 October 2004.

Where figures have been rounded, discrepancies may occur between the sums of the component items and totals. Average amounts, percentage changes and proportions are calculated from actual (not rounded) figures.
In order to meet privacy regulations, the following measures have been applied.

- Some cells in some tables have been aggregated. In such cases, the total number of records (number indicator showing the number of returns or taxpayers) and the total amounts have not been affected.
- In the detailed tables, any cell containing a number indicator (that is, number of returns or taxpayers) of 5 is indicative only and may represent any number between 1 and 5. Number (no.) totals are the sum of the indicated cell values in a table. Number indicators and totals may vary between tables.
- Amount totals are the sum of the indicated cell values in a table. Amounts and totals may vary between tables.
- Statistics for some items may not be included in some tables.
Descriptions/definitions of the items in the chapter and detailed tables are in the glossary included on the CD-ROM attached to this publication. There is also an online version of the glossary on the Tax Office website.

This publication presents general descriptions of terms. It does not provide full technical or legal definitions.

## ENQUIRIES ABOUT THESE STATISTICS

A document titled Taxation statistics frequently asked questions is available at www.ato.gov.au where it will be regularly updated. We recommend that you read this document before sending your enquiries.
Please send any enquiries not answered in the document to taxstats@ato.gov.au
Alternatively, send enquiries to:
The Director
Taxation Statistics
Revenue Analysis Branch
ATO Resource Management
Australian Taxation Office
PO Box 900
Civic Square ACT 2608
You may also order copies of the book and CD-ROM by sending an email/letter to the email address/postal address mentioned above. Please state the number of copies you require and your postal address.

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Australian law requires that people pay taxes and other charges at federal, state or territory, and local government levels to fund a range of government programs and community services.

The Australian Taxation Office (Tax Office) is responsible for managing Australia's major revenue systems and collecting a wide variety of taxes through various collection systems. We are also responsible for administering several fuel rebate and grant schemes.
This publication presents statistics on the taxes, other collections, and fuel rebate and grants we administer, as well as statistics sourced from various Tax Office forms.
This chapter describes the taxes, collection systems and fuel rebate and grant schemes reported in the publication, and explains the period covered by the statistics, and the sources of the statistics. The last two sections provide suggestions on how to find statistics and information in this publication, as well as other sources and contacts for more information.

## TAXES AND COLLECTION SYSTEMS

The Tax Office collects a range of taxes. As a result of changes to the tax system, some of the taxes and collection systems reported in previous editions of this publication were replaced with new tax collection systems on 1 July 2000.

Income tax makes up the greatest component of the federal revenue base.

While some types of income are exempt from tax in Australia and certain categories of people or entities do not have to pay tax, residents of Australia are generally liable for tax on their worldwide income. Non-residents are liable for tax on their income from an Australian source.

In calculating income tax liability for any year, taxpayers must first calculate their 'assessable income'. This comprises salary and wages, interest payments and other amounts considered to be income for tax purposes, such as some types of net capital gains. The next step is to deduct 'allowable deductions' in order to calculate their 'taxable income'. Taxpayers then apply the tax rates imposed by Parliament to their taxable income to arrive at a gross tax figure. Finally, they subtract the amount of any tax offsets (or rebates) to determine their tax liability.

This basic system can apply to individuals (or personal taxpayers), companies, and funds. However, the type of tax offsets that can be claimed, assessable income considered, available deductions, tax rates and the particular return forms used may vary significantly from one type of entity to another.

Income tax statistics of personal (or individual) taxpayers are discussed in chapter 3. Income taxes of companies, partnerships, trusts and funds are discussed in chapters 4, 5, 6 and 7.

The Medicare levy is calculated at $1.5 \%$ of an individual's taxable income, but may vary depending on the taxpayer's circumstances. The levy is used to partially fund Medicare, the scheme that gives Australian residents access to health care. Higher income individuals and families who do not have adequate private patient hospital cover pay an extra 1\% of their taxable income for the Medicare levy surcharge.
Statistics on the Medicare levy and the Medicare levy surcharge are discussed in chapter 3.
Capital gains tax (CGT) is the tax payable on any net capital gain included with other assessable income on an annual income tax return.

CGT statistics are discussed in chapter 9 .
Fringe benefits $\operatorname{tax}$ (FBT) is levied on employers and based on the value of certain non-cash benefits provided to their employees, or to associates of their employees. It complements the income tax system but differs in that the person receiving the benefit does not bear the tax liability.
FBT statistics are discussed in chapter 10.
Pay as you go (PAYG) is a single, integrated system for reporting and paying tax on business and investment income, and withholding amounts. PAYG is divided into:

- PAYG withholding, which replaced the pay as you earn system, prescribed payments system, reportable payments system, non-resident withholding and other withholding systems, and
- PAYG instalments, which replaced provisional tax and the company and superannuation fund instalment system.
Statistics on PAYG withholding collections are discussed in chapter 11. PAYG instalments for companies and funds are discussed in chapters 4 and 7.
Goods and services tax (GST) is a tax of $10 \%$ on the supply of most goods and services consumed in Australia. This tax replaced wholesale sales tax and some state and territory taxes. The revenue raised from this tax goes directly to the states and territories. The supplier of the goods and services is liable to pay the GST to the Tax Office, even if they do not include the tax in the price charged to the customer.
Statistics on GST collections are discussed in chapter 12.
Other taxes imposed on the supply of goods include wine equalisation tax, which replaced wholesale sales tax on wine and certain other alcoholic beverages, and luxury car tax, which applies to cars with a value exceeding the luxury car tax threshold.
Statistics on wine equalisation tax and luxury car tax collections are also discussed in chapter 12.
Excise is imposed on domestically manufactured petroleum products, cigarettes and tobacco products, beer, spirits and
other alcoholic beverages, and certain crude oil. We assumed responsibility for collecting revenue from excise duty on 4 February 1999.

Statistics on excise collections are discussed in chapter 13.
Other taxes we are responsible for include the petroleum resource rent tax. Petroleum resource rent tax statistics are discussed in chapter 4 (the company tax chapter).
Apart from collecting taxes and excise duty, we are responsible for administering the superannuation guarantee
scheme. The scheme requires all employers to provide a minimum level of superannuation support to a complying superannuation fund or retirement savings account for all eligible employees in each financial year. Employers who fail to provide a minimum level of support are liable to pay the superannuation guarantee charge to the Tax Office. The charge is equal to the amount of the shortfall in the superannuation guarantee, plus an interest component and an administrative charge. We redistribute the shortfall component of the charge to a complying superannuation fund, complying approved deposit fund, retirement savings account or the Superannuation Holding Accounts Reserve for the benefit of the employee for whom the charge was paid.
Statistics on the superannuation guarantee scheme, the superannuation guarantee charge and other items related to the superannuation system are discussed in chapter 8.

## FUEL REBATE AND GRANT SCHEMES

As well as collecting taxes and administering the superannuation guarantee scheme, we are also responsible for administering several fuel rebate and grant schemes.
Under the diesel fuel rebate scheme (off-road scheme), the government provides a rebate of the excise and customs duty paid on diesel and like fuels purchased for specific off-road uses - mainly in the mining, agriculture and other primary production industries, as well as certain eligible residential uses.

The diesel and alternative fuels grants scheme (on-road scheme) provides grants for the on-road use of fuel by businesses and other entities. The scheme started on 1 July 2000 and was designed to cut fuel costs for a range of businesses.

The fuel sales grants scheme was introduced to provide a grant to fuel retailers for the sale of petrol and diesel to consumers in regional and remote areas where fuel prices are generally higher. The scheme was designed so that, combined with the cut in excise rates on petrol and diesel (implemented to offset the effects of GST), the price of fuel in non-metropolitan areas did not need to change relative to metropolitan areas.

The product stewardship (oil) scheme was introduced as part of the Measures for a better environment package announced by the Australian Government on 31 May 1999. The scheme was introduced to encourage environmental and economically sustainable reuse of waste oils.

Statistics on rebates and grants claimed and paid under the four schemes are discussed in chapter 14.

## OTHER STATISTICS REPORTED

Statistics on other items taxpayers declare on their returns are reported and discussed in different chapters. For example, expenses taxpayers can claim as deductions on their returns are reported in the personal tax, company tax, partnership tax, trust tax and fund tax chapters (chapters 3-7).

Statistics on items calculated by the Tax Office based on items or information taxpayers declare on their returns are also reported. For example, the personal tax chapter (chapter 3) reports statistics on the Higher Education Contribution Scheme assessment debt. The industry benchmarks chapter (chapter 15) presents financial ratio data, by industry, calculated from information declared on taxpayer returns.
While some statistics are presented in the chapter tables and figures, there are more comprehensive statistics in the detailed tables on the attached CD-ROM and in the online version of this publication on our website at www.ato.gov.au

## TIME COVERAGE OF THE STATISTICS

Statistics reported in the personal tax, company tax, partnership tax, trust tax, fund tax, CGT and industry benchmarks chapters (chapters 3-7, 9 and 15) are based on the income, expenses, deductions and other items taxpayers declared on their annual returns for the 2001-02 income year, and show the tax payable based on the income declared. For most entities, the 2001-02 income year covers the period from 1 July 2001 to 30 June 2002. However, some companies may use a substituted accounting period.

Reasons for using a substituted accounting period could be that a company is owned by a multinational and the holding company wishes to have all members of the corporate group operate under the same financial year. For example, the traditional financial year in the United States follows the calendar year, while the British financial year ends in March. Depending on the accounting period chosen, the activity reported could cover a 12-month period starting as early as 1 December 2000 ('early December' balancers) or finishing as late as 31 December 2002 ('late December' balancers).

Statistics reported in the FBT chapter (chapter 10) are based on items declared on the FBT return for the 2002-03 FBT year, and show the FBT payable based on the items declared. The 2002-03 FBT year refers to the period from 1 April 2002 to 31 March 2003.

Statistics reported in the PAYG withholding, GST and other taxes, and excise chapters (chapters 11-13), as well as the petroleum resource rent tax statistics in the company tax chapter (chapter 4) and the periodical revenue data in the summary chapter (chapter 2), refer to amounts the Tax Office collected (or amounts paid to the Tax Office) during the 2002-03 financial year. These collections may include amounts reported or paid for in relation to years other than the year in which we actually receive or collect them. For example, PAYG withheld amounts reported on the June 2002 activity statement relate to the period ending 30 June 2002 (end of the 2001-02 financial year), but we may have received or collected the PAYG withheld amounts in July or August 2002 (part of the 2002-03 financial year).

The 2002-03 financial year covers the period from 1 July 2002 to 30 June 2003.

Statistics reported in the superannuation chapter (chapter 8) refer to data for the 2002-03 financial year.
Statistics reported in the fuel rebate and grant schemes chapter (chapter 14) refer to rebates and grants paid during the 2002-03 financial year.

## SOURCE OF STATISTICS

Statistics reported in this publication are sourced from annual tax returns, schedules to tax returns, activity statements and other sources. Copies of annual tax returns, relevant schedules and activity statements are in the appendix. They may be viewed or downloaded in PDF file format from the attached CD-ROM or from the online version of this publication on our website at www.ato.gov.au

## ANNUAL TAX RETURNS AND SCHEDULES

Australia's tax system works on self-assessment. This means that personal taxpayers (individuals), companies, partnerships, trusts and funds must show on their annual income tax return all their assessable income, and claim only the deductions/expenses and tax offsets (formerly called rebates) to which they are entitled.

To help individual taxpayers complete their income tax returns and fulfil their tax obligations, we distribute TaxPack. This is an information booklet that provides taxpayers with instructions on how to fill in their returns and informs them of their rights and responsibilities. The booklet contains the return form that individual taxpayers need to complete. However, tax agents use a different return form when completing forms on behalf of individual clients.

We review TaxPack annually to ensure the information is current and that taxpayers are given a high level of assistance when completing their tax returns. For the 2001-02 income year, around 2 million personal taxpayers used TaxPack to prepare their income tax returns and lodged paper returns. Around $75 \%$ ( 7.8 million) of returns were submitted by tax agents on behalf of individual clients.
An electronic version of TaxPack, e-tax, is also available on our website. Compared to the previous income year, the number of returns lodged by self-preparer taxpayers using $e$-tax increased by $100 \%$ to 543,458 in 2001-02. This is more than four times the initial 113,164 returns lodged through etax in 1999-2000, the year it was introduced.
Company, partnership, trust and fund taxpayers may also lodge their respective income tax returns in paper or electronic form. We distribute instruction booklets to help these taxpayers complete their returns and review these booklets annually to ensure the information is current.

Statistics reported in the personal tax, company tax, partnership tax, trust tax, fund tax, CGT and industry benchmarks chapters (chapters 3-7, 9 and 15) are sourced from 2002 annual income tax returns processed by 31 October 2003. The statistics in these chapters are not necessarily complete and will continue to change as data from 2002 tax returns processed after 31 October 2003
are included. The usual practice each year is to update the statistics for the two years before the current year in the time series tables included at the end of the relevant chapters. The proportion of tax returns processed each year by 31 October can vary. Caution should be exercised in comparing the statistics for the current year and previous years. Better comparisons between the 2001-02 income year statistics and the statistics from previous years will be possible when Taxation statistics 2002-03 is published. In that edition, the 2001-02 income year statistics will include data from returns and amendments processed up to 31 October 2004.

Apart from annual income tax returns, personal (or individual), company, partnership, trust and fund taxpayers may have to complete schedules to report or declare items such as capital gains, capital losses, business income and expenses, and other items used to work out taxable income and/or tax payable. Only taxpayers who need to complete certain parts or items on their respective annual income tax returns and whose circumstances require them to complete a schedule have to lodge one. Completed schedules are generally attached to annual income tax returns, but some schedules must be sent to a specified address separately from the tax return.

We distribute many different types of instruction booklets to help taxpayers complete their particular schedules. These instruction booklets also list guidelines (or tests) informing taxpayers of the circumstances, conditions or situations when they have to complete a particular schedule.

## Some examples of schedules are the business and

professional items schedule for personal (or individual) taxpayers, the capital gains tax (CGT) schedule and the losses schedule. Personal taxpayers with personal services income and/or business income and expenses to declare complete a business and professional items schedule and attach it to their individual annual income tax return. (For the 2001-02 and previous income years, the business and professional items schedule is included as the last four pages in the individual annual income tax return tax agents complete on behalf of their clients.)
Certain personal, company, trust and fund taxpayers have to complete a CGT schedule. This schedule was introduced in 2000-01. It replaced several return form labels included on past annual income tax returns.

Some company, trust and fund taxpayers also have to complete a losses schedule. This schedule was also introduced in 2000-01. It replaced most of the labels relating to loss items that were included on past annual income tax returns.
Some statistics in the personal tax, company tax, trust tax and CGT chapters were sourced from 2002 business and professional items schedules, 2002 CGT schedules and 2002 losses schedules processed by 31 October 2003. These statistics are not necessarily complete and will continue to change as data from 2002 schedules processed after 31 October 2003 are included.

Certain employers must also lodge an annual FBT return (in addition to reporting FBT instalment obligations on their
activity statements) to report tax payable on the value of fringe benefits provided to employees and their associates during the FBT year (1 April to 31 March of the following year). Statistics in the FBT chapter (chapter 10) are sourced from 2003 annual FBT returns processed by 31 October 2003 Statistics for past FBT years in the new time series table included in the chapter are either sourced from past editions of Taxation statistics or updated to include data from FBT returns processed by 31 October 2003.

Businesses registered for GST and eligible to report quarterly (those businesses with an annual turnover of less than \$20 million) can choose to report and claim their GST payments on a GST annual return. We advise businesses on their activity statement when they are eligible to use the GST annual return.

This option allows businesses to pay a quarterly GST instalment amount worked out by the Tax Office (or varied by the business) and report their actual GST information annually. The business must account for any difference between the actual GST liability and the GST instalments for the year on the GST annual return.

Statistics reported in the GST and other taxes chapter (chapter 12) are sourced from GST annual returns processed by 30 June 2003 (and from the activity statements and GST annual information report described in the next section).

## ACTIVITY STATEMENTS

There are two activity statements, the Business activity statement and the Instalment activity statement.

The Business activity statement is the single form businesses use to report and remit their obligations and entitlements relating to:

- GST
- PAYG instalments
- PAYG amounts withheld from payments
- FBT instalments
- deferred company and fund instalments
- wine equalisation tax, and
- luxury car tax.

The Instalment activity statement is specifically used by businesses not registered (or required to register) for GST, personal taxpayers with investment income (including trustees), and people not in business who have employees, to report their obligations and entitlements relating to:

- PAYG instalments
- PAYG amounts withheld from payments
- FBT instalments, and
- deferred company and fund instalments.

In certain circumstances, personal taxpayers (such as trustees) may need to complete a Business activity statement and one or more Instalment activity statements. This would occur, for example, if a family business is run through a trust. If the trust is registered for GST, the trustee would have to lodge a Business activity statement for the business activities of the trust and an Instalment activity statement for each instalment liability notified to the trustee. A trustee may have a liability for one or more of the beneficiaries of the trust, or for net income
that does not form part of a beneficiary's share of trust net income.

Businesses or personal taxpayers complete activity statements periodically, depending on their liability, turnover and other factors. We send personalised activity statements to businesses and personal taxpayers before they need to lodge. Each statement has a unique document identification number and pre-printed information appropriate to the circumstances of the particular business or taxpayer.

Statistics reported in the PAYG withholding and GST and other taxes chapters (chapters 11 and 12) are sourced from activity statements processed by 30 June 2002.

## OTHER SOURCES

Statistics in some chapters come from other sources. For example, Australian business number (ABN) registrations in the GST and other taxes chapter (chapter 12) are sourced from ABN application forms. The GST annual information report is another source of statistics in the GST and other taxes chapter. Historical excise statistics in chapter 13 are sourced from the Australian Customs Service. Some statistics on personal taxpayers are sourced from the Australian Bureau of Statistics (ABS); statistics on the baby bonus are sourced from the baby bonus claim form which may be attached to the individual return form or lodged independently. Some statistics reported in the superannuation system chapter (chapter 8) are sourced from the ABS and the Australian Prudential Regulation Authority. Various editions of the Commissioner of Taxation annual report are the source of some statistics on revenue collections. Statistics on the grants paid under the four fuel rebate and grant schemes are sourced from claim forms specific to each scheme and eGrant (a new claim process which eliminates the need for clients to lodge paper forms to claim grants under the diesel and alternative fuels grants scheme). Other statistics are sourced from other Tax Office registration forms or schedules.

## FINDING STATISTICS AND OTHER INFORMATION IN THIS PUBLICATION

It is important to remember that although this publication is a source of tax statistics, it is not the source of all the statistics the Tax Office collects or reports. For example, statistics on the number of tax legal cases and audits we conduct are not reported in this publication. In addition, the publication reports only statistics on taxes/collection systems we administer - it does not report taxes collected by states or territories, such as land taxes or stamp duty.

It is also important to remember that this publication is available in three forms:

- printed/book form
- CD-ROM, and
- online on our website at www.ato.gov.au

Some information or statistics are available in the printed book (for example, the statistics included in the chapter tables, the description of certain items in the terminology boxes in the chapters). However, other statistics and information are available only electronically, that is, they can be viewed or downloaded only from the CD-ROM or from the online version
of the publication on our website. For example, the detailed statistical tables (which contain more data than the chapter tables) and the glossary (which describes and defines more statistical items) are available only on the CD-ROM or from the online version on our website.

To find statistics and other information included in this publication, we suggest the following steps.

- Determine if the information searched for is reported in Taxation statistics. While the earlier parts of this chapter outline the contents of this publication, the Taxation statistics - frequently asked questions document available on our website mentions statistics available in past and current editions of Taxation statistics, and provides a comprehensive list of items not reported in the publication.
- If the information sought is for a specific entity (for example, a company) or a particular tax (for example, FBT) read or browse through the entity or tax chapter in the publication. The statistics may be shown in the chapter tables or mentioned in the chapter text.
- If the information is not in the chapter tables or text, it may be in the statistical detailed tables. To find a statistical item in the detailed tables, you can do the following.
- Read the list of the detailed tables included in the earlier pages of this publication and the description of these tables. (ln the printed book, descriptions of detailed tables are shown at the back of relevant chapters.)
- View and download the different table indexes from the CD-ROM or from the online version of the publication. Table indexes appear on top of the list of detailed tables for the personal tax, company tax, partnership tax, trust tax and fund tax chapters and can be downloaded in PDF or Excel format. These indexes list the statistical items shown in the different detailed tables and show which tables they appear in.
- To find the definition or description of items mentioned in the chapter or in the tables, look through the terminology boxes and other text in the chapters or go through the glossary included on the CD-ROM or in the online version of the publication. For your convenience, we have divided the glossary into smaller, self-contained parts which can be viewed and downloaded separately in PDF format. The glossaries describe all the items appearing in the detailed tables, briefly discusses how some items are calculated and refer to other specific Tax Office publications (available in print or online) that can provide a more comprehensive and in-depth description of the items.
- Read the Taxation statistics - frequently asked questions document on our website.


## (7) MORE INFORMATION

There is more information on general Tax Office administration and revenue collections in the Commissioner of Taxation annual report. This report is published in October each year, and can be found in government department, university and other public libraries and on our website at www.ato.gov.au

We also produce a variety of publications, brochures, learning and training tools and other guides about the different taxes and collection systems reported in Taxation statistics. These publications are designed to help people understand their tax obligations. Most are available in paper form and may be obtained by visiting our shopfronts. They can also be viewed or downloaded from our website.

General tax information can also be obtained by phoning:

- 132860 to obtain a fax on various topics
- 132866 for business enquiries - information on business tax, including lodgment and payment of activity statements; business registration, including ABN and TFN; PAYG, GST and FBT obligations; and interest, dividend and royalty withholding tax
132861 for personal tax enquiries - income tax general advice for individuals, including baby bonus, family tax benefit and TaxPack related issues
131020 for superannuation enquiries 1300137290 for alcohol excise and wine equalisation tax enquiries
1300137292 for petroleum excise enquiries
1300137295 for tobacco excise enquiries
1300657162 for fuel rebate and grant schemes enquiries - information on rebates and grants for use of diesel and alternative fuels, sale of petroleum products and general excise enquiries, and
- other Tax Office contact numbers listed on our website or in the White pages.

In 2001-02 revenue collected by the Tax Office continued to grow strongly. The amount of tax collected from different entities (individuals, companies, partnerships, trusts and funds) and through the different collection systems (goods and services tax (GST), pay as you go (PAYG), wine equalisation tax and luxury car tax) continued to rise (figure 2.1).

This chapter presents an overview of Taxation statistics by reporting some of the main statistics discussed in chapters $3-7$ and 11-13.

FIGURE 2.1: PAYG withholding and other sources of revenue ${ }^{1}$, 1992-93 to 2002-03

| $\$ m$ | - Gross PAYG withholding ${ }^{2}$ |
| :--- | :--- |
| - Other sources ${ }^{3}$ |  |

120,000


20,000

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |

1. Refers to revenue collected in each financial year.
2. The PAYG withholding system was introduced on 1 July 2000 as part of government tax reforms. PAYG withholding revenue collected before 2000-01 is calculated to be the sum of pay as you earn (PAYE) withholding, prescribed payments system, reportable payments system, non-resident interest withholding tax, non-resident dividend withholding tax, non-resident royalty withholding tax, mining withholding tax and tax file number withholding tax collections. For 2000-01, PAYG withholding revenue is the sum of PAYG withholding collections (including tax file number and Australian business number withholding tax collections), mining withholding and non-resident withholding tax collections (which were reported and paid separately from PAYG withholding). For 2001-02, mining withholding tax and non-resident withholding tax collections were included in PAYG withholding collections. All years include Higher Education Contribution Scheme collections.
3. Includes collections of income tax and contributions from superannuation funds, companies, individuals (which includes PAYG instalments and other payments), fringe benefits tax, excise, superannuation surcharge, GST, wine equalisation tax, luxury car tax, sales tax, petroleum resource rent tax and other minor taxes or collections from other systems.

ANNUAL TAX RETURNS, 2001-02 INCOME YEAR In 2001-02 approximately 12.1 million taxpayers lodged returns. Personal taxpayers (or individuals) accounted for $85 \%$ of total taxpayers. The shares of other entities are shown in table 2.1.

TABLE 2.1: Number of taxpayers ${ }^{1}$, by type, 2000-01 and 2001-02 income years

| Type of <br> taxpayer | $2000-\mathbf{0 1}^{\mathbf{2}}$ | $\mathbf{2 0 0 1}^{2023}$ |  |  |
| :--- | ---: | ---: | ---: | ---: |
|  | No. | $\%$ | No. | $\%$ |
| Individual | $\mathbf{1 0 , 2 7 3 , 4 7 9}$ | 85.5 | $10,343,677$ | 85.3 |
| Company | 625,614 | 5.2 | 648,504 | 5.3 |
| Partnership | 471,180 | 3.9 | 463,129 | 3.8 |
| Trust | 447,625 | 3.7 | 455,980 | 3.8 |
| Fund | 197,573 | 1.6 | 210,608 | 1.7 |
| Total | $\mathbf{1 2 , 0 1 5 , 4 7 1}$ | $\mathbf{1 0 0 . 0}$ | $\mathbf{1 2 , 1 2 1 , 8 9 8}$ | $\mathbf{1 0 0 . 0}$ |

1. Includes residents and non-residents.
2. Number of taxpayers based on 2001 annual income tax returns processed by 31 October 2002 for all entities. (The number of taxpayers shown here for the different entities will not match the numbers shown in time series tables 3.25, $4.10,5.4,6.4$ and 7.8 because the statistics shown in the time series tables for the 2000-01 income year have been updated - that is, they include data sourced from income tax returns processed after 31 October 2002.)
3. Number of taxpayers based on 2002 annual income tax returns processed by 31 October 2003 for all entities.

## INDUSTRY PROFILE OF ANNUAL TAXPAYERS, 2001-02 INCOME YEAR

In 2001-02, 62\% of total taxpayers (whose industry was stated) were individual salary and wage earners. A further $15 \%$ were investment income recipients, while $4 \%$ were in the agriculture, forestry and fishing industry (table 2.2).
The industry profile of individual or personal taxpayers (whose industry was stated) showed a similar trend. Approximately $73 \%$ of individual taxpayers were salary and wage earners, a further $16 \%$ were investment income recipients, while 3\% were in the agriculture, forestry and fishing industry.
The main industry groups were quite different among companies, partnerships and trusts (whose industry was stated). Around $31 \%$ of all companies were in the property and business services industry. A further $19 \%$ were in the finance and insurance industry, while 10\% were in the construction industry.
Among partnerships (whose industry was stated), $27 \%$ were in the agriculture, forestry and fishing industry, $15 \%$ were in the construction industry, and 13\% were in the retail trade industry.

Among trusts (whose industry was stated), 39\% were investment income recipients, $17 \%$ were in the property and business services industry, and 12\% were in the finance and insurance industry.
Shares of other broad industries for each entity are shown in table 2.2.

TABLE 2.2: Taxpayers ${ }^{1}$, by entity and industry, 2001-02 income year

| Industry ${ }^{2}$ | Individuals | Companies | Partnerships | Trusts | Total |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  | No. | No. | No. | No. | No. |
| Salary \& wage earners ${ }^{3}$ | 6,414,484 | n.a. | 0 | 0 | 6,414,484 |
| Investment income recipients ${ }^{4}$ | 1,386,322 | n.a. | 42,941 | 154,968 | 1,584,231 |
| Property \& business services ${ }^{5}$ | 150,591 | 196,725 | 47,922 | 66,017 | 461,255 |
| Agriculture, forestry \& fishing ${ }^{6}$ | 291,252 | 17,851 | 123,426 | 26,567 | 459,096 |
| Construction | 152,326 | 61,376 | 67,312 | 20,757 | 301,771 |
| Finance \& insurance | 25,955 | 122,263 | 5,663 | 48,358 | 202,239 |
| Retail trade | 67,344 | 51,735 | 56,582 | 23,715 | 199,376 |
| Manufacturing | 50,341 | 46,809 | 23,270 | 12,370 | 132,790 |
| Personal \& other services | 63,541 | 16,739 | 17,542 | 6,795 | 104,617 |
| Transport \& storage | 49,520 | 25,514 | 20,725 | 7,597 | 103,356 |
| Health \& community services | 53,065 | 24,137 | 4,967 | 7,588 | 89,757 |
| Cultural \& recreational services ${ }^{7}$ | 53,594 | 12,488 | 8,082 | 2,992 | 77,156 |
| Wholesale trade | 14,643 | 32,703 | 11,151 | 8,296 | 66,793 |
| Accommodation, cafes \& restaurants | 10,174 | 14,066 | 15,318 | 7,787 | 47,345 |
| Communication | 14,572 | 4,647 | 3,864 | 1,097 | 24,180 |
| Education | 14,645 | 4,222 | 1,720 | 859 | 21,446 |
| Mining | 1,569 | 4,065 | 755 | 593 | 6,982 |
| Electricity, gas \& water supply | 438 | 821 | 341 | 172 | 1,772 |
| Total industries stated | 8,814,376 | 636,161 | 451,581 | 396,528 | 10,298,646 |
| Other ${ }^{8}$ | 1,529,301 | 12,343 | 11,548 | 59,452 | 1,612,644 |
| Total all industries | 10,343,677 | 648,504 | 463,129 | 455,980 | 11,911,290 |

1. Excludes funds.
2. With the exception of the 'salary and wage earners' and 'investment income recipients' categories, the industry groups are classified based on the Australian and New Zealand Standard Industry Classification (ANZSIC) system. Fine industries included under these broad industry groupings may be found in personal tax detailed table 4, company tax detailed table 4, partnership tax detailed table 5 and trust tax detailed table 5 . There is a complete listing of all fine industries listed under each broad industry group and the corresponding code in our publication Business industry codes 2002.
3. Refers to individual taxpayers who reported income only from salary and wages and/or non-business net income or loss of less than $\$ 1,000$ on their return.
4. Refers to personal taxpayers (not classified as 'salary and wage earners'), partnership or trust taxpayers who reported direct income from investment (for example, rental income, interest and dividends) and did not report income or loss from a business, partnership or trust on their returns. In past editions of Taxation statistics this category was referred to as 'property' or 'property income recipients'.
5. This industry group includes services such as property operators and developers, real estate, non-financial asset investors, machinery and equipment hiring and leasing, technical, computer, scientific research, legal and accounting, marketing and business management and other business services listed in our publication Business industry codes 2002. This industry group should not be confused with the 'property' or 'property income recipients' category that appeared in the tables of past editions of Taxation statistics.
6. Includes entities that lodged a subsidiary return with income from primary production partnerships and trusts.
7. Includes sports.
8. Includes entities that lodged a subsidiary return with income from non-primary production partnerships and trusts, those registered under the government administration and defence code, and those that did not state their industry.

## INCOME AND NET TAX PAYABLE FROM ANNUAL RETURNS, 2001-02 INCOME YEAR

In 2001-02 companies accounted for only 5\% of total taxpayers. However, this entity group accounted for $79 \%$ of total income, $29 \%$ of taxable income and $25 \%$ of net tax (or net tax payable). Individuals accounted for 85\% of total taxpayers and $19 \%$ of total income, $65 \%$ of taxable income and $72 \%$ of net tax (tables 2.1 and 2.3).

In the same period, around 8 million individual taxpayers received tax refunds totalling approximately $\$ 10.8$ billion - an average of $\$ 1,328$ per taxpayer. Approximately 1.8 million individual taxpayers had a tax debt. These debts totalled \$7.2 billion - an average of \$3,933 per taxpayer (see table 3.25).

TABLE 2.3: Income, by entity, 2001-02 income year ${ }^{1}$

| Entity | Total <br> income <br> $\mathbf{\$ m}$ | Taxable <br> income <br> $\mathbf{\$ m}$ | Net tax |
| :--- | ---: | ---: | ---: |
| Individual $^{2}$ | 358,624 | 342,300 | 80,207 |
| Company | $1,491,901$ | 153,084 | 27,574 |
| Fund | 48,790 | 33,181 | 4,353 |
| Partnership |  |  |  |
| Trust $^{3}$ | 22,291 | n.a. | n.a. |
| Total $^{4}$ | 59,470 | n.a. | n.a. |

1. Number of taxpayers based on 2002 annual income tax returns processed by 31 October 2003 for all entities.
2. For individuals, total income includes net business income (or loss), distributions from partnerships or trusts, and non-business income such as interest, dividends, salary and wages, and other sources of income
3. Profits from partnerships and trusts are distributed to partners and beneficiaries who pay tax on the income. Total income of partnerships or trusts is the sum of net business income or loss, net primary and non-primary distributions, net rents, gross interest, dividends, imputation credits, other Australian income, attributed foreign income and other assessable foreign income.
4. Total income does not include partnership and trust total income because the net income of these entities is distributed to other entities as assessable income.

## PERIODICAL REVENUE COLLECTION, 2002-03 FINANCIAL YEAR

In 2002-03 the Tax Office collected around $\$ 185$ billion in total revenue, an increase of 10\% from the previous year (table 2.4). Total revenue collections for the 2002-03 financial year include items listed in table 2.4, less individual refunds.

PAYG withholding collections ( $\$ 84.9$ billion) remained the main source of revenue in 2002-03, accounting for 46\% of total Tax Office revenue collections. PAYG withholding collections, including non-resident withholding taxes (interest, dividend and royalty) and mining withholding tax, increased by $7 \%$ compared to the previous year (table 2.4 and figure 2.1).
GST collections increased by 14\% compared to the previous year. The rise in GST collections can primarily be attributed to strong growth in private dwelling investment, together with continued solid household expenditure.

Excise collections in 2002-03 increased by 6\% compared to the previous year. The increase is a result of strong domestic demand for excisable products, an increase in crude oil
prices, and an increase in excise collected from tobacco products (attributed to a decline in the illicit tobacco trade as a result of compliance enforcement activities).

Collections from wine equalisation tax increased by 4\%, while luxury car tax increased by 19\% due to a significant increase in luxury car sales driven by low interest rates, combined with numerous new model releases.

In 2002-03 petroleum resource rent tax collections increased by $26 \%$ from the previous year as a result of the increase in oil prices.

TABLE 2.4: Revenue collections ${ }^{1}$, 2001-02 to 2002-03 financial years

| Source of revenue | $\begin{array}{r} 2001-02^{2} \\ \$ \mathrm{~m} \end{array}$ | $\begin{array}{r} 2002-03^{3} \\ \$ \mathrm{~m} \end{array}$ |
| :---: | :---: | :---: |
| Gross PAYG withholding ${ }^{4}$ | 79,599 | 84,922 |
| GST | 26,898 | 30,699 |
| Excise ${ }^{5}$ | 19,616 | 20,734 |
| Petroleum resource rent tax | 1,361 | 1,712 |
| Wine equalisation tax | 640 | 668 |
| Luxury car tax | 220 | 262 |
| Other ${ }^{6}$ | 51,404 | 58,241 |
| Individual refunds | -11,078 | -12,193 |
| Total revenue ${ }^{7}$ | 168,660 | 185,044 |

1. The different sources of revenue shown in this table are discussed in chapters 4 and 11-13. Information on other sources of revenue and more historical statistics are available in the Commissioner of Taxation annual report 2002-03.
2. Revenue collected during the 2001-02 financial year (cash basis).
3. Revenue collected during the 2002-03 financial year (cash basis).
4. From 2001-02, mining withholding tax and non-resident withholding tax collections were already included in PAYG withholding collections (that is, they cannot be identified separately from other PAYG withholding collections). Both years include Higher Education Contribution Scheme collections.
5. For the 2001-02 financial year includes surcharges on excise, but excludes diesel fuel rebates and grants.
6. Includes other tax collections from individuals, companies and superannuation funds (which include PAYG instalments and other payments), superannuation surcharge collections, fringe benefits tax collections (which include collections from Australian Government on-budget departments and authorities) and sales tax collections (which include alcohol surcharge). Information on these other sources of revenue is available in the Commissioner of Taxation annual report 2002-03
7. Total amount may differ slightly from the sum of components due to rounding.

PERSONAL TAX

## (1) HIGHLIGHTS

- In 2001-02, 10.3 million personal taxpayers (individuals) lodged returns.
- Personal taxpayers had total income of $\$ 359$ billion, taxable income of $\$ 342.3$ billion and net tax payable of $\$ 80.2$ billion.
- Personal taxpayers claimed $\$ 19.7$ billion in total deductions, $\$ 9.6$ billion in work related expenses and $\$ 42$ billion in business expenses.
- In 2001-02 around 7 million personal taxpayers were assessed to be entitled to tax offsets and credits totalling $\$ 8.9$ billion.

Personal (or individual) taxpayers are generally those taxpayers who receive most of their income from salary or wages, Australian Government pensions and benefits, or investments. They may also have business income, business loss or deductions.
The statistics in this chapter refer to all personal taxpayers, including those with business income.

## SOURCE OF PERSONAL TAX STATISTICS

The data for Taxation statistics 2001-02 was compiled before all processing for the 2001-02 income year was completed. Statistics in this chapter are sourced from 2002 individual income tax returns and associated business and professional items schedules processed by 31 October 2003. The statistics are not necessarily complete and will continue to change as data from 2002 tax returns processed after 31 October 2003 is included. The usual practice each year is to update the statistics for the two years before the current year in the personal tax time series table (chapter table 3.25 and personal tax detailed table 7) included at the end of the chapter. The proportion of tax returns processed each year by 31 October can vary. Caution should be exercised in comparing the statistics for the current year and previous years. Better comparisons between the 2001-02 income year statistics and the statistics from previous years will be possible when Taxation statistics 2002-03 is published. In that edition, the 2001-02 income year statistics will include data from returns and amendments processed up to 31 October 2004.

## BOX 3.1: Individual tax return lodgments

Most individual tax returns are prepared by tax agents and submitted electronically to the Tax Office for processing. For the 2001-02 income year, 75\% (7.8 million) of tax returns were submitted by tax agents.

A copy of the individual tax return form prepared by tax agents is in the appendix.
In 2001-02, 74\% (7.6 million) of tax returns were lodged through the electronic lodgment service (a system that allows participating agents to lodge their clients' tax returns and other tax forms with the Tax Office electronically via modem).

In 1999-2000 the Tax Office introduced e-tax (electronic TaxPack) to encourage self-preparer taxpayers to lodge their tax return using the internet. In 1999-2000, 113,164 returns were lodged by self-preparer taxpayers using e-tax. In 2000-01, the number of returns lodged by self-preparer taxpayers using e-tax more than doubled to 272,125. In 2001-02 the number of returns lodged by self-preparer taxpayers using e-tax further increased to 543,458.

Statistics for most items shown on the return form and business and professional items schedule are included in the detailed tables on the attached CD-ROM. The detailed tables are also included in the online version of this publication on our website at www.ato.gov.au
Statistics on baby bonus tax offsets discussed later in the chapter are sourced from the baby bonus claim form, which may be lodged with a personal taxpayer's return or independently.

Some statistics in the detailed tables were also sourced from 2002 capital gains tax (CGT) schedules processed by 31 October 2003. They are not necessarily complete and will continue to change as data from 2002 schedules processed after 31 October 2003 is included. In addition, not all personal taxpayers have to complete this schedule. The personal tax statistics sourced from this schedule would therefore not represent or refer to all personal taxpayers.

A copy of the CGT schedule is in the appendix. It may be viewed or downloaded in PDF file format from the attached CD-ROM or from the online version of this publication.

## NEW FEATURES AND INFORMATION

Several tax reforms and laws implemented during the 200102 financial year affected some of the personal tax statistics reported in this chapter. Some of these reforms and laws are listed below.

- Taxpayers who received dividends, which included a capital gain amount, from a listed investment company (LIC) in 2001-02 may claim a deduction of 50\% of the LIC capital gain amount. The deduction may only be claimed on the sale of LIC assets held for more than 12 months.

■ The eligibility rules for the senior Australians tax offset were widened for 2001-02 to include those who were eligible for a veteran or age pension but did not claim one. For more information on these changes, see the personal tax glossary on the attached CD-ROM. The glossary is also available on our website at www.ato.gov.au

- The baby bonus tax offset was introduced, allowing people who had a baby or gained legal responsibility of a child aged under five (for example, through adoption) after 30 June 2001 to claim a tax offset in the 2001-02 income year.
- The simplified tax system, which offers optional reporting and accounting methods for small business taxpayers, became effective from 1 July 2001.
- The uniform capital allowance system consolidates a range of former capital allowance provisions from 1 July 2001.
- Thin capitalisation provisions, effective from 1 July 2001, apply to reduce debt deductions and ensure that taxpayers fund their Australian operations with an appropriate amount of equity.
- New rules apply for prepaid expenses from 30 June 2001.
- From 1 July 2000, rules for the tax treatment of personal services income have been amended.
- From 1 July 2000, laws restrict the ability of individual taxpayers to offset losses from non-commercial business activities against their other income.
- New rules have been introduced for the tax treatment of hire purchase agreements. Certain deductions relating to hire purchase agreements can be claimed from 1 July 2001.

■ New rules have been introduced for the tax treatment of limited recourse debt from 1 July 2001.

Several new labels were introduced in the 2002 individual income tax return and some are included in the personal tax detailed tables. Definitions of these labels are in the personal tax glossary on the attached CD-ROM. The glossary is also available on our website

- Deduction for project pool (item D6, label H)
- Low value pool deduction (item D7, label K)
- Section 40-880 deduction (item P8, label A)
- Net income or loss from business this year - Primary production (item P8, label B)
- Net income or loss from business this year - Non-primary production (item P8, label C)
- Deferred non-commercial business losses from the prior year - Primary production (item P8, label D)
- Deferred non-commercial business losses from the prior year - Non-primary production (item P8, label E)
- STS depreciation deduction - Low cost assets (less than \$1000) (item P10, label A)
- STS depreciation deduction - General pool assets (less than 25 years) (item P10, label B)
- STS depreciation deduction - Long life pool assets (25 years or more) (item P10, label C)
- Intangible depreciating assets first deducted (item P15, label I)
- Other depreciating assets first deducted (item P16, label J)
- Termination value of intangible depreciating assets (item P17, label D)
- Termination value of other depreciating assets (item P18, label K)
Several labels were also removed from the 2002 individual return but statistics from previous years for these items are still available in the personal tax time series table (chapter table 3.25 and personal tax detailed table 7). Definitions of these labels are in the personal tax glossary on the attached CDROM. The glossary is also available on our website.
- Initial year 13 month prepaid expenses
- Later year 13 month prepaid expenses
- Depreciable assets purchased
- Depreciable assets sold

There has been a change to one of the personal tax chapter tables. 'Personal taxpayers, by industry, 2001-02 income year' (formerly table 3.3), has been replaced with 'Personal taxpayer business income, 2001-02 income year' (table 3.4).

## PERSONAL TAXPAYERS

In 2001-02, 10.3 million personal taxpayers lodged returns - representing 52\% of the total Australian population (19.7 million) as of 30 June 2002. On average, personal (or individual) taxpayers have accounted for $53 \%$ of the total Australian population since 1995-96. Approximately $81 \%$ of individuals lodging a return were taxable. Eighty-one per cent of all personal taxpayers had tax instalments deducted from their pay on a regular basis.
Figure 3.1 shows the distribution of total income, taxable income and net tax (or net tax payable) of personal taxpayers, by age. Taxpayers in the 35-44 year age group accounted for $22 \%$ of the total personal taxpayer population and $29 \%$ of the total personal net tax payable (figure 3.1).

Males continue to represent a larger proportion (53\%) of the total taxpayer population. This figure reflects a greater level of male participation in the labour force - in June 2002, men
aged 15 and older had a $72 \%$ participation rate, whereas women aged 15 and older had a $55 \%$ participation rate (ABS, The labour force, July 2003, Cat. No. 6202.0).

FIGURE 3.1: Total income, taxable income and net tax, by age group, 2001-02 income year


## BOX 3.2: Terminology ${ }^{1}$

Uniform capital allowance (UCA) system: introduced 1 July 2001, the UCA system applies to most depreciating assets, including those acquired before that date. The UCA provisions in Division 40 of the Income Tax Assessment Act 1997 (ITAA 1997) consolidate a range of former capital allowance provisions, including those relating to plant and equipment. The UCA system does this by providing a set of general rules that apply across a variety of depreciating assets and certain other capital expenditure. It maintains some concessional tax treatments, such as those applying to primary production depreciating assets. It also introduces new deductions for some business-related capital expenditure and for certain project costs that did not previously attract a deduction.
Taxpayers now calculate deductions for the decline in value of their depreciating assets using these new rules.
Eligible taxpayers who elect to enter the simplified tax system (STS) will generally calculate deductions for their depreciating assets under the special STS rules. However, the provisions of the UCA system relating to deductions for certain capital expenditure, such as project amounts and business-related costs, apply to STS taxpayers.

Simplified tax system (STS): introduced 1 July 2001, the STS applies to assessments for income years starting on or after that date. The STS is an alternative method of determining taxable income for eligible small businesses with straightforward financial affairs. The STS provisions can be found in Division 328 of the ITAA 1997.

The STS has three main elements:

- STS cash accounting
- simplified trading stock rules, and
- simplified depreciation (capital allowance) rules.

In addition, STS entities can claim a full deduction for certain prepaid business expenses.
Participation in the STS is optional.
If a taxpayer chooses to participate in the STS, they must use all three elements where they apply. The STS accounting and the simplified depreciation (capital allowance) rules apply to non-business income and deductions, as well as to business income and deductions.

A taxpayer is eligible to be an STS taxpayer for an income year if:

- they carry on a business
- they have an STS average turnover of less than $\$ 1$ million. The STS average turnover includes the turnover of any entities the taxpayer is 'grouped with', and
- they, together with any entities they are 'grouped with', have depreciating assets with a total adjustable value of less than $\$ 3$ million at the end of the year (includes depreciating assets for which a deduction has been allowed or is allowable under the STS or the UCA provisions).
Baby bonus: effective from 1 July 2001, the baby bonus is an Australian Government initiative helping families when they have a baby. The baby bonus is a refundable tax offset that people can claim from the Tax Office - even if they do not pay tax, do not have any income or do not lodge a tax return. The baby bonus is paid regardless of whether a person receives any other family benefits (for example, maternity allowance) and is not income tested.

In 2001-02, a person was eligible for the baby bonus if they:

- had a baby or gained legal responsibility of a child aged under five (for example, through adoption) after 30 June 2001, and
- were an Australian resident at that time.

Usually, it is the mother of the child who is eligible. How much baby bonus is payable is determined by comparing the person's taxable income in the claim year (the income year the person is making the claim) with their taxable income in the base year (either the income year in which the person became legally responsible for the child or the preceding income year).
If a person's taxable income is $\$ 25,000$ or less in the claim year, they are entitled to an annual amount of $\$ 500$. This amount may be less in the first year as the baby bonus is calculated from the baby's date of birth (or the date the person gained legal responsibility).
If a person's taxable income is more than $\$ 25,000$ in the claim year but less than their taxable income in the base year, they get the baby bonus. A person may get more than $\$ 500$ if there is a significant reduction in their taxable income.
If a person's taxable income is more than $\$ 25,000$ in the claim year and more than their taxable income in the base year, they will not get the baby bonus that year.

1. This box presents only general descriptions of the above terms. It does not provide full technical or legal definitions.

## PERSONAL TAXPAYER INCOME

In 2001-02, 10.3 million personal taxpayers had a total income of $\$ 359$ billion and a taxable income of $\$ 342.3$ billion. The average taxable income for personal taxpayers (taxable and non-taxable combined) was \$33,093. Men had a much higher average taxable income $(\$ 39,027)$ than women $(\$ 26,497)$, reflecting different employment patterns and participation in the labour force. For the past eight years both men's and women's average taxable incomes have increased
steadily. However, the gap between men's and women's average taxable income has also increased (figure 3.2).

Individuals obtain their income from a wide variety of sources (table 3.1). Seventy-eight per cent of the total number of personal taxpayers had income from salary and wages (as shown on payment summaries). Income from salary and wages accounted for $75 \%$ of total income.

FIGURE 3.2: Average taxable income, by sex, 1993-94 to 2001-02 income years ${ }^{1}$


[^0]
## BOX 3.3: Commonwealth of Australia benefits and payments

Commonwealth of Australia benefits and payments may include parenting payment (partnered); Newstart allowance; youth allowance; mature age allowance where the taxpayer started to receive the allowance on or after 1 July 1996; partner allowance; sickness allowance; special benefit; widow allowance; austudy payment; exceptional circumstances relief payment, restart income support or farm household support (by way of financial assistance); Aboriginal Study Assistance Scheme (ABSTUDY) living or dependent spouse allowance or payment under the Veterans' Children Education Scheme where the taxpayer is 16 years or older; Training for Employment Program allowance; New Enterprise Incentive Scheme allowance; textile, clothing and footwear special allowance; Green Corps training allowance; or other taxable Commonwealth education or training payments; an income support component from a Community Development Employment Project - shown as 'CDEP Salary or Wages' on the taxpayer's PAYG payment summary - individual non business; or CDEP scheme participant supplement.

Centrelink is the Australian Government agency responsible for assessing eligibility and providing the benefits and payments. The amount received may depend on an individual's income, assets and other factors (see the Centrelink website at www.centrelink.gov.au).

While individuals with low incomes are more likely to be eligible, people with high incomes for the entire financial year may receive some of these benefits or payments (see personal tax detailed tables $5 \& 15$, part $B$ ). This is because the income reported in this publication refers to income for the entire financial year, while assessing eligibility for many of the above payments or benefits generally includes income at the time of application for a payment or benefit. The income at the time eligibility is determined may not necessarily represent the income earned over the entire financial year, which is why some people with high incomes may receive these payments or benefits.

Some sources of income are one-off events, such as capital gains and eligible termination payments. Other sources of income are more likely to be declared by certain taxpayer groups. For example, taxpayers aged 65 years or older declared 58\% (\$2.3 billion) of total Commonwealth of Australia pensions and allowances in 2002-03 (see personal tax detailed table 12). Similarly, non-taxable taxpayers (taxpayers with net tax payable equal to $\$ 0$ ) and taxable taxpayers with taxable income of less than \$25,000 accounted for 93\% ( $\$ 4$ billion) of total Commonwealth of Australia benefits and payments (see personal tax detailed table 5, part B and box 3.3).
Tables 3.16 to 3.24 at the end of this chapter report the areas with the 10 highest and lowest average (or mean) taxable incomes in each state and territory of Australia, as well as the areas with the 10 highest and lowest average taxable incomes in Australia in 2001-02.

For 2001-02 the area with the highest average taxable income was postcode 2027, which includes the suburbs of Darling Point, Edgecliff, HMAS Rushcutters and Point Piper in New South Wales. Postcode 2027 has consistently remained the postcode with the highest average taxable income since 1994-95. The area with the second highest average taxable income was postcode 3142, which includes the suburb of Toorak.

The area with the lowest average taxable income was postcode 2308, which includes the suburbs/areas of Callaghan and Newcastle University.

## PERSONAL TAXPAYER DEDUCTIONS

Allowable deductions are subtracted from assessable (or total) income to give the taxable income, to which the tax rates are then applied. Deductions are generally categorised as work related deductions or other deductions. Work related deductions are directly related to gaining or producing an employee's assessable income. Other deductions include gifts, film industry incentives and other expenses such as the cost of managing tax affairs.
Deductions are common, with 80\% (8.3 million) of the total individual taxpayer population claiming a deduction of some type. These deductions were valued at $\$ 19.7$ billion in 2001-02 (table 3.2). Male taxpayers accounted for 54\% of the total number of taxpayers who claimed a deduction. Their deduction claims accounted for 67\% (\$13.1 billion) of total deductions. Female taxpayers accounted for $46 \%$ of the total number of taxpayers who claimed a deduction. Their deduction claims accounted for 33\% (\$6.6 billion) of total deductions.

In 2001-02 taxable personal taxpayers earning a taxable income of \$60,001 or more accounted for only $10 \%$ of claimants (both taxable and non-taxable), but their deductions accounted for 24\% (\$4.7 billion) of total deductions claimed. Those earning between \$20,001 and \$60,000 taxable income accounted for the largest share (52\%) of claimants, but their deductions accounted for 46\% (\$9 billion) of total deductions (personal tax detailed table 5, part C).

TABLE 3.1: Source of personal taxpayer income, 2001-02 income year

| Source of income ${ }^{1}$ | Taxpayers No. | Income \$m | Income as proportion of total \% ${ }^{2}$ |
| :---: | :---: | :---: | :---: |
| Salary \& wages | 8,029,611 | 267,596 | 74.6 |
| Net partnership \& trust distribution ${ }^{3}$ | 2,076,900 | 25,036 | 7.0 |
| Net business income | 809,859 | 11,185 | 3.1 |
| Other pensions/annuities (non-government) | 514,093 | 9,397 | 2.6 |
| Gross dividends | 3,126,276 | 8,124 | 2.3 |
| Net capital gains | 1,078,817 | 6,120 | 1.7 |
| Gross interest | 3,880,229 | 5,402 | 1.5 |
| Eligible termination payments (ETP) - other than excessive component ${ }^{4}$ | 358,463 | 5,124 | 1.4 |
| Allowances, benefits, earnings \& tips | 1,917,926 | 4,712 | 1.3 |
| Commonwealth of Australia benefits \& payments | 1,058,846 | 4,280 | 1.2 |
| Commonwealth of Australia pensions \& allowances | 632,518 | 3,925 | 1.1 |
| Primary imputation credits | 3,067,821 | 3,274 | 0.9 |
| Lump sum payments - assessable in full (amount A) | 204,858 | 1,848 | 0.5 |
| Net farm management withdrawals or deposits | 27,871 | 901 | 0.3 |
| Net personal services income | 49,118 | 640 | 0.2 |
| Other foreign income | 698,746 | 685 | 0.2 |
| Foreign employment \& pension or annuity income without an undeducted purchase price | 49,854 | 479 | 0.1 |
| Foreign pension or annuity income with an undeducted purchase price | 51,413 | 382 | 0.1 |
| Other salary \& wages category $1^{7}$ | 30,861 | 201 | 0.1 |
| Other salary \& wages category $2^{8}$ | 40,728 | 398 | 0.1 |
| Other income n.e.i category $2^{8}$ | 64,482 | 503 | 0.1 |
| Attributed personal services income | 6,193 | 115 | 0.0 |
| Life assurance bonuses ${ }^{5}$ | 5,080 | 25 | 0.0 |
| Eligible termination payments - excessive component ${ }^{4}$ | 625 | 42 | 0.0 |
| Attributed foreign income ${ }^{6}$ | 2,408 | 7 | 0.0 |
| Lump sum payments - $5 \%$ assessable (5\% of amount B) | 26,201 | 13 | 0.0 |
| Net rent | 1,337,520 | -622 | -0.2 |
| Other income n.e.i category $1^{7}$ | 27,393 | 162 | 0.0 |
| Less Total deferred losses | 105,211 | 474 | 0.1 |
| Total ${ }^{9}$ | 10,280,299 | 359,481 | 100.0 |

1. Definitions for the different sources of income are in the personal tax glossary on the attached CD-ROM.
2. A share of $0.0 \%$ indicates a share of less than $0.05 \%$.
3. This is the sum of net partnership and trust distributions from primary production and non-primary production.
4. Number of personal taxpayers who declared ETP amounts on their 2002 income tax return and the amounts they declared.
5. Bonuses from life insurance companies and friendly societies.
6. The attributed foreign income amount is the sum of controlled foreign company income, transferor trust income, foreign investment fund and foreign life assurance policy income amounts.
7. 'Other salary and wages category 1 ' and 'Other income n.e.i. (not elsewhere included) category 1 ' are components of 'Other income category 1 ', which is reported on the individual return (item 22, label Y ).
8. 'Other salary and wages category 2 ' and 'Other income n.e.i. (not elsewhere included) category 2' are components of 'Other income category 2', which is reported on the individual return (item 22, label V).
9. Components do not add to total number of taxpayers as taxpayers may declare more than one type of income source. The total income amount shown in this table is the sum of components as shown by the taxpayer on their annual income tax return. It is not necessarily the total income calculated by the Tax Office during assessment.

TABLE 3.2: Personal taxpayer deductions, 2001-02 income year

| Type of deduction ${ }^{1}$ | Taxpayers | Amount claimed |  |
| :--- | ---: | ---: | ---: |
|  | $\mathbf{N o .}$ | $\mathbf{\$ m}$ | \% |
| Work related expenses | $6,575,814$ | 9,630 | 48.9 |
| Prior year losses ${ }^{2}$ | 104,888 | 3,135 | 15.9 |
| Undeducted purchase price of Australian pension or annuity | 269,171 | 1,590 | 8.1 |
| Non-employer sponsored superannuation | 179,687 | 1,272 | 6.5 |
| Interest and dividends | $1,097,966$ | 1,263 | 6.4 |
| Cost of managing tax affairs | $4,880,325$ | 933 | 4.7 |
| Gifts or donations | $3,595,391$ | 868 | 4.4 |
| Low value pool | 97,628 | 50 | 0.3 |
| Undeducted purchase price of foreign pension or annuity | 43,893 | 43 | 0.2 |
| Film industry incentives | 1,589 | 20 | 0.1 |
| Election expenses | 2,369 | 4 | 0.0 |
| Project pool | 6,600 | 4 | 0.0 |
| Other | 325,831 | $\mathbf{8 7 7}$ | $\mathbf{4 . 5}$ |
| Total ${ }^{3}$ | $\mathbf{8 , 3 1 1 , 1 7 2}$ | $\mathbf{1 9 , 6 8 9}$ | $\mathbf{1 0 0 . 0}$ |

1. Definitions for the different types of deductions are in the personal tax glossary on the attached CD-ROM.
2. This is the sum of primary and non-primary production tax losses of earlier income years.
3. Components do not add to total number of taxpayers claiming deductions as taxpayers may claim more than one type of deduction.

Work related expenses are the most common type of deduction claimed. In 2001-02, 6.6 million people claimed such deductions. These deductions were valued at $\$ 9.6$ billion or 49\% of total deductions claimed (table 3.2). Male taxpayers accounted for $55 \%$ of the total number of taxpayers who claimed a work related expense. Their work related expense claims accounted for 67\% (\$6.5 billion) of total work related expenses. Female taxpayers accounted for $45 \%$ of the total number of taxpayers who claimed a work related expense. Their work related expense claims accounted for 33\% ( $\$ 3.2$ billion) of total work related expenses.

Generally, the higher the income of the taxpayer, the higher the average work related expense deduction claimed. In 2001-02, taxable personal taxpayers earning taxable income of $\$ 60,001$ or more accounted for only $12 \%$ of the total number of claimants (both taxable and non-taxable), but their
work related expenses accounted for 23\% (\$2.2 billion) of all work related expense deductions claimed (see personal tax detailed table 5, part C). Taxable personal taxpayers earning taxable income between \$20,001 and \$60,000 accounted for $63 \%$ of claimants, and $62 \%$ ( $\$ 5.9$ billion) of all work related expense deductions. The average claim per taxable person was higher among those earning \$60,001 or more taxable income $(\$ 2,726)$ than among those earning between $\$ 20,001$ and $\$ 60,000$ taxable income ( $\$ 1,438$ ).
Personal taxpayers can claim more than one work related expense (table 3.3). Clothing was the most common work related expense claimed, with 4.3 million taxpayers claiming $\$ 1.1$ billion worth of clothing (uniform) expenses. However, in value terms, motor vehicle expenses accounted for the largest share (38\%) of total work related expenses claimed, with the average claim valued at $\$ 1,862$.

TABLE 3.3: Personal taxpayer work related expenses, 2001-02 income year

| Work related expense $^{\mathbf{1}}$ | Taxpayers | Amount claimed |  |
| :--- | ---: | ---: | ---: |
|  | $\mathbf{N o .}$ | $\mathbf{\$ m}$ | $\%$ |
| Motor vehicle (or car) | $1,978,505$ | 3,685 | 38.3 |
| Clothing (or uniform) | $4,269,855$ | 1,079 | 11.2 |
| Self-education | 505,489 | 679 | 7.0 |
| Other travel | 529,640 | 751 | 7.8 |
| Other | $4,958,985$ | 3,437 | 35.7 |
| Total $^{2}$ | $\mathbf{6 , 5 7 5 , 8 1 4}$ | $\mathbf{9 , 6 3 0}$ | $\mathbf{1 0 0 . 0}$ |

[^1]
## PERSONAL TAXPAYERS WITH NET BUSINESS INCOME

In 2001-02 more than 1.4 million personal taxpayers declared net business income or loss on their return. This income comprised:
■ net business income primary production

- net business income non-primary production
- distribution from partnerships primary production
- distribution from partnerships non-primary production
- distribution from trusts primary production, and/or

■ net farm management withdrawals and deposits.

Note: Distribution from trusts non-primary production is generally income from investments, and thus has not been included in identifying taxpayers with net business income.

Eighteen per cent of taxpayers with net business income or loss (and whose industry was stated) were in the construction industry, a further $18 \%$ were in the property and business services industry. And 13\% were in the agriculture, forestry and fishing industry.

TABLE 3.4: Personal taxpayers with net business income ${ }^{1}$, by industry, 2001-02 income year

| Industry ${ }^{2}$ | No. of taxpayers <br> with net business <br> income or loss ${ }^{3}$ | No. of taxpayers <br> with net business <br> income | No. of taxpayers <br> with net business <br> income as a major <br> source | No. of taxpayers <br> with losses ${ }^{6}$ |
| :--- | ---: | ---: | ---: | ---: |
| Agriculture, forestry \& fishing | 104,683 | 52,507 | 32,715 | 16,069 |
| Mining | 1,396 | 1,053 | 694 | 250 |
| Manufacturing | 49,175 | 38,739 | 25,139 | 6,713 |
| Electricity, gas \& water supply | 426 | 352 | 231 | 46 |
| Construction | 149,559 | 138,590 | 108,340 | 7,652 |
| Wholesale trade | 14,355 | 10,000 | 6,589 | 2,371 |
| Retail trade | 66,270 | 47,248 | 33,541 | 11,262 |
| Accommodation, cafes \& | 10,003 | 6,222 | 4,145 | 1,893 |
| restaurants | 48,715 | 43,823 | 32,606 | 3,248 |
| Transport \& storage | 14,353 | 13,277 | 10,182 | 722 |
| Communication | 24,983 | 10,949 | 5,373 | 5,538 |
| Finance \& insurance | 146,562 | 123,010 | 67,194 | 15,824 |
| Property \& business services | 14,327 | 11,953 | 5,342 | 1,682 |
| Education | 52,310 | 45,332 | 28,451 | 5,221 |
| Health \& community services | 52,417 | 35,889 | 17,026 | 8,497 |
| Cultural \& recreational services | 62,504 | 50,376 | 33,735 | 8,390 |
| Personal \& other services | 812,038 | 629,320 | 411,303 | 95,378 |
| Total industries stated | 623,814 | 500,933 | 345,511 | 44,937 |
| Other ${ }^{7}$ | $\mathbf{1 , 4 3 5 , 8 5 2}$ | $\mathbf{1 , 1 3 0 , 2 5 3}$ | $\mathbf{7 5 6 , 8 1 4}$ | $\mathbf{1 4 0 , 3 1 5}$ |
| Total |  |  |  |  |

[^2]
## PERSONAL TAXPAYER BUSINESS EXPENSES

This section presents information on business expenses for all personal taxpayers who declared total business income (see footnote 1 of table 3.5).

Eight per cent $(788,978)$ of total personal taxpayers claimed business expenses worth $\$ 42$ billion in total (table 3.5). Male taxpayers accounted for $72 \%$ of the total number of taxpayers who claimed a business expense. Their business expense claims accounted for $80 \%$ ( $\$ 33.5$ billion) of total business expenses. Female taxpayers accounted for $28 \%$ of the total number of taxpayers who claimed a business expense. Their business expense claims accounted for $20 \%$ ( $\$ 8.5$ billion) of total business expenses.

In value terms, cost of sales expenses accounted for the largest share (40\%) of total business expenses for personal taxpayers. However, motor vehicle expenses were the most common business expense claimed, with 560,351 claimants.

Table 3.5 shows a breakdown of business expenses of personal taxpayers by different grades of total business income. In value terms, $74 \%$ of total business expenses were claimed by individuals with total business income of less than $\$ 1$ million. Cost of sales expenses accounted for $30 \%$ of total business expenses of individuals with total business income of less than $\$ 1$ million, $61 \%$ of total business expenses of individuals with total business income of $\$ 1$ million to less than $\$ 2$ million, and $77 \%$ of total business expenses of individuals with total business income of $\$ 2$ million or more.

TABLE 3.5: Personal taxpayer business expenses, by total business income, 2001-02 income year

| Type of expense ${ }^{2}$ |  | Total business income ${ }^{1}$ |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Less than \$1 million | $\$ 1$ million to less than \$2 million | \$2 million or more | Total |
| Cost of sales | No. | 211,343 | 2,484 | 1,473 | 215,300 |
|  | \$m | 9,206 | 2,499 | 5,292 | 16,997 |
| Motor vehicles | No. | 557,200 | 2,245 | 906 | 560,351 |
|  | \$m | 2,297 | 27 | 15 | 2,339 |
| Depreciation | No. | 488,312 | 2,522 | 1,137 | 491,971 |
|  | \$m | 1,534 | 43 | 38 | 1,615 |
| External labour ${ }^{3}$ | No. | 84,155 | 728 | 328 | 85,211 |
|  | \$m | 1,304 | 110 | 98 | 1,512 |
| Rent | No. | 140,885 | 1,649 | 777 | 143,311 |
|  | \$m | 1,275 | 73 | 81 | 1,429 |
| Interest | No. | 187,423 | 2,448 | 1,250 | 191,121 |
|  | \$m | 761 | 66 | 80 | 906 |
| Repairs \& maintenance | No. | 258,265 | 1,999 | 935 | 261,199 |
|  | \$m | 585 | 28 | 24 | 637 |
| Lease expenses | No. | 45,490 | 799 | 428 | 46,717 |
|  | \$m | 292 | 17 | 15 | 324 |
| Superannuation | No. | 61,703 | 1,690 | 762 | 64,155 |
|  | \$m | 286 | 34 | 26 | 345 |
| Bad debts | No. | 8,059 | 249 | 128 | 8,436 |
|  | \$m | 23 | 5 | 4 | 31 |
| Other expenses | No. | 749,639 | 3,188 | 1,512 | 754,339 |
|  | \$m | 13,511 | 1,197 | 1,147 | 15,855 |
| Total ${ }^{4}$ | No. | 784,047 | 3,321 | 1,610 | 788,978 |
|  | \$m | 31,073 | 4,098 | 6,821 | 41,991 |
| 1. 'Total business income' refers to the total business income in item P8 of the business and professional items schedule. <br> 2. Definitions for the different types of business expenses are in the personal tax glossary on the attached CD-ROM. <br> 3. Also referred to as 'Contractor, subcontractor and commission expenses'. |  |  |  |  |  |
| 4. Components do not add to total number of taxpayers claiming business expenses as taxpayers may claim more than one type of business expense. Total amounts claimed may differ slightly from the sum of components due to rounding. |  |  |  |  |  |

## PERSONAL TAXPAYER TAX OFFSETS AND CREDITS

The purpose of tax offsets (referred to as 'rebates' in previous editions) is to provide tax relief for certain personal taxpayers - for example, low income earners or pensioners. Tax offsets reduce the amount of tax payable on taxable income. Credits are for tax already paid by the taxpayer or by a trustee on behalf of the taxpayer.

In general, tax offsets can reduce the amount of tax owing only to $\$ 0$. An exception to this rule is the $30 \%$ private health insurance rebate, which is refundable if the taxpayer chooses to claim it through their tax return. Before 1 July 2000, if the imputation credits to which an individual was entitled exceeded the individual's tax liability in an income year, they could not get a refund of that excess. From 1 July 2000, individuals who received dividends from Australian shares or distributions from Australian managed funds can claim this difference back in full as a tax refund. This is known as the refund of excess imputation credits.

The tax liability of the majority of taxpayers is affected by tax offsets. In 2001-02 around 7 million people were assessed to be entitled to tax offsets and credits totalling $\$ 8.9$ billion (table 3.6). Male taxpayers accounted for $50 \%$ of the total number of taxpayers who were entitled to tax offsets and credits, while their tax offset and credits accounted for 59\% ( $\$ 5.2$ billion) of total tax offsets or credits. Female taxpayers accounted for $50 \%$ of the total number of taxpayers who were entitled to tax offsets and credits, while their tax offset and credit accounted for 41\% (\$3.7 billion) of total tax offsets and credits.

Table 3.6 shows a selected list of the tax offsets and credits taxpayers can claim or be entitled to receive. Tax offsets are divided into two major groups: tax offsets personal taxpayers claim and declare on their annual income tax returns and tax offsets the Tax Office calculates on behalf of taxpayers. In general, the Tax Office calculates these tax offsets based on information personal taxpayers declare on their returns.
To be eligible to claim or receive the tax offsets listed in table 3.6, taxpayers must satisfy certain conditions. For example to qualify for the zone or overseas forces tax offset, taxpayers must have lived in a remote or isolated area of Australia or served overseas as a member of Australia's Defence Force or a United Nations armed force. Eligibility for other tax offsets such as the low income tax offset or the Senior Australians tax offset depends on the taxable income of taxpayers (see box 3.4) and other factors. (Eligibility rules for the tax offsets listed in table 3.6 are discussed further in the glossary of this publication, TaxPack 2002, TaxPack 2002 supplement and the TaxPack 2002 for retirees booklets.)

The most common type of tax offset claimed on individual tax returns was imputation credit (primary imputation credit and partnership and trust share of imputation credit from franked dividends). More than 4 million personal taxpayers claimed imputation credits worth $\$ 4.3$ billion, accounting for $74 \%$ of total tax offsets claimed on individual tax returns.
Among the selected Tax Office calculated tax offsets reported in table 3.6, the most common type of tax offset personal
taxpayers were entitled to was the low income tax offset, with more than 3 million personal taxpayers entitled. However, this tax offset represented only 10\% (\$391 million) of the total value of selected Tax Office calculated tax offsets. There were 155,421 taxpayers who claimed the newly introduced baby bonus tax offset and the total value of the baby bonus tax offset they claimed ( $\$ 50.5$ million) accounted for $1 \%$ of the total value of selected Tax Office calculated tax offsets (box 3.4). Termination payment tax offsets had the highest total value ( $\$ 1.5$ billion), accounting for 39\% of the total value of selected Tax Office calculated tax offsets.

## BOX 3.4: Tax offsets based on taxable income ${ }^{1}$

It is important to remember that tax offsets such as the low income tax offset and Senior Australians tax offset are based on the taxable income of individuals and not their total income.
Taxable income is equal to total income less total deductions and tax losses of earlier income years. As shown in tables 3.2 and 3.3, there are 15 separate deduction items (including prior year losses). It is possible for people with high total incomes to claim large deductions which result in them having low taxable incomes that make them eligible to claim or to receive some tax offsets.

In personal tax detailed table 15, part D, for example, there were more than 140,000 personal taxpayers with total income of $\$ 25,000$ or more receiving the low income tax offset. These taxpayers could have claimed large deductions and/or prior year tax losses which resulted in them having taxable incomes of less than $\$ 24,450$, thus making them eligible to receive the low income tax offset. This is shown in personal tax detailed table 5 , part $D$, where there were no taxpayers with taxable income of $\$ 25,000$ or more receiving the low income tax offset.
Aside from taxable income, other factors/conditions are considered to determine if an individual is entitled to receive tax offsets. There is more information on eligibility rules in TaxPack 2002, TaxPack 2002 supplement, and the TaxPack 2002 for retirees booklets.

## BOX 3.5: Baby bonus tax offsets claimed, 2001-02

In 2001-02, 155,421 taxpayers claimed the newly introduced baby bonus tax offset (table 3.6). Ninety-four per cent of taxpayers who claimed the tax offset were women. Overall, women claimed 95\% (or $\$ 47.8$ million) of the baby bonus tax offset.

Eighty-six per cent $(133,595)$ of taxpayers claiming the baby bonus tax offset were non-taxable (that is, they were taxpayers with net tax payable equal to $\$ 0$ ) or had a taxable income less than \$25,000. These taxpayers accounted for $89 \%$ ( $\$ 45$ million) of the total value of baby bonus tax offsets claimed (see personal tax detailed table 5, part D).

Foreign tax credits were the most common type of credits among the credits reported in table 3.6. In 2001-02 there were 534,921 personal taxpayers who claimed foreign tax credits worth $\$ 112$ million.

TABLE 3.6: Selected tax offsets and credits claimed/Tax Office calculated, 2001-02 income year

| Type of tax offset and credit ${ }^{1}$ | Taxpayers |  | Amounts |
| :---: | :---: | :---: | :---: |
|  | No. | \$m ${ }^{2}$ | $\%^{3}$ |
| Tax offsets claimed/declared on return |  |  |  |
| Total imputation credit ${ }^{4}$ | 4,036,281 | 4,261 | 73.5 |
| Superannuation contribution, annuity \& pension | 423,166 | 584 | 10.1 |
| Spouse | 333,977 | 362 | 6.2 |
| Zone or overseas forces | 480,288 | 196 | 3.4 |
| Medical expenses | 384,114 | 192 | 3.3 |
| 30\% private health insurance | 380,696 | 164 | 2.8 |
| Parent/parent-in-law/invalid relative | 12,073 | 15 | 0.3 |
| Superannuation contributions on behalf of spouse | 32,891 | 14 | 0.2 |
| Landcare \& water tax offset brought forward from previous year | 330 | 0 | 0.0 |
| Landcare \& water facility claimed | 367 | 0 | 0.0 |
| Other | 4,869 | 10 | 0.2 |
| Total ${ }^{5}$ | n.a | 5,800 | 100.0 |
| Selected tax offsets calculated by the Tax Office |  |  |  |
| Termination payment | 264,257 | 1,465 | 39.1 |
| Senior Australians tax offset | 587,584 | 1,130 | 30.1 |
| Low income | 3,057,506 | 391 | 10.4 |
| Pension or pensioner | 231,726 | 308 | 8.2 |
| Averaging | 139,824 | 297 | 7.9 |
| Commonwealth of Australia benefits \& allowances tax offset ${ }^{7}$ | 282,007 | 100 | 2.7 |
| Baby bonus ${ }^{6}$ | 155,421 | 51 | 1.3 |
| Life assurance (insurance) bonus | 5,053 | 8 | 0.2 |
| Total ${ }^{5}$ | n.a | 3,748 | 100.0 |
| Selected credits claimed |  |  |  |
| Foreign tax credit | 534,921 | 112 | 94.1 |
| Section 100(2) ${ }^{8}$ | 2,686 | 7 | 5.9 |
| Total ${ }^{5}$ | n.a | 119 | 100.0 |
| Total tax offsets and credits - Tax Office assessed/allowed ${ }^{9}$ | 7,028,916 | 8,880 |  |
| 1. Definitions for the different types of tax offsets and credits are in the personal tax glossary on the attached CD-ROM. <br> 2. An amount of $\$ 0$ indicates an amount less than $\$ 500,000$. <br> 3. A share of $0.0 \%$ indicates a share of less than $0.05 \%$. Percentages calculated from actual (not rounded) figures. <br> 4. Sum of primary imputation credit (item 11 , label U on the individual return) and partnership and trust share of imputation credit from franked dividends (item 12 , label Q on the individual return). <br> 5. Components do not add to the total number of taxpayers claiming tax offsets or credits as taxpayers may claim more than one type of tax offset or credit. Total amounts claimed may differ slightly from the sum of components due to rounding. <br> 6. The number of taxpayers who claimed the baby bonus tax offset reported includes taxpayers who may not have lodged an individual tax return but lodged only the baby bonus claim form. <br> 7. Also referred to as 'Beneficiary tax offset'. <br> 8. The total share of credits for tax paid by a trustee. <br> 9. The total number here refers to the number of taxpayers assessed by the Tax Office to be entitled to certain tax offsets and credits. The total amount is calculated by the Tax Office during tax return assessment and includes amounts allowed by the Tax Office (which may differ from amounts claimed by taxpayers). The total amount may also include certain types of tax offsets or credits not included in the table (for example, other Tax Office calculated tax offsets) or exclude amounts listed above. Therefore, it will not necessarily agree with the sum of component items in the table. |  |  |  |
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## MEDICARE LEVY AND MEDICARE LEVY SURCHARGE

The Medicare levy is used to partially fund Medicare, the scheme that gives Australian residents access to health care. Most individuals who are residents of Australia at any time during the income year are liable to pay a Medicare levy based on their taxable income for the year. The Medicare levy is calculated at $1.5 \%$ of an individual's taxable income. However, this calculation may vary in certain circumstances.

Relief from the levy is provided to certain low income earners. A person whose taxable income for 2001-02 was \$14,539 or less did not have to pay the levy. If the person's income was more than $\$ 14,539$ but less than $\$ 15,717$, they had to pay a levy equal to $20 \%$ of the difference between their income and $\$ 14,539$. If the person's income was $\$ 15,717$ or more, they had to pay a levy equal to $1.5 \%$ of their taxable income.

If a taxpayer received a Commonwealth taxable pension, allowance or payment and they were below age pension age, they did not have to pay the Medicare levy if their taxable income was $\$ 16,570$ or less. If their taxable income was more than $\$ 16,570$ but less than $\$ 17,913$, they had to pay a levy equal to $20 \%$ of the difference between their income and \$16,570 (that is, their Medicare levy was calculated at 20 cents for every dollar above $\$ 16,570$ but below $\$ 17,913$ ).

If a taxpayer was eligible for the senior Australians tax offset, they did not have to pay the Medicare levy if their taxable income was $\$ 20,000$ or less. If their taxable income was more than $\$ 20,000$ but less than $\$ 21,622$, they had to pay a levy equal to 20\% of the difference between their income and $\$ 20,000$ (that is, their Medicare levy was calculated at 20 cents for every dollar above \$20,000 but below \$21,622).

However, the income threshold for Medicare levy relief can vary depending on a person's marital status or number of dependants. For the 2001-02 income year, a taxpayer may have been eligible for a reduced levy based on family income (the combined taxable income of the taxpayer and their spouse) if they:

- had a spouse (married or de facto) on 30 June 2002 - had a spouse who died during 2001-02
- were entitled to a child-housekeeper or housekeeper tax offset or would be entitled if they were not eligible for the family tax benefit, or
- were a sole parent at any time during 2001-02.

If the taxpayer was classified in one of the four categories above, and their family income was less than or equal to the relevant lower income limit in table 3.7, they did not have to pay the levy. However, if the taxpayer's family income was more than the relevant lower income limit but less than or equal to the relevant upper limit in table 3.7, they paid a reduced levy.

TABLE 3.7: Family income thresholds, 2001-02 income year

| Number of dependent <br> children and students <br> during 2001-02 | Lower | Upper income <br> income limit <br> $\mathbf{\$}$ |
| :---: | ---: | ---: |
| 0 | 24,534 | 26,523 |
| $\mathbf{l i m i t}$ |  |  |
| $\mathbf{\$}$ |  |  |$|$| 1 | 26,787 | 28,958 |
| :---: | ---: | ---: |
| 2 | 29,040 | 31,394 |
| 3 | 31,293 | 33,830 |
| 4 | 33,546 | 36,265 |

1. For taxpayers with more than four dependent children or students, the lower income limit increases by $\$ 2,253$ for each additional child or student and the upper income limit increases by $\$ 2,435$ for each additional child or student.

If a taxpayer was eligible for the Senior Australians tax offset and their family income was $\$ 31,729$ or less, they did not have to pay the Medicare levy. If the family income was more than $\$ 31,729$ but less than $\$ 34,301$, they paid a reduced levy. (As in table 3.7, the lower income limit of $\$ 31,729$ increases by $\$ 2,253$ for each additional child or student, while the upper income limit of \$34,301 increases by \$2,435 for each additional child or student.)

Other taxpayers who did not have a spouse or dependant may still have been exempt from paying the Medicare levy if:

- they were a blind pensioner or they received the sickness allowance from Centrelink
- they were entitled to full free medical treatment for all conditions under Defence Force arrangements or Veterans' Affairs Repatriation Health Card (Gold Card) or repatriation arrangements
- they were not an Australian resident for tax purposes
- they were a resident of Norfolk Island
- they were a member of a diplomatic mission or consular post in Australia (or a member of such a person's family and they were living with them), they were not an Australian citizen and did not ordinarily live in Australia, or
- they had a certificate from the Levy Exemption Certification Unit of the Health Insurance Commission showing they were not entitled to Medicare benefits.
In 2001-02 around 7 million personal taxpayers were liable for the Medicare levy, valued at $\$ 4.5$ billion in total. Of the total number of taxpayers liable for the Medicare levy, $57 \%$ were male and $43 \%$ were female. Male taxpayers accounted for $63 \%$ of the total levy, while female taxpayers were liable for $37 \%$ of the total levy. On average, male taxpayers were liable for a Medicare levy of $\$ 726$, while female taxpayers were liable for a Medicare levy of \$550 (table 3.8).

From 1 July 1997 higher income individuals and families who do not have adequate private patient hospital cover pay an extra 1\% of their taxable income for the Medicare levy surcharge. This is in addition to the normal 1.5\% Medicare levy. A personal taxpayer is liable for the Medicare levy surcharge if they and all their dependants do not have adequate private patient hospital cover and:

- they are a single person without a dependent child or children and have a taxable income for Medicare levy surcharge purposes of more than $\$ 50,000$, or
- they are a member of a family and the combined taxable income for Medicare levy surcharge purposes of the taxpayer and their spouse is more than $\$ 100,000$, plus $\$ 1,500$ for each dependant after the first one.
In 2001-02, 161,462 personal taxpayers were liable to pay the Medicare levy surcharge, valued at around $\$ 98$ million in total (an average of $\$ 605$ per person). Of the total number of taxpayers liable to pay the Medicare levy surcharge, $66 \%$ were male and $34 \%$ were female. Male taxpayers were liable for $70 \%$ of the total surcharge while female taxpayers accounted for $30 \%$ of the total surcharge. On average, male taxpayers were liable for a Medicare levy surcharge of $\$ 646$, while female taxpayers were liable for a Medicare levy surcharge of \$527 (table 3.8).

TABLE 3.8: Medicare levy and Medicare levy surcharge, by sex, 2001-02 income year

## Medicare levy

|  | Taxpayers |  | Amount |  | Average |
| :--- | ---: | ---: | ---: | ---: | ---: |
|  | No. | $\%$ | \$m | $\%$ | $\mathbf{\$}$ |
| Male | $3,960,463$ | 56.8 | 2,877 | 63.4 | 726 |
| Female | $3,016,630$ | 43.2 | 1,658 | 36.6 | 550 |
| Total | $\mathbf{6 , 9 7 7 , 0 9 3}$ | $\mathbf{1 0 0 . 0}$ | $\mathbf{4 , 5 3 5}$ | $\mathbf{1 0 0 . 0}$ | $\mathbf{6 5 0}$ |

Medicare levy surcharge

|  | Taxpayers |  | Amount |  | Average |
| :--- | ---: | ---: | ---: | ---: | ---: |
|  | No. | \% | \$m | \% | $\mathbf{\$}$ |
| Male | 106,534 | 66.0 | 69 | 70.4 | 646 |
| Female | 54,928 | 34.0 | 29 | 29.6 | 527 |
| Total | $\mathbf{1 6 1 , 4 6 2}$ | $\mathbf{1 0 0 . 0}$ | $\mathbf{9 8}$ | $\mathbf{1 0 0 . 0}$ | 605 |

## PERSONAL TAXPAYER NET TAX

In 2001-02, 8.4 million individuals (4.6 million male taxpayers and 3.8 million female taxpayers) were liable for $\$ 80.2$ billion in net tax. Male taxpayers were liable for $\$ 53.6$ billion in net tax, and had an average net tax of $\$ 11,570$. Female taxpayers were liable for $\$ 26.5$ billion in net tax and had an average net tax of \$7,063 (personal tax detailed table 1).

## BOX 3.6: Calculating net tax for personal taxpayers ${ }^{1}$

Net tax in this chapter refers to the net tax personal taxpayers are liable to pay before the application of any refundable items.

Before the 2000-01 income year, net tax was calculated using the formula:
Net tax $=\left[\right.$ tax on taxable income ${ }^{2}+$ complementary tax ${ }^{3}$ - total tax offsets (or rebates) and credits] ${ }^{4}+$ Medicare levy

+ Medicare levy surcharge.
(Imputation credits were included in total tax offsets and credits.)
However, from the 2000-01 income year onwards, imputation credits became refundable to taxpayers. They are no longer included in total tax offsets and credits. Thus the net tax payable amount for the 2001-02 income year includes imputation credits. Net tax was calculated using the following formula:
Net tax = (tax on taxable income ${ }^{2}+$ complementary tax ${ }^{3}$
- total tax offsets and credits) ${ }^{4}+$ Medicare levy + Medicare levy surcharge.
(Total tax offsets and credits do not include the 30\% private health insurance tax offset, imputation credit, share of imputation credit from franked dividends and the section 100(2) credit.)

Imputation credits and other refunds are deducted after net tax is calculated to give the balance payable/ refundable.
This box presents only general descriptions of the above terms. It does not provide full technical or legal definitions. Definitions for most items in this box are in the personal tax glossary included on the attached CD-ROM. More information on how net tax payable and balance payable/ refundable are calculated for personal taxpayers is included in the instructions booklet.

Taxable income $=$ Total income - total deductions - primary production prior year losses - non-primary production prior year losses. Personal income tax rates applied to taxable income are worked out based on a marginal scale (see table 3.9)
The amount of tax added to ordinary tax when a primary producer's average income exceeds taxable income.
This part of the calculation cannot result in an amount of less than \$0.

1. This box presents only general descriptions of the above terms. It does not provide full technical or legal definitions. Definitions for most items in this box are in the personal taxpayer section of the glossary included on the attached CD-ROM. More information on how net tax payable and balance payable/refundable are calculated for personal taxpayers is included in the instructions booklet.
2. Taxable income $=$ Total income - total deductions - primary production prior year losses - non-primary production prior year losses. Personal income tax rates applied to taxable income are worked out based on a marginal scale (see table 3.9)
3. The amount of tax added to ordinary tax when a primary producer's average income exceeds taxable income.
4. This part of the calculation cannot result in an amount of less than $\$ 0$.

TABLE 3.9: Personal income tax rates for residents, 2001-02 income year

Taxable income Tax rate or tax on income range range

| $\$ 0-\$ 6,000$ | $0 \%$ or $\$ 0$ |
| :--- | :--- |
| $\$ 6,001-\$ 20,000$ | $17 \%$ or 17 cents for each $\$ 1$ over <br> $\$ 6,000$ |
| $\$ 20,001-\$ 50,000$ | $30 \%$ or $\$ 2,380+30$ cents for each $\$ 1$ <br> over $\$ 20,000$ |
| $\$ 50,001-\$ 60,000$ | $42 \%$ or $\$ 11,380+42$ cents for each <br> $\$ 1$ over $\$ 50,000$ |
| $\$ 60,001$ or more | $47 \%$ or $\$ 15,580+47$ cents for each <br> $\$ 1$ over $\$ 60,000$ |

Personal taxpayers with taxable income of \$60,001 or more accounted for 46\% (\$36.9 billion) of total net tax payable by personal taxpayers (table 3.10).

TABLE 3.10: Net tax payable, by taxable income, 2001-02 income year

| Taxable income | Taxpayers $^{1}$ |  | Net tax payable |  |
| :--- | ---: | ---: | ---: | ---: |
|  | No. | $\%$ | $\$ \mathbf{\$ m}$ | $\%^{2}$ |
| Less than $\$ 6,000$ | 32,337 | 0.4 | 22 | 0 |
| $\$ 6,001-\$ 20,000$ | $1,913,996$ | 22.8 | 2,375 | 3 |
| \$20,001-\$50,000 | $4,653,960$ | 55.4 | 30,814 | 38.4 |
| \$50,001-\$60,000 | 731,457 | 8.7 | 10,113 | 12.6 |
| \$60,001 or more | $1,063,841$ | 12.7 | 36,884 | 46 |
| Total | $\mathbf{8 , 3 9 5 , 5 9 1}$ | $\mathbf{1 0 0}$ | $\mathbf{8 0 , 2 0 7}$ | $\mathbf{1 0 0}$ |

1. Taxpayer population includes only taxable individuals, that is, personal taxpayers with net tax payable greater than $\$ 0$.
2. A share of $0.0 \%$ indicates a share of less than $0.05 \%$.

Senior Australians entitled to the Senior Australians tax offset do not have to pay income tax or the Medicare levy unless their income is more than the amounts shown in table 3.11.

## TABLE 3.11: Income tax thresholds for senior Australians, 2001-02 income year

| Type of senior Australian <br> taxpayer | Income tax threshold |
| :--- | ---: |
| Single at any time during the year | $\$ 20,000$ |
| Had a spouse but either the <br> taxpayer or their spouse lived in a <br> nursing home or they had to live <br> apart due to illness | $\$ 18,882$ |
| Lived with their spouse for the full <br> year | $\$ 16,306$ |

## HIGHER EDUCATION CONTRIBUTION SCHEME AND STUDENT FINANCIAL SUPPLEMENT SCHEME

The Higher Education Contribution Scheme (HECS) began in 1989 as a way to supplement funding of Australia's higher education system. Through the scheme, students have to contribute to the cost of their higher education.

In 2002 the annual course contribution for a full-time course started before 1997 was $\$ 2,600$ or $\$ 1,300$ each semester. However, for full-time courses commenced in 1997 and later years, the contribution varies according to the individual units of study taken. Units of study are divided into three bands (table 3.12).

TABLE 3.12: Full-time, full-year HECS contributions for each band, 2001-02 income year

| Band | Course | Contribution \$ |
| :---: | :---: | :---: |
| 1 | Arts, Humanities, Social Studies/Behavioural Sciences, Education, Visual/Performing Arts, Nursing, Justice and Legal Studies | 3,521 |
| 2 | Mathematics, Computing, other Health Sciences, Agriculture/Renewable Resources, Built Environment/ Architecture, Sciences, Engineering/Processing, Administration, Business and Economics | 5,015 |
| 3 | Law, Medicine, Medical Science, Dentistry, Dental Services, Veterinary Science | 5,870 |

In general, students liable to make contributions under the scheme can pay upfront to the institution or defer their liability and pay through the tax system when their HECS repayment income reaches the minimum threshold.

The HECS repayment income is a person's taxable income plus any amount of taxable income that has been reduced by a net rental loss plus total reportable fringe benefits amounts. The income thresholds and repayment rates for the 2001-02 income year are listed in table 3.13.
For 2001-02, 321,447 personal taxpayers were assessed by the Tax Office as having a HECS debt payable, with debt totalling $\$ 563$ million. Male taxpayers accounted for $42 \%$ of these taxpayers and were liable for 44\% (\$246 million) of the total HECS debt payable. Female taxpayers accounted for 58\% of these taxpayers and were liable for 56\% (\$317 million) of the total HECS debt payable (table 3.14).

The Student Financial Supplement Scheme (SFSS) (or Supplementary Loan Scheme (SLS)) is a voluntary loan scheme that gives tertiary students the option to borrow
money to help cover their living expenses while studying. Only SFSS loans taken out between 1993 and 1997 were subject to compulsory repayment through the tax system in 2001-02.

Personal taxpayers do not have to repay any money towards their outstanding SFSS debt until their taxable income is greater than \$32,918.

TABLE 3.13: HECS repayment income schedule, 2001-02 income year

| HECS repayment <br> income threshold | Repayment rate applied to HECS <br> repayment income <br> $\%$ |
| :--- | ---: |
| Below $\$ 23,242$ | Nil |
| $\$ 23,242-\$ 24,510$ | 3.0 |
| $\$ 24,511-\$ 26,412$ | 3.5 |
| $\$ 26,413-\$ 30,638$ | 4.0 |
| $\$ 30,639-\$ 36,977$ | 4.5 |
| $\$ 36,978-\$ 38,921$ | 5.0 |
| $\$ 38,922-\$ 41,837$ | 5.5 |
| $\$ 41,838$ or more | 6.0 |

TABLE 3.14: HECS assessment debt and SFSS debt (or SLS assessment debt), by sex, 2001-02 income year

## HECS assessment debt

|  | Taxpayers |  | Amount |  | Average |
| :--- | ---: | ---: | ---: | ---: | ---: |
|  | No. | $\%$ | \$m | $\%$ | $\mathbf{\$}$ |
| Male | 134,743 | 41.9 | 246 | 43.6 | 1,822 |
| Female | 186,704 | 58.1 | 317 | 56.4 | 1,699 |
| Total | 321,447 | 100.0 | 563 | 100.0 | 1,750 |

SFSS debt (or SLS assessment debt)

|  | Taxpayers |  | Amount |  | Average \$ |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  | No. | \% | \$m | \% |  |
| Male | 18,580 | 54.4 | 25 | 57.7 | 1,319 |
| Female | 15,583 | 45.6 | 18 | 42.3 | 1,151 |
| Total | 34,163 | 100.0 | 42 | 100.0 | 1,242 |

For 2001-02 the SFSS repayment amount (referred to as the SLS assessment debt in the personal tax detailed tables) is calculated using the rates shown in table 3.15.

TABLE 3.15: SFSS repayment income schedule, 2001-02 income year

| Taxable <br> repayment <br> income threshold | Repayment rate applied to SFSS <br> repayment income <br> $\%$ |
| :--- | ---: |
| Below $\$ 32,918$ | Nil |
| $\$ 32,918-\$ 37,407$ | 2 |
| $\$ 37,408-\$ 52,372$ | 3 |
| $\$ 52,373$ or more | 4 |

For 2001-02 a total of 34,163 personal taxpayers were assessed by the Tax Office as having an SFSS debt (or SLS assessment debt) payable, totalling approximately $\$ 42$ million. Male taxpayers accounted for 54\% of these taxpayers and were liable for 58\% (\$25 million) of the total SFSS debt payable. Female taxpayers accounted for $46 \%$ of these taxpayers and were liable for 42\% (\$18 million) of the total SFSS debt payable (table 3.14).

## POSTCODE TABLES

This section contains tables (table 3.16 to table 3.23) showing 10 postcodes with the highest average (mean) taxable income of taxable personal taxpayers, and 10 postcodes with the lowest average (mean) taxable income of taxable personal taxpayers in each state or territory.
Table 3.24 shows for the whole of Australia:
$\square 10$ postcodes with the highest average (mean) taxable income of taxable personal taxpayers, and

- 10 postcodes with the lowest average (mean) taxable income of taxable personal taxpayers.

Selected statistics for other postcodes within different states and territories are available in personal tax detailed table 3, parts A to H .

TABLE 3.16: Highest and lowest mean income earning postcodes - New South Wales ${ }^{1}$, 2001-02 income year

| Postcode | Taxable ${ }^{2}$ | Taxable income | Mean taxable income ${ }^{3}$ | Total imput | ion credits | Net tax | Mean net tax ${ }^{4}$ | Net tax ratio ${ }^{5}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | No. | \$'000 | \$ | No. | \$'000 | \$'000 | \$ | \% |
| Top 10 |  |  |  |  |  |  |  |  |
| 2027 | 4,611 | 517,168 | 112,160 | 2,625 | 38,229 | 194,709 | 42,227 | 37.6 |
| 2088 | 15,056 | 1,426,105 | 94,720 | 8,147 | 53,557 | 517,517 | 34,373 | 36.3 |
| 2110 | 4,347 | 393,948 | 90,625 | 2,510 | 20,793 | 141,665 | 32,589 | 36.0 |
| 2023 | 4,935 | 437,796 | 88,713 | 2,597 | 23,667 | 154,429 | 31,293 | 35.3 |
| 2030 | 7,498 | 644,054 | 85,897 | 4,156 | 33,431 | 229,788 | 30,647 | 35.7 |
| 2063 | 3,204 | 273,500 | 85,362 | 1,940 | 10,064 | 97,446 | 30,414 | 35.6 |
| 2025 | 4,185 | 346,237 | 82,733 | 2,133 | 15,259 | 121,130 | 28,944 | 35.0 |
| 2028 | 2,941 | 239,333 | 81,378 | 1,464 | 10,712 | 83,843 | 28,508 | 35.0 |
| 2071 | 6,068 | 484,102 | 79,780 | 4,043 | 22,291 | 167,552 | 27,612 | 34.6 |
| 2090 | 6,990 | 532,213 | 76,139 | 3,432 | 16,476 | 180,577 | 25,834 | 33.9 |
| Bottom 10 |  |  |  |  |  |  |  |  |
| 2469 | 919 | 25,380 | 27,617 | 378 | 267 | 4,707 | 5,122 | 18.5 |
| 2471 | 704 | 19,215 | 27,294 | 238 | 70 | 3,532 | 5,018 | 18.4 |
| 2717 | 567 | 15,429 | 27,211 | 150 | 128 | 2,891 | 5,099 | 18.7 |
| 2359 | 241 | 6,413 | 26,609 | 101 | 32 | 1,144 | 4,745 | 17.8 |
| 2476 | 253 | 6,730 | 26,600 | 108 | 36 | 1,182 | 4,672 | 17.6 |
| 2449 | 569 | 14,785 | 25,984 | 302 | 164 | 2,660 | 4,674 | 18.0 |
| 2735 | 154 | 3,971 | 25,782 | 48 | 19 | 677 | 4,394 | 17.0 |
| 2424 | 102 | 2,626 | 25,742 | 33 | 16 | 453 | 4,437 | 17.2 |
| 2361 | 252 | 6,404 | 25,414 | 89 | 33 | 1,062 | 4,214 | 16.6 |
| 2308 | 65 | 1,459 | 22,446 | 11 | 1 | 270 | 4,159 | 18.5 |
| Total NSW | 2,791,550 | 17,218,696 | 41,991 | 1,066,578 | 1,562,899 | 29,934,519 | 10,723 | 25.5 |

1. For statistics on other postcodes in New South Wales see personal tax detailed table 3, part A: New South Wales.
2. Refers to personal taxpayers with net tax payable greater than $\$ 0$.
3. Mean (or average) taxable income in this table refers only to taxable individuals.
4. Mean net tax in this table is calculated by dividing net tax by the number of taxable individuals.
5. The calculation of net tax ratio is: net tax / taxable income.

## Top 10

2027 Darling Point, Edgecliff, HMAS Rushcutters, Point Piper
2088 Clifton Gardens, Georges Heights, Mosman, Spit Junction, The Spit
2110 Hunters Hill, Hunters Hill West, Woolwich

2023 Bellevue Hill
2030 Diamond Bay, Dover Heights, HMAS Watson, Rose Bay North, Vaucluse, Watsons Bay
2063 Northbridge
2025 Woollahra
2028 Double Bay
2071 Killara
2090 Cremorne, Cremorne Point

## Bottom 10

2469 Banyabba, Bean Creek, Bingeebeebra, Bonalbo, Boomadeerie, Bottle Creek, Bulldog, Bungawalbin, Busby's Flat, Camira, Camira Creek, Capeen, Chatsworth, Clearfield, Clover Park, Coongbar, Culmaran Creek, Deep Creek, Drake, Duck Creek, Ewingar, Gibberagee, Goodwood Island, Hogarth Range, Jacksons Flat, Kippenduff, Louisa Creek, Mallanganee, Mookima Wybra, Mororo, Mount Marsh, Mummulgum, Myrtle Creek, Old Bonalbo, Paddy's Flat, Pikapene, Pretty Gully, Rappville, Six Mile Swamp, Tabulam, Theresa Creek, Tunglebung, Warregah Island, Whiporie, Woombah, Wyan
2471 Bora Ridge, Codrington, Coraki, Green Forest, Greenridge, Tatham

## 2717 Dareton

2359 Bundarra, Camerons Creek
2476 Acacia Creek, Acacia Plateau, Boomi Creek, Dalman, Legume, Lindesay Creek, Lower Acacia Creek, Old Koorelah, Woodenbong
2449 Argents Hill, Bowraville, Girralong, Kennaicle Creek, Ketelghay, Missabotti, South Arm, Tewinga, Upper Nambucca
2735 Koraleigh
2424 Caffreys Flat, Charity Creek, Cooplacurripa, Cundle Flat, Knorrit Flat, Mount George, Number One, Rocks Crossing, Tiri, Woodside
2361 Ashford, Atholwood, Bonshaw, Limestone, Pindaroi
2308 Callaghan, Newcastle University

TABLE 3.17: Highest and lowest mean income-earning postcodes - Victoria ${ }^{1}$, 2001-02 income year

| Postcode | Taxable ${ }^{2}$ | Taxable income | Mean taxable income ${ }^{3}$ | Total imputation credits |  | Net tax$\$ ’ 000$ | Mean net tax ${ }^{4}$ \$ | Net tax ratio ${ }^{5}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | No. | \$'000 | \$ | No. | \$'000 |  |  |  |
| Top 10 |  |  |  |  |  |  |  |  |
| 3142 | 7,925 | 813,425 | 102,640 | 4,533 | 53,002 | 301,873 | 38,091 | 37.1 |
| 3944 | 222 | 22,446 | 101,109 | 139 | 3,267 | 8,391 | 37,798 | 37.4 |
| 3186 | 11,828 | 922,044 | 77,954 | 6,424 | 39,109 | 314,591 | 26,597 | 34.1 |
| 3126 | 4,347 | 326,087 | 75,014 | 2,440 | 13,158 | 110,453 | 25,409 | 33.9 |
| 3002 | 2,377 | 176,463 | 74,238 | 1,114 | 8,005 | 59,600 | 25,074 | 33.8 |
| 3004 | 2,594 | 190,061 | 73,269 | 1,004 | 6,972 | 64,394 | 24,824 | 33.9 |
| 3144 | 5,888 | 408,148 | 69,319 | 3,252 | 19,877 | 135,311 | 22,981 | 33.2 |
| 3141 | 9,480 | 618,771 | 65,271 | 3,688 | 21,243 | 200,079 | 21,105 | 32.3 |
| 3143 | 4,686 | 304,613 | 65,005 | 2,212 | 10,205 | 98,132 | 20,942 | 32.2 |
| 3206 | 5,578 | 359,768 | 64,498 | 2,477 | 9,597 | 115,023 | 20,621 | 32.0 |
| Bottom 10 |  |  |  |  |  |  |  |  |
| 3594 | 247 | 6,800 | 27,531 | 79 | 119 | 1,312 | 5,312 | 19.3 |
| 3236 | 108 | 2,971 | 27,510 | 32 | 23 | 558 | 5,165 | 18.8 |
| 3520 | 68 | 1,868 | 27,465 | 26 | 8 | 296 | 4,357 | 15.9 |
| 3920 | 717 | 19,491 | 27,184 | 73 | 21 | 3,588 | 5,004 | 18.4 |
| 3581 | 70 | 1,895 | 27,065 | 26 | 9 | 347 | 4,959 | 18.3 |
| 3583 | 64 | 1,731 | 27,051 | 16 | 4 | 312 | 4,877 | 18.0 |
| 3469 | 97 | 2,581 | 26,609 | 36 | 20 | 469 | 4,835 | 18.2 |
| 3895 | 83 | 2,171 | 26,152 | 38 | 27 | 346 | 4,168 | 15.9 |
| 3778 | 91 | 2,272 | 24,964 | 18 | 8 | 395 | 4,346 | 17.4 |
| 3800 | 58 | 1,338 | 23,064 | 9 | 2 | 243 | 4,189 | 18.2 |
| Total VIC | 2,132,330 | 84,051,514 | 39,418 | 683,323 | 1,072,923 | 20,463,071 | 9,597 | 24.3 |

1. For statistics on other postcodes in Victoria see personal tax detailed table 3, part B: Victoria.
2. Refers to personal taxpayers with net tax payable greater than \$0.
3. Mean (or average) taxable income in this table refers only to taxable individuals.
4. Mean net tax in this table is calculated by dividing net tax by the number of taxable individuals.
5. The calculation of net tax ratio is: net tax / taxable income.

## Top 10

3142 Toorak
3944 Portsea
3186 Brighton, Brighton North
3126 Canterbury, Camberwell East
3002 East Melbourne, Jolimont
3004 Melbourne
3144 Kooyong, Malvern
3141 South Yarra
3143 Armadale
3206 Albert Park, Middle Park

## Bottom 10

3594 Nyah
3236 Forrest, Mount Sabine
3520 Kinypanial, Korong Vale, South Kinypanial
3920 Flinders Naval Depot, HMAS Cerberus
3581 Bael Bael, Beauchamp, Lake Charm, Mystic Park, Sandhill Lake
3583 Tresco
3469 Elmhurst
3895 Doctors Flat, Ensay, Ensay North
3778 Fernshaw, Narbethong
3800 Monash University

TABLE 3.18: Highest and lowest mean income-earning postcodes - Queensland ${ }^{1}$, 2001-02 income year

| Postcode | Taxable ${ }^{2}$ | Taxable income | Mean taxable income ${ }^{3}$ | Total imputation credits |  | Net tax \$'000 | Mean net $\operatorname{tax}^{4}$ \$ | Net tax ratio ${ }^{5}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | No. | \$'000 |  | No. | \$'000 |  |  |  |
| Top 10 |  |  |  |  |  |  |  |  |
| 4709 | 684 | 45,722 | 66,845 | 252 | 71 | 14,720 | 21,520 | 32.2 |
| 4007 | 4,988 | 332,366 | 66,633 | 2,159 | 12,652 | 109,869 | 22,027 | 33.1 |
| 4744 | 2,982 | 180,809 | 60,633 | 1,305 | 787 | 56,173 | 18,837 | 31.1 |
| 4743 | 477 | 28,279 | 59,286 | 164 | 35 | 8,594 | 18,017 | 30.4 |
| 4746 | 992 | 58,604 | 59,076 | 303 | 134 | 17,787 | 17,930 | 30.4 |
| 4717 | 2,250 | 131,693 | 58,530 | 773 | 474 | 39,974 | 17,766 | 30.4 |
| 4745 | 1,304 | 75,674 | 58,032 | 584 | 385 | 22,795 | 17,481 | 30.1 |
| 4069 | 15,678 | 848,438 | 54,116 | 7,675 | 22,713 | 249,915 | 15,940 | 29.5 |
| 4067 | 3,762 | 190,974 | 50,764 | 1,704 | 6,583 | 56,257 | 14,954 | 29.5 |
| 4068 | 10,009 | 507,036 | 50,658 | 4,329 | 16,581 | 147,994 | 14,786 | 29.2 |
| Bottom 10 |  |  |  |  |  |  |  |  |
| 4353 | 99 | 2,570 | 25,955 | 34 | 14 | 461 | 4,660 | 18.0 |
| 4468 | 129 | 3,323 | 25,761 | 37 | 21 | 546 | 4,231 | 16.4 |
| 4659 | 749 | 19,231 | 25,676 | 186 | 122 | 3,286 | 4,387 | 17.1 |
| 4673 | 184 | 4,711 | 25,605 | 50 | 36 | 863 | 4,692 | 18.3 |
| 4612 | 100 | 2,548 | 25,484 | 29 | 15 | 456 | 4,557 | 17.9 |
| 4381 | 147 | 3,740 | 25,440 | 38 | 9 | 658 | 4,477 | 17.6 |
| 4467 | 65 | 1,618 | 24,886 | 18 | 4 | 255 | 3,919 | 15.7 |
| 4425 | 80 | 1,965 | 24,567 | 31 | 10 | 323 | 4,032 | 16.4 |
| 4412 | 83 | 1,942 | 23,393 | 35 | 15 | 310 | 3,732 | 16.0 |
| 4424 | 59 | 1,375 | 23,298 | 29 | 28 | 237 | 4,023 | 17.3 |
| Total QLD | 1,554,257 | 55,906,403 | 35,970 | 440,492 | 573,619 | 12,803,065 | 8,237 | 22.9 |

1. For statistics on other postcodes in Queensland see personal tax detailed table 3, part C: Queensland.
2. Refers to personal taxpayers with net tax payable greater than $\$ 0$.
3. Mean (or average) taxable income in this table refers only to taxable individuals.
4. Mean net tax in this table is calculated by dividing net tax by the number of taxable individuals.
5. The calculation of net tax ratio is: net tax / taxable income.

## Top 10

4709 Tieri
4007 Brisbane Airport, Doomben, Hamilton, Hamilton Central, Whitstanes
4744 Moranbah, Peak Downs Mine
4743 Glenden, Suttor
4746 German Creek, May Downs, Middlemount

4717 Blackwater
4745 Dysart, Norwich Park
4069 Brookfield, Chapel Hill, Fig Tree Pocket, Kenmore, Kenmore East, Kenmore Hills, Lone Pine, Pinjarra Hills, Pullenvale, Upper Brookfield
4067 Ironside, St Lucia, St Lucia South
4068 Chelmer, Indooroopilly, Indooroopilly Centre, Taringa

## Bottom 10

4353 Haden, Bergen, East Cooyar
4468 Morven
4659 Beelbi Creek, Burgowan, Burrum, Burrum Heads, Burrum River, Burrum Town, Howard, Pacific Haven
4673 Littiabella, Miara, Waterloo, Yandaran
4612 Hivesville, Kawl Kawl, Keysland, Stonelands, Wigton
4381 Glen Alpin
4467 Mungallala
4425 Bogandilla, Dulacca
4412 Brigalow
4424 Drillham, Drillham South, Glenaubyn

TABLE 3.19: Highest and lowest mean income-earning postcodes - South Australia ${ }^{1}$, 2001-02 income year

| Postcode | Taxable ${ }^{2}$ | Taxable income | Mean taxable income ${ }^{3}$ | Total imputation credits |  | Net tax \$'000 | Mean net $\operatorname{tax}^{4}$ \$ | Net tax ratio ${ }^{5}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | No. | \$'000 |  | No. | \$'000 |  |  |  |
| Top 10 |  |  |  |  |  |  |  |  |
| 5632 | 153 | 11,268 | 73,645 | 119 | 239 | 2,998 | 19,596 | 26.6 |
| 5552 | 93 | 6,087 | 65,452 | 67 | 101 | 1,498 | 16,103 | 24.6 |
| 5006 | 3,310 | 204,304 | 61,723 | 1,445 | 12,578 | 64,831 | 19,586 | 31.7 |
| 5081 | 4,325 | 242,104 | 55,978 | 2,211 | 12,203 | 72,297 | 16,716 | 29.9 |
| 5066 | 6,130 | 343,065 | 55,965 | 3,462 | 15,929 | 102,077 | 16,652 | 29.8 |
| 5555 | 365 | 19,993 | 54,775 | 251 | 417 | 4,839 | 13,259 | 24.2 |
| 5064 | 4,971 | 267,321 | 53,776 | 2,735 | 10,948 | 76,975 | 15,485 | 28.8 |
| 5725 | 1,786 | 94,832 | 53,098 | 435 | 203 | 24,264 | 13,586 | 25.6 |
| 5061 | 5,279 | 280,291 | 53,095 | 2,475 | 7,335 | 82,364 | 15,602 | 29.4 |
| 5651 | 112 | 5,728 | 51,142 | 80 | 121 | 1,281 | 11,434 | 22.4 |
| Bottom 10 |  |  |  |  |  |  |  |  |
| 5238 | 1,326 | 38,439 | 28,989 | 481 | 261 | 7,154 | 5,395 | 18.6 |
| 5212 | 598 | 17,285 | 28,904 | 172 | 149 | 3,326 | 5,562 | 19.2 |
| 5418 | 50 | 1,433 | 28,657 | 26 | 22 | 262 | 5,242 | 18.3 |
| 5012 | 2,282 | 65,086 | 28,522 | 274 | 53 | 12,438 | 5,451 | 19.1 |
| 5010 | 1,095 | 31,181 | 28,476 | 113 | 39 | 5,931 | 5,416 | 19.0 |
| 5321 | 171 | 4,848 | 28,353 | 21 | 3 | 939 | 5,492 | 19.4 |
| 5259 | 302 | 8,562 | 28,350 | 110 | 33 | 1,529 | 5,063 | 17.9 |
| 5357 | 152 | 4,257 | 28,008 | 49 | 19 | 783 | 5,151 | 18.4 |
| 5113 | 4,744 | 132,442 | 27,918 | 479 | 164 | 24,472 | 5,159 | 18.5 |
| 5732 | 70 | 1,843 | 26,326 | 8 | 1 | 206 | 2,938 | 11.2 |
| Total SA | 649,021 | 23,628,215 | 36,406 | 201,241 | 284,261 | 5,388,865 | 8,303 | 22.8 |

1. For statistics on other postcodes in South Australia see personal tax detailed table 3, part D: South Australia.
2. Refers to personal taxpayers with net tax payable greater than $\$ 0$.
3. Mean (or average) taxable income in this table refers only to taxable individuals.
4. Mean net tax in this table is calculated by dividing net tax by the number of taxable individuals.
5. The calculation of net tax ratio is: net tax / taxable income.

## Top 10

5632 Kappinie, Yeelanna
5552 Kainton, Paskeville, Sunnyvale, Thrington
5006 North Adelaide, North Adelaide Melbourne St
5081 Collinswood, Gilberton, Medindie, Medindie Gardens, Vale Park, Walkerville
5066 Beaumont, Burnside, Erindale, Hazelwood Park, Stonyfell, Waterfall Gully, Wattle Park
5555 Alford, Dowling, Dowlingville, Hope Gap, Kulpara, Lake View, Melton, Mundoora, Tickera, Winulta
5064 Glen Osmond, Glenunga, Mount Osmond, Myrtle Bank, St Georges, Urrbrae

5725 Olympic Dam, Roxby Downs
5061 Hyde Park, Malvern, Unley, Unley Park
5651 Kyancutta

## Bottom 10

5238 Angas Valley, Bonython, Bowhill, Claypans, Coolcha, Cowirra, Forster, Mannum, Nildottie, Pompoota, Ponde, Punthari, Purnong Landing, Walker Flat, Wall, Wongulla, Woodlane
5212 Port Elliot
5418 Collinsville, Mount Bryan
5012 Athol Park, Mansfield Park, Woodville Gardens, Woodville North

5010 Angle Park, Ferryden Park, Regency Park, Regency Park BC
5321 Cadell

5259 Ashville, East Wellington, Jervois, Kepa, Malinong, Narrung, Naturi, Point McLeay, Poltalloch, Raukkan, Wellington
5357 Blanchetown, Moorundie, New Well, Notts Well, Paisley, Wigley Flat
5113 Davoren Park, Davoren Park North, Davoren Park South, Elizabeth Downs, Elizabeth North, Elizabeth Park, Elizabeth West, Elizabeth West DC

5732 Copley, Nepabunna

TABLE 3.20: Highest and lowest mean income-earning postcodes - Western Australia ${ }^{1}$, 2001-02 income year

| Postcode | Taxable ${ }^{2}$ | Taxable income | Mean taxable income ${ }^{3}$ | Total imputation credits |  | Net tax \$'000 | Mean net tax ${ }^{4}$ \$ | Net tax ratio ${ }^{5}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | No. | \$'000 |  | No. | \$'000 |  |  |  |
| Top 10 |  |  |  |  |  |  |  |  |
| 6011 | 4,859 | 342,107 | 70,407 | 2,459 | 18,062 | 114,891 | 23,645 | 33.6 |
| 6009 | 8,393 | 579,919 | 69,096 | 4,652 | 20,639 | 194,423 | 23,165 | 33.5 |
| 6716 | 297 | 20,021 | 67,412 | 83 | 18 | 6,154 | 20,721 | 30.7 |
| 6015 | 3,586 | 232,139 | 64,735 | 2,095 | 9,189 | 74,131 | 20,672 | 31.9 |
| 6012 | 3,571 | 222,303 | 62,252 | 1,618 | 13,175 | 71,274 | 19,959 | 32.1 |
| 6010 | 7,335 | 451,514 | 61,556 | 3,758 | 17,521 | 142,701 | 19,455 | 31.6 |
| 6754 | 537 | 30,228 | 56,290 | 163 | 71 | 8,601 | 16,016 | 28.5 |
| 6437 | 350 | 19,566 | 55,904 | 77 | 170 | 5,220 | 14,915 | 26.7 |
| 6713 | 685 | 37,780 | 55,153 | 255 | 140 | 10,650 | 15,547 | 28.2 |
| 6751 | 1,318 | 71,115 | 53,957 | 379 | 151 | 19,809 | 15,030 | 27.9 |
| Bottom 10 |  |  |  |  |  |  |  |  |
| 6608 | 67 | 1,920 | 28,657 | 42 | 95 | 343 | 5,124 | 17.9 |
| 6338 | 277 | 7,919 | 28,587 | 120 | 224 | 1,393 | 5,030 | 17.6 |
| 6398 | 216 | 6,165 | 28,543 | 72 | 43 | 1,149 | 5,318 | 18.6 |
| 6370 | 223 | 6,330 | 28,387 | 137 | 156 | 1,121 | 5,027 | 17.7 |
| 6363 | 52 | 1,473 | 28,318 | 38 | 42 | 257 | 4,946 | 17.5 |
| 6262 | 287 | 8,095 | 28,204 | 78 | 123 | 1,622 | 5,651 | 20.0 |
| 6333 | 1,648 | 46,280 | 28,082 | 477 | 671 | 8,808 | 5,344 | 19.0 |
| 6288 | 209 | 5,656 | 27,061 | 77 | 46 | 1,027 | 4,913 | 18.2 |
| 6341 | 146 | 3,905 | 26,750 | 72 | 34 | 672 | 4,603 | 17.2 |
| 6327 | 54 | 1,282 | 23,745 | 15 | 8 | 177 | 3,277 | 13.8 |
| Total WA | 830,396 | 31,828,764 | 38,330 | 250,727 | 375,702 | 7,623,473 | 9,181 | 24.0 |

1. For statistics on other postcodes in Western Australia see personal tax detailed table 3, part E: Western Australia.
2. Refers to personal taxpayers with net tax payable greater than $\$ 0$.
3. Mean (or average) taxable income in this table refers only to taxable individuals.
4. Mean net tax in this table is calculated by dividing net tax by the number of taxable individuals.
5. The calculation of net tax ratio is: net tax / taxable income.

## Top 10

6011 Cottesloe, Peppermint Grove
6009 Crawley, Dalkeith, Nedlands
6716 Fortescue, Hamersley Range, Millstream, Pannawonica
6015 City Beach
6012 Mosman Park
6010 Claremont, Karrakatta, Mount Claremont, Swanbourne
6754 Chichester, Paraburdoo, Wittenoom
6437 Lawlers, Leinster, Sir Samuel
6713 Dampier, Dampier Archipelago
6751 Innawanga, Juna Downs, Karijini, Mount Sheila, Mulga Downs, Nanutarra, Rocklea, Tom Price

## Bottom 10

6608 East Damboring, Marne, Pithara
6338 Amelup, Borden, Boxwood Hill, Bremer Bay, Magitup, Monjebup, Nalyerlup, North Stirlings, Stirling Range National Park
6398 Broke, Jarrah Glen, North Walpole, Walpole
6370 East Wickepin, Kirk Rock, Malyalling, Wickepin, Wogolin
6363 Dudinin, Walyurin
6262 Boorara Brook, Meerup, Northcliffe, Shannon, Windy Harbour
6333 Bow Bridge, Denmark, Hay, Hazelvale, Kentdale, Kordabup, Mount Lindsay, Mount Romance, Nornalup, Ocean Beach, Parryville, Peaceful Bay, Scotsdale, Shadforth, Tingledale, Trent, William Bay

6288 Alexandra Bridge, Courtenay, Hamelin Bay, Karridale, Nillup, Scott River, Warner Glen
6341 Nyabing
6327 Redmond, Redmond West

TABLE 3.21: Highest and lowest mean income-earning postcodes - Tasmania ${ }^{1}$, 2001-02 income year

| Postcode | Taxable ${ }^{2}$ | Taxable income | Mean taxable income ${ }^{3}$ | Total imputation credits |  | Net tax$\$ ’ 000$ | Mean net $\operatorname{tax}^{4}$ | Net tax ratio ${ }^{5}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | No. | \$'000 |  | No. | \$'000 |  |  |  |
| Top 10 |  |  |  |  |  |  |  |  |
| 7001 | 342 | 19,748 | 57,744 | 116 | 738 | 6,141 | 17,955 | 31.1 |
| 7005 | 6,047 | 289,840 | 47,931 | 2,744 | 8,844 | 80,378 | 13,292 | 27.7 |
| 7470 | 405 | 18,902 | 46,671 | 65 | 58 | 4,900 | 12,098 | 25.9 |
| 7258 | 441 | 18,921 | 42,904 | 152 | 604 | 5,037 | 11,422 | 26.6 |
| 7004 | 3,203 | 135,191 | 42,208 | 1,012 | 3,276 | 34,857 | 10,883 | 25.8 |
| 7053 | 1,662 | 69,123 | 41,590 | 632 | 605 | 16,931 | 10,187 | 24.5 |
| 7007 | 1,198 | 49,523 | 41,338 | 405 | 555 | 12,010 | 10,025 | 24.3 |
| 7467 | 821 | 33,217 | 40,459 | 135 | 128 | 8,070 | 9,829 | 24.3 |
| 7000 | 6,151 | 248,137 | 40,341 | 1,772 | 2,436 | 61,596 | 10,014 | 24.8 |
| 7469 | 370 | 14,751 | 39,868 | 50 | 11 | 3,652 | 9,870 | 24.8 |
| Bottom 10 |  |  |  |  |  |  |  |  |
| 7305 | 388 | 10,959 | 28,245 | 55 | 31 | 2,076 | 5,350 | 18.9 |
| 7116 | 664 | 18,654 | 28,094 | 133 | 129 | 3,539 | 5,330 | 19.0 |
| 7112 | 900 | 25,203 | 28,003 | 139 | 91 | 4,841 | 5,379 | 19.2 |
| 7163 | 101 | 2,824 | 27,957 | 23 | 7 | 490 | 4,848 | 17.3 |
| 7019 | 1,462 | 40,793 | 27,902 | 159 | 42 | 7,485 | 5,120 | 18.3 |
| 7179 | 119 | 3,286 | 27,613 | 26 | 20 | 611 | 5,134 | 18.6 |
| 7264 | 217 | 5,980 | 27,557 | 31 | 5 | 1,017 | 4,688 | 17.0 |
| 7016 | 695 | 18,810 | 27,065 | 63 | 4 | 3,394 | 4,883 | 18.0 |
| 7178 | 61 | 1,607 | 26,342 | 10 | 8 | 284 | 4,660 | 17.7 |
| 7177 | 161 | 4,214 | 26,176 | 24 | 21 | 740 | 4,597 | 17.6 |
| Total TAS | 190,053 | 6,513,073 | 34,270 | 45,889 | 55,441 | 1,427,260 | 7,510 | 21.9 |

1. For statistics on other postcodes in Tasmania see personal tax detailed table 3: part F: Tasmania.
2. Refers to personal taxpayers with net tax payable greater than $\$ 0$.
3. Mean (or average) taxable income in this table only refers to taxable individuals.
4. Mean net tax in this table is calculated by dividing net tax by the number of taxable individuals.
5. The calculation of net tax ratio is: net tax / taxable income.

## Top 10

7001 Tasman Island
7005 Dynnyrne, Lower Sandy Bay, Sandy Bay, University of Tasmania
7470 Rosebery
7258 Breadalbane, Relbia, White Hills
7004 Battery Point, Cascades, South Hobart
7053 Bonnet Hill, Taronga, Taroona
7007 Mount Nelson, Tolmans Hill
7467 Lake Margaret, Lynchford, Queenstown
7000 Glebe, Hobart, Mount Stuart, North Hobart, Queens Domain, West Hobart
7469 Granville Harbour, Renison Bell, Zeehan, Trial Harbour

## Bottom 10

7305 Merseylea, Railton, Sunnyside
7116 Brooks Bay, Cairns Bay, Castle Forbes Bay, Geeveston, Police Point, Port Huon, Shipwrights Point, Surges Bay, Surveyors Bay
7112 Abels Bay, Charlotte Cove, Cygnet, Deep Bay, Eggs and Bacon Bay, Garden Island Creek, Gardeners Bay, Nicholls Rivulet, Randalls Bay, Verona Sands
7163 Flowerpot, Middleton
7019 Clarendon Vale, Oakdowns, Rokeby
7179 Eaglehawk Neck

7264 Boobyalla, Cape Portland, Derby, Eddystone, Eddystone Point, Gladstone, Herrick, Moorina, Musselroe Bay, Pioneer, Rushy Lagoon, South Mount Cameron, Telita, Weldborough
7016 Risdon Vale
7178 Murdunna
7177 Boomer Bay, Dunalley

TABLE 3.22: Highest and lowest mean income-earning postcodes - Northern Territory ${ }^{1}$, 2001-02 income year

| Postcode | Taxable ${ }^{2}$ | Taxable income | Mean taxable income ${ }^{3}$ \$ | Total imputation credits |  | Net tax \$'000 | Mean net $\operatorname{tax}^{4}$ \$ | Net tax ratio ${ }^{5}$ \% |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | No. | \$'000 |  | No. | \$'000 |  |  |  |
| Top 10 |  |  |  |  |  |  |  |  |
| 0880 | 907 | 46,038 | 50,759 | 301 | 247 | 11,507 | 12,687 | 25.0 |
| 0800 | 1,251 | 54,253 | 43,368 | 308 | 708 | 13,315 | 10,644 | 24.5 |
| 0820 | 7,386 | 319,589 | 43,270 | 1,949 | 3,952 | 77,285 | 10,464 | 24.2 |
| 0886 | 606 | 26,201 | 43,236 | 153 | 101 | 5,878 | 9,700 | 22.4 |
| 0847 | 133 | 5,611 | 42,185 | 17 | 7 | 1,334 | 10,027 | 23.8 |
| 0835 | 2,123 | 88,691 | 41,776 | 553 | 1,460 | 20,917 | 9,852 | 23.6 |
| 0853 | 402 | 16,597 | 41,287 | 107 | 17 | 3,534 | 8,790 | 21.3 |
| 0828 | 455 | 18,199 | 39,997 | 100 | 155 | 4,174 | 9,175 | 22.9 |
| 0810 | 12,501 | 490,561 | 39,242 | 3,082 | 2,500 | 110,660 | 8,852 | 22.6 |
| 0812 | 8,769 | 342,117 | 39,014 | 2,065 | 1,309 | 75,700 | 8,633 | 22.1 |
| Bottom 10 |  |  |  |  |  |  |  |  |
| 0846 | 149 | 5,557 | 37,293 | 18 | 3 | 1,196 | 8,027 | 21.5 |
| 0830 | 8,219 | 306,043 | 37,236 | 1,232 | 424 | 64,204 | 7,812 | 21.0 |
| 0854 | 155 | 5,615 | 36,228 | 19 | 13 | 1,072 | 6,917 | 19.1 |
| 0845 | 252 | 9,109 | 36,148 | 40 | 14 | 1,896 | 7,522 | 20.8 |
| 0860 | 935 | 33,550 | 35,882 | 133 | 72 | 6,212 | 6,644 | 18.5 |
| 0837 | 656 | 23,522 | 35,856 | 134 | 185 | 4,951 | 7,547 | 21.0 |
| 0852 | 668 | 22,661 | 33,924 | 79 | 47 | 4,358 | 6,523 | 19.2 |
| 0822 | 1,299 | 42,943 | 33,059 | 149 | 41 | 7,609 | 5,858 | 17.7 |
| 0872 | 2,196 | 70,421 | 32,068 | 270 | 71 | 12,571 | 5,724 | 17.9 |
| 0862 | 146 | 4,643 | 31,802 | 19 | 5 | 735 | 5,033 | 15.8 |
| Total NT | 76,354 | 3,000,255 | 39,294 | 16,508 | 16,671 | 668,411 | 8,754 | 22.3 |

1. For statistics on other postcodes in the Northern Territory see personal tax detailed table 3: part G: Northern Territory.
2. Refers to personal taxpayers with net tax payable greater than $\$ 0$.
3. Mean (or average) taxable income in this table refers only to taxable individuals.
4. Mean net tax in this table is calculated by dividing net tax by the number of taxable individuals.
5. The calculation of net tax ratio is: net tax / taxable income.

## Top 10

0880 Gapuwiyak, Gove, Nhulunbuy, Yirrkala
0800 Darwin
0820 Bagot, Bayview, Charles Darwin, Cullen Bay, East Point, Fannie Bay, HMAS Coonawarra, Larrakeyah, Ludmilla, Parap, Stuart Park, The Gardens, The Narrows, Winnellie, Woolner
0886 Jabiru
0847 Pine Creek
0835 Howard Springs, Virginia
0853 Tindal RAAF
0828 Berrimah, Knuckey Lagoon
0810 Alawa, Brinkin, Casuarina, Coconut Grove, Jingili, Lee Point, Millner, Moil, Nakara, Nightcliff, Rapid Creek, Tiwi, Wagaman, Wanguri
0812 Anula, Karama, Leanyer, Malak, Marrara, Northlakes, Sanderson, Woodleigh Gardens, Wulagi

## Bottom 10

## 0846 Adelaide River

0830 Archer, Driver, Durack, Farrar, Gray, Marlow Lagoon, Moulden, Palmerston, Shoal Bay, Woodroffe, Yarrawonga
0854 Borroloola, King Ash Bay
0845 Batchelor
0860 Tennant Creek
0837 Berry Springs, Manton, Noonamah
0852 Barunga, Beswick, Daly Waters, Dunmarra, Edith River, Elsey Station, Kalkaringi, Lajamanu, Larrimah, Manbulloo, Maranboy, Mataranka, Ngukurr, Numbulwar, Timber Creek, Victoria River Downs, Wave Hill
0822 Acacia Hills, Angurugu, Annie River, Bathurst Island, Bees Creek, Border Store, Cox Peninsula, Croker Island, Daly River, Darwin River, Delissaville, Fly Creek, Galiwinku, Goulbourn Island, Gunn Point, Hayes Creek, Lake Bennett, Lambells Lagoon, Livingstone, Maningrida, McMinns Lagoon, Middle Point, Milingimbi, Millwood, Minjilang, Nguiu, Oenpelli, Point Stephens, Pularumpi,

Pulumpa, Ramingining, Southport, Tortilla Flats, Umbakumba, Virginia, Wadeye, Wagait Beach, Weddell, Woolaning
0872 Aherrenge, Ali Curung, Amata,
Amoonguna, Antewenegerrde, Areyonga, Atitjere, Ayers Rock, Barrow Creek, Canteen Creek, Docker River, Erldunda, Ernabella, Finke, Fregon, Haasts Bluff, Hermannsburg, Imampa, Indulkana, Jay Creek, Kaltukatjara, Kintore, Kiwirrkurra, Kulgera, Mimili, Mount Liebig, Mulga Bore, Murputja Homelands, Nyapari, Papunya, Patjarr, Pitjantjatjara Homelands, Santa Teresa, Thangkenharenge, Ti Tree, Tjirrkarli, Tjukurla, Uluru, Umpangara, Urapuntja, Wallace Rockhole, Wanarn, Warakurna, Willowra, Wilora, Wingellina, Yuelamu, Yuendumu, Yulara
0862 Avon Downs, Cresswell Downs, Elliott, Helen Springs, Muckaty Station, Newcastle Waters, Phillip Creek Station, Renner Springs, Three Ways, Warrego, Wollogorang Station, Wycliffe Well

TABLE 3.23: Highest and lowest mean income-earning postcodes - Australian Capital Territory ${ }^{1}$, 2001-02 income year

| Postcode | Taxable ${ }^{2}$ | Taxable income | Mean taxable income ${ }^{3}$ | Total imputation credits |  | Net tax \$'000 | Mean net $\operatorname{tax}^{4}$ \$ | Net tax ratio ${ }^{5}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | No. | \$'000 |  | No. | \$'000 |  |  |  |
| Top 10 |  |  |  |  |  |  |  |  |
| 2603 | 4,561 | 313,084 | 68,644 | 2,556 | 7,300 | 101,361 | 22,224 | 32.4 |
| 2600 | 4,331 | 249,460 | 57,599 | 2,386 | 5,843 | 74,347 | 17,166 | 29.8 |
| 2618 | 603 | 30,095 | 49,909 | 329 | 634 | 8,539 | 14,161 | 28.4 |
| 2605 | 6,019 | 299,074 | 49,688 | 3,437 | 3,877 | 80,726 | 13,412 | 27.0 |
| 2604 | 4,620 | 228,737 | 49,510 | 2,106 | 2,266 | 62,100 | 13,442 | 27.1 |
| 2601 | 1,550 | 76,538 | 49,380 | 784 | 991 | 21,386 | 13,797 | 27.9 |
| 2612 | 4,704 | 220,901 | 46,960 | 2,137 | 3,081 | 59,479 | 12,644 | 26.9 |
| 2606 | 4,053 | 189,894 | 46,853 | 1,772 | 3,823 | 50,633 | 12,493 | 26.7 |
| 2607 | 7,370 | 345,274 | 46,849 | 4,076 | 4,538 | 90,272 | 12,249 | 26.1 |
| 2904 | 7,629 | 339,050 | 44,442 | 3,624 | 2,214 | 87,247 | 11,436 | 25.7 |
| Bottom 10 |  |  |  |  |  |  |  |  |
| 2913 | 10,543 | 456,134 | 43,264 | 4,173 | 2,139 | 114,655 | 10,875 | 25.1 |
| 2900 | 574 | 24,335 | 42,395 | 215 | 135 | 5,932 | 10,335 | 24.4 |
| 2903 | 5,395 | 225,382 | 41,776 | 2,366 | 1,041 | 55,665 | 10,318 | 24.7 |
| 2902 | 8,611 | 359,686 | 41,771 | 3,699 | 2,033 | 88,673 | 10,298 | 24.7 |
| 2911 | 114 | 4,733 | 41,520 | 45 | 52 | 1,190 | 10,439 | 25.1 |
| 2617 | 13,110 | 539,627 | 41,162 | 5,796 | 3,674 | 132,647 | 10,118 | 24.6 |
| 2906 | 7,455 | 306,379 | 41,097 | 2,545 | 647 | 74,029 | 9,930 | 24.2 |
| 2609 | 463 | 18,973 | 40,978 | 168 | 545 | 4,853 | 10,482 | 25.6 |
| 2905 | 14,449 | 579,286 | 40,092 | 5,514 | 1,983 | 139,274 | 9,639 | 24.0 |
| 2615 | 20,477 | 810,439 | 39,578 | 8,321 | 4,063 | 191,167 | 9,336 | 23.6 |
| Total ACT | 165,970 | 7,336,432 | 44,203 | 74,819 | 65,357 | 1,876,079 | 11,304 | 25.6 |

1. For statistics on other postcodes in the Australian Capital Territory see personal tax detailed table 3: part H: Australian Capital Territory.
2. Refers to personal taxpayers with net tax payable greater than $\$ 0$.
3. Mean (or average) taxable income in this table refers only to taxable individuals.
4. Mean net tax in this table is calculated by dividing net tax by the number of taxable individuals.
5. The calculation of net tax ratio is: net tax / taxable income.

## Top 10

2603 Forrest, Griffith, Manuka, Red Hill
2600 Barton, Canberra, Capital Hill, Deakin, Deakin West, Duntroon, Fairbairn RAAF, Harman, HMAS Harman, Parkes, Russell, Russell Hill, Yarralumla
2618 Hall
2605 Curtin, Garran, Hughes
2604 Causeway, Kingston, Narrabundah
2601 Acton, Black Mountain, City
2612 Braddon, Campbell, Reid, Turner
2606 Chifley, Lyons, O'Malley, Phillip, Swinger Hill, Woden
2607 Farrer, Isaacs, Mawson, Pearce, Torrens
2904 Fadden, Gowrie, Macarthur, Monash

## Bottom 10

2913 Casey, Franklin, Ginninderra Village, Kinlyside, Ngunnawal, Nicholls, Palmerston, Taylor

2900 Greenway, Tuggeranong
2903 Erindale, Oxley, Wanniassa
2902 Kambah
2911 Crace, Kenny, Mitchell
2617 Belconnen, Bruce, Evatt, Giralang, Kaleen, Lawson, McKellar
2906 Banks, Conder, Gordon
2609 Fyshwick, Pialligo, Symonston
2905 Bonython, Calwell, Chisholm, Gilmore, Isabella Plains, Richardson, Theodore

2615 Charnwood, Dunlop, Florey, Flynn,
Fraser, Higgins, Holt, Kippax, Latham, Macgregor, Melba, Spence

TABLE 3.24: Highest and lowest mean income-earning postcodes - Australia, 2001-02 income year

| Postcode | Taxable ${ }^{2}$ | Taxable income | Mean taxable income ${ }^{3}$ | Total imputation credits |  | Net tax \$'000 | Mean net tax ${ }^{4}$ \$ | Net tax ratio ${ }^{5}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | No. | \$'000 |  | No. | \$'000 |  |  |  |
| Top 10 |  |  |  |  |  |  |  |  |
| 2027 | 4,611 | 517,168 | 112,160 | 2,625 | 38,229 | 194,709 | 42,227 | 37.6 |
| 3142 | 7,925 | 813,425 | 102,640 | 4,533 | 53,002 | 301,873 | 38,091 | 37.1 |
| 3944 | 222 | 22,446 | 101,109 | 139 | 3,267 | 8,391 | 37,798 | 37.4 |
| 2088 | 15,056 | 1,426,105 | 94,720 | 8,147 | 53,557 | 517,517 | 34,373 | 36.3 |
| 2110 | 4,347 | 393,948 | 90,625 | 2,510 | 20,793 | 141,665 | 32,589 | 36.0 |
| 2023 | 4,935 | 437,796 | 88,713 | 2,597 | 23,667 | 154,429 | 31,293 | 35.3 |
| 2030 | 7,498 | 644,054 | 85,897 | 4,156 | 33,431 | 229,788 | 30,647 | 35.7 |
| 2063 | 3,204 | 273,500 | 85,362 | 1,940 | 10,064 | 97,446 | 30,414 | 35.6 |
| 2025 | 4,185 | 346,237 | 82,733 | 2,133 | 15,259 | 121,130 | 28,944 | 35.0 |
| 2028 | 2,941 | 239,333 | 81,378 | 1,464 | 10,712 | 83,843 | 28,508 | 35.0 |
| Bottom 10 |  |  |  |  |  |  |  |  |
| 4381 | 147 | 3,740 | 25,440 | 38 | 9 | 658 | 4,477 | 17.6 |
| 2361 | 252 | 6,404 | 25,414 | 89 | 33 | 1,062 | 4,214 | 16.6 |
| 3778 | 91 | 2,272 | 24,964 | 18 | 8 | 395 | 4,346 | 17.4 |
| 4467 | 65 | 1,618 | 24,886 | 18 | 4 | 255 | 3,919 | 15.7 |
| 4425 | 80 | 1,965 | 24,567 | 31 | 10 | 323 | 4,032 | 16.4 |
| 6327 | 54 | 1,282 | 23,745 | 15 | 8 | 177 | 3,277 | 13.8 |
| 4412 | 83 | 1,942 | 23,393 | 35 | 15 | 310 | 3,732 | 16.0 |
| 4424 | 59 | 1,375 | 23,298 | 29 | 28 | 237 | 4,023 | 17.3 |
| 3800 | 58 | 1,338 | 23,064 | 9 | 2 | 243 | 4,189 | 18.2 |
| 2308 | 65 | 1,459 | 22,446 | 11 | 1 | 270 | 4,159 | 18.5 |
| Total | 8,395,591 | 329,560,495 | 39,254 | 2,779,669 | 4,006,926 | 80,206,920 | 9,553 | 24.3 |

1. Refers to personal taxpayers with net tax payable greater than $\$ 0$.
2. Mean (or average) taxable income in this table refers only to taxable individuals.
3. Mean net tax in this table is calculated by dividing net tax by the number of taxable individuals
4. The calculation of net tax ratio is: net tax / taxable income.

## Top 10

2027 Darling Point, Edgecliff, HMAS Rushcutters, Point Piper
3142 Toorak
3944 Portsea
2088 Clifton Gardens, Georges Heights, Mosman, Spit Junction, The Spit
2110 Hunters Hill, Hunters Hill West, Woolwich
2023 Bellevue Hill
2030 Diamond Bay, Dover Heights, HMAS Watson, Rose Bay North, Vaucluse, Watsons Bay
2063 Northbridge
2025 Woollahra
2028 Double Bay

## Bottom 10

## 4381 Glen Alpin

2361 Ashford, Atholwood, Bonshaw, Limestone, Pindaroi
3778 Fernshaw, Narebethong
4467 Mungallala
4425 Bogandilla, Dulacca
6327 Redmond, Redmond West
4412 Brigalow
4424 Drillham, Drillham South, Glenaubyn
3800 Monash University
2308 Callaghan, Newcastle University

## DETAILED TABLES

The following personal tax detailed tables are on the attached CD-ROM and included in the online version of this publication on our website at www.ato.gov.au The tables may be viewed or downloaded in Adobe Acrobat (PDF), Microsoft Excel (XLS) or Comma Separated Values (CSV) file formats.

The 'items' referred to in the detailed tables are items declared on the 2002 individual tax return. A copy of this form is in the appendix.

To find out whether a particular item is included in a detailed table refer to the personal tax detailed tables index included on the attached CD-ROM and in the online version of this publication. (The index can only be viewed or downloaded in Adobe Acrobat (PDF) and Microsoft Excel (XLS) file formats.) The table index lists the different items shown in the detailed tables and specifies in which tables they appear.

Table 1: Selected items, by sex and state/ territory of residence, 2001-02 income year
This table shows the number of taxable, nontaxable, male, female and all personal taxpayers for each state and territory. It also shows the total income, taxable income, net tax payable, average taxable income, average net tax payable, work related expenses, gifts or donation deductions, total deductions claimed, total business expenses claimed HECS assessment debts, SLS assessment debts, Medicare levy and Medicare levy surcharge of male, female and all taxpayers for each state and territory.

Table 2: Selected items, by state/territory/region, 2001-02 income year
This table shows the number of records and amounts for selected income, deductions, tax offsets and other return items of personal taxpayers living in specified regions within different states and territories (for example, major urban, other urban, regional-high urbanisation, regional-low urbanisation, rural and other regions in New South Wales). A region is composed of postcodes grouped together according to specified population ranges.

- Part A: Taxable individuals - reports data for taxable individuals only, that is, personal taxpayers with net tax payable greater than $\$ 0$.
- Part B: Non-taxable individuals - reports data for non-taxable individuals only, that is, personal taxpayers with net tax payable equal to \$0.
- Part C: All individuals - reports data for all personal taxpayers.

Table 3: Selected items, by state/territory and postcode, for taxable individuals, 200102 income year
This table shows the number of records and amounts for selected income, deductions, tax offsets and other return items of taxable personal taxpayers living in different postcodes (residential postcodes declared by taxpayers on their returns) for each state and territory. In addition, the number of non-taxable individuals residing in different postcodes is reported. The data for each state and territory is presented in a separate part:

- Part A: New South Wales
- Part B: Victoria
- Part C: Queensland
- Part D: South Australia
- Part E: Western Australia
- Part F: Tasmania
- Part G: Northern Territory
- Part H: Australian Capital Territory, other taxpayers and total taxpayers - Other taxpayers comprises taxpayers who are living overseas, taxpayers who did not state their residential postcode, and taxpayers living in other grouped postcodes.

Table 4: Selected items, by fine industry, 2001-02 income year
This table shows the number of records and amounts for selected items from personal taxpayer returns. Taxpayers (and the data) are classified into fine industry groupings (determined by the taxpayer's main source of business income) based on the Australian and New Zealand Standard Industry Classification (ANZSIC) system.
Note: Page numbers refer to the 2002 individual income tax return form used by tax agents on behalf of their clients. A copy of this form is in the appendix.

- Part A: Tax Office calculated and miscellaneous items - contains data on Tax Office calculated items such as HECS assessment debt, Medicare levy surcharge, net tax and balance payable or refundable. Also contains the total number of personal taxpayers who lodged returns.
- Part B: Income, credits, selected deductible, withheld and adjustment items - contains taxpayer claimed income items, selected deductible and withheld items (items 1 to 22 on pages 2, 6-8), adjustments items (A1, A3-A4 on page 4), selected credit items including 'credit for interest on early payments' (item C1 on page 8) and other

Tax Office calculated items such as 'ETP-5\% assessable', 'other salary and wages category 1 ' and 'other salary and wages category 2'.

- Part C: Deduction and tax loss items - contains taxpayer claimed deductions (items D1 to D15 on pages 3 and 8) and tax loss items including tax losses of earlier years claimed (item L1 on page 3).
- Part D: Tax offset items - contains tax offsets claimed by taxpayers on their return (items T1 to T10 on pages 3 and 8) and other tax offsets calculated by the Tax Office on behalf of taxpayers such as the averaging tax offset, life assurance bonus tax offset and others.
- Part E: Business and professional items - contains items from the business and professional items section of the return (pages 9-11).

Table 5: All items, by taxable income, 2001-02 income year
This table shows the number of records and amounts for items taxpayers declare on their personal tax return and items calculated by the Tax Office based on information provided in the return. Taxpayers (and the data) are classified by taxable status (non-taxable and taxable) and are ranged by taxable income.

Note: Page numbers refer to the 2002 individual income tax return form used by tax agents on behalf of their clients. A copy of this form is in the appendix.

- Part A: Tax Office calculated and miscellaneous items - contains data on Tax Office calculated items such as HECS assessment debt, Medicare levy surcharge, net tax and balance payable or refundable. Also contains the total number of personal taxpayers who lodged returns.
- Part B: Income, credits, selected deductible, withheld and adjustment items - contains taxpayer claimed income items, selected deductible and withheld items (items 1 to 22 on pages 2, 6-8), adjustments items (A1, A3-A4 on page 4), selected credit items including 'credit for interest on early payments' (item C1 on page 8) and other Tax Office calculated items such as 'ETP-5\% assessable', 'other salary and wages category 1 ' and 'other salary and wages category 2'.
- Part C: Deduction and tax loss items
- contains taxpayer claimed deductions (items D1 to D15 on pages 3 and 8) and tax loss items including tax losses of earlier years claimed (item L1 on page 3).
- Part D: Tax offset items - contains tax offsets claimed by taxpayers on their return (items T1 to T10 on pages 3 and 8 ) and other tax offsets calculated by the Tax Office on behalf of taxpayers such as the averaging tax offset, life assurance bonus tax offset and others.
- Part E: Business and professional items - contains items from the business and professional items section of the return (pages 9-11).

Table 6: Number of personal taxpayers, by broad industry and state/territory/region, 200102 income year
This table shows the number of personal taxpayers classified by broad industry in specified regions within different states and territories (for example, major urban, other urban, regional-high urbanisation, regional-low urbanisation, rural and other regions in New South Wales). A region category is composed of postcodes grouped together according to specified population ranges. The broad industry groups used to classify personal taxpayers are based on the ANZSIC industry groups.

Table 7: Selected items for income years 1993-94 to 2001-02
This table shows the number of records and amounts for selected items from the individual tax return (including items calculated by the Tax Office) for all income years between 1993-94 and 2001-02.
This table is also available at the back of this chapter (see table 3.25).

Table 8: Non-resident individuals: selected items, by taxable income, 2001-02 income year
This table shows the number of records and amounts for selected items from the individual tax return of non-resident personal taxpayers only. For this table, the taxpayers (and the data) are ranged by taxable income.

Table 9: Five percentile distribution, by taxable income, 2001-02 income year
This table shows a distribution of taxable income, total income, net tax and number of taxpayers. Taxable income is distributed across 20 quantiles. Each quantile contains $5 \%$ of the total number of taxpayers. The table shows the number of male and female taxpayers, and the amount and proportion of total income, taxable income and net tax for each quantile.

Table 10: Trustee assessments: selected items, by taxable income, 2001-02 income year
This table shows the number of records and amounts for selected return items from the individual tax return of trustees assessed. Trustees assessed (and the data) are classified by taxable status (non-taxable and taxable) and are ranged by taxable income.

Table 11: Selected items, by broad industry, 2001-02 income year
This table shows the number of records and amounts for selected items. Taxpayers and the data are classified into broad industry groupings (determined by the taxpayer's main source of business income) based on the ANZSIC industry groups.

Table 12: Selected items, by age, sex, taxable status and taxable income, 2001-02 income year
This table shows the number of male, female and total personal taxpayers classified into different age brackets (from 'under 18' to ' 75 years and over') and ranged by grade of taxable income. The pension income, net tax payable, taxable income and total income of male, female and total taxpayers in the different age brackets and taxable income ranges are also shown.

Table 13: Selected items, by sex, marital status, state/territory and taxable income, 2001-02 income year
This table shows the number of single and married male, female and total personal taxpayers classified by state or territory and ranged by taxable income. The taxable income, total income and net tax payable of male, female and total taxpayers in the different states, territories and taxable income ranges are also shown.

Table 14 Selected items, by Statistical Local Area (SLA), 2001-02 income year
This table shows the number of records and amounts for selected income, deductions, tax offsets and other return items of personal taxpayers living in different Statistical Local Areas (SLAs). SLAs are based on the boundaries of incorporated bodies of local government where these exist. These bodies are the Local Government Councils and the geographical areas which they administer are known as Local Government Area.

Table 15 All items, by total income, 2001-02 income year
This table shows the number of records and amounts for items taxpayers declare on their personal tax return and items calculated by the Tax Office based on information provided in the return. Taxpayers (and the data) are ranged by total income

Note: Page numbers refer to the 2002 individual income tax return form used by tax agents on behalf of their clients. A copy of this form is in the appendix.

- Part A: Tax Office calculated and miscellaneous items - contains data on Tax Office calculated items such as HECS assessment debt, Medicare levy surcharge, net tax and balance payable or refundable. Also contains the total number of personal taxpayers who lodged returns.
- Part B: Income, credits, selected deductible, withheld and adjustment items - contains taxpayer claimed income items, selected deductible and withheld items (items 1 to 22 on pages 2, 6-8), adjustments items (A1, A3-A4 on page 4), selected credit items including 'credit for interest on early payments' (item C1 on page 8) and other Tax Office calculated items such as 'ETP-5\% assessable', 'other salary and wages category 1 ' and 'other salary and wages category 2'.
- Part C: Deduction and tax loss items - contains taxpayer claimed deductions (items D1 to D15 on pages 3 and 8) and tax loss items including tax losses of earlier years claimed (item L1 on page 3).
- Part D: Tax offset items - contains tax offsets claimed by taxpayers on their return (items T1 to T 10 on pages 3 and 8 ) and other tax offsets calculated by the Tax Office on behalf of taxpayers such as the averaging tax offset, life assurance bonus tax offset and others.
- Part E: Business and professional items - contains items from the business and professional items section of the return (pages 9-11).

Table 16 Taxpayers with business income, all items, by total business income, 2001-02 income year
This table shows the number of records and amounts for items taxpayers declare on their personal tax return and items calculated by the Tax Office based on information provided in the return. Taxpayers (and the data) are ranged by total business income.

The statistics in the table refer only to taxpayers who had business income or loss. That is,
taxpayers who declared primary or non-primary production business income or loss at the following items on the business and professional items schedule: gross payments where ABN not quoted, gross payments - voluntary agreement, gross payments - labour hire or other specified payments, assessable government industry payments and/or other business income.
Note: Page numbers refer to the 2002 individual income tax return form used by tax agents on behalf of their clients. A copy of this form is in the appendix.

- Part A: Tax Office calculated and miscellaneous items - contains data on Tax Office calculated items such as HECS assessment debt, Medicare levy surcharge, net tax and balance payable or refundable. Also contains the total number of personal taxpayers who lodged returns.
- Part B: Income, credits, selected deductible, withheld and adjustment items - contains taxpayer claimed income items, selected deductible and withheld items (items 1 to 22 on pages 2, 6-8), adjustments items (A1, A3-A4 on page 4), selected credit items including 'credit for interest on early payments' (item C1 on page 8) and other Tax Office calculated items such as 'ETP-5\% assessable', 'other salary and wages category 1 ' and 'other salary and wages category 2'.
- Part C: Deduction and tax loss items
- contains taxpayer claimed deductions (items D1 to D15 on pages 3 and 8) and tax loss items including tax losses of earlier years claimed (item L1 on page 3).
- Part D: Tax offset items - contains tax offsets claimed by taxpayers on their return (items T1 to T10 on pages 3 and 8) and other tax offsets calculated by the Tax Office on behalf of taxpayers such as the averaging tax offset, life assurance bonus tax offset and others.
- Part E: Business and professional items
- contains items from the business and professional items section of the return (pages 9-11).


## TIME SERIES TABLE

Table 3.25 shows selected items from individual returns for income years 1993-94 to 2001-02. This table is also available on the attached CD-ROM and in the online version of this publication on our website at www.ato.gov.au as personal tax detailed table 7. It may be viewed or downloaded in Adobe Acrobat (PDF), Microsoft Excel (XLS) or Comma Separated Values (CSV) file format.

| Selected items |  | 1993-94 ${ }^{2}$ | 1994-95 ${ }^{2}$ | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{3}$ | 2000-01 ${ }^{3}$ | 2001-024 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Number of males ${ }^{5}$ | no. | 5,125,869 | 5,219,019 | 5,514,448 | 5,530,602 | 5,557,601 | 5,570,764 | 5,669,815 | 5,626,860 | 5,444,524 |
| Number of females ${ }^{5}$ | no. | 4,265,221 | 4,399,991 | 4,674,165 | 4,740,531 | 4,759,984 | 4,793,967 | 4,920,029 | 4,970,548 | 4,899,153 |
| Number of taxpayers ${ }^{5}$ | no. | 9,391,090 | 9,619,010 | 10,188,613 | 10,271,133 | 10,317,585 | 10,364,731 | 10,589,844 | 10,597,408 | 10,343,677 |
| Number of taxables ${ }^{5,6}$ | no. | 7,609,299 | 7,861,134 | 8,406,023 | 8,557,899 | 8,643,242 | 8,485,223 | 8,818,835 | 8,591,682 | 8,395,591 |
| Number of non-taxables ${ }^{5,7}$ | no. | 1,781,791 | 1,757,876 | 1,782,590 | 1,713,234 | 1,674,343 | 1,879,508 | 1,771,009 | 2,005,726 | 1,948,086 |
| Number of non-residents | no. | 30,704 | 30,470 | 36,767 | 32,752 | 26,374 | 54,518 | 58,815 | 57,559 | 62,176 |
| Number of taxpayers by state of residence ${ }^{5}$ NSW | no. | 3,144,503 | 3,218,860 | 3,387,715 | 3,414,645 | 3,435,905 | 3,459,137 | 3,544,451 | 3,548,737 | 3,419,329 |
| VIC | no. | 2,388,392 | 2,424,271 | 2,551,232 | 2,565,682 | 2,585,675 | 2,599,318 | 2,660,264 | 2,668,391 | 2,606,633 |
| QLD | no. | 1,662,979 | 1,726,892 | 1,836,479 | 1,862,616 | 1,887,204 | 1,910,463 | 1,957,288 | 1,967,332 | 1,951,916 |
| SA | no. | 770,649 | 782,173 | 808,854 | 809,326 | 807,722 | 807,838 | 816,318 | 811,521 | 798,850 |
| WA | no. | 921,304 | 952,173 | 1,012,312 | 1,026,845 | 1,039,115 | 1,043,627 | 1,058,645 | 1,052,701 | 1,032,270 |
| TAS | no. | 240,869 | 243,112 | 244,703 | 250,746 | 246,502 | 243,798 | 244,187 | 243,508 | 239,901 |
| NT | no. | 84,901 | 87,516 | 95,328 | 98,578 | 99,512 | 98,415 | 99,284 | 95,843 | 93,588 |
| ACT | no. | 177,543 | 183,450 | 202,636 | 188,861 | 190,025 | 192,014 | 198,588 | 200,075 | 192,525 |
| Not stated and other | no. | n.a. | n.a. | 49,354 | 53,834 | 25,925 | 10,121 | 10,819 | 9,300 | 8,665 |
| Australia | no. | 9,391,090 | 9,619,010 | 10,188,603 | 10,271,133 | 10,317,585 | 10,364,731 | 10,589,844 | 10,597,408 | 10,343,677 |
| Number of TaxPack express cases | no. | 136,152 | 132,502 | 195,648 | 229,724 | 238,290 | 276,412 | 230,696 | 185,827 | 153,094 |
| Number of e-tax returns | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 113,164 | 272,125 | 543,458 |
| Number of tax agent cases ELS | no. | 6,119,697 | 6,489,583 | 7,013,005 | 7,060,465 | 7,3T82,347 | 7,680,126 | 7,911,996 | 7,740,608 | 7,641,219 |
| Number of tax agent cases total | no. | 6,674,622 | 6,939,842 | 7,395,749 | 7,607,694 | 7,839,219 | 8,027,653 | 8,200,736 | 8,111,680 | 7,778,120 |
| Taxable income or loss | \$ | 222,712,000,000 | 236,580,000,000 | 264,563,681,532 | 273,609,356,592 | 294,733,664,539 | 309,083,899,417 | 326,508,125,915 | 341,369,079,205 | 342,299,967,297 |
| Complementary tax | no. | 74,815 | 62,213 | 51,916 | 64,153 | 70,391 | 73,447 | 63,933 | 45,209 | 41,877 |
|  | \$ | 26,000,000 | 19,000,000 | 16,571,001 | 23,261,559 | 26,805,535 | 31,581,841 | 26,432,455 | 14,984,469 | 15,260,878 |
| Gross tax | \$ | 51,024,000,000 | 54,444,000,000 | 61,555,124,669 | 66,086,246,093 | 72,119,711,261 | 77,513,594,417 | 85,659,530,274 | 80,407,302,955 | 80,129,569,601 |
| Medicare levy | no. | 6,002,072 | 6,293,920 | 6,747,841 | 6,886,209 | 6,956,534 | 7,431,981 | 7,305,610 | 7,219,065 | 6,977,093 |
|  | \$ | 2,697,000,000 | 2,907,000,000 | 3,452,444,506 | 4,121,303,145 | 3,881,760,755 | 4,335,426,214 | 4,404,623,714 | 4,585,105,138 | 4,534,798,268 |
| Medicare levy surcharge | no. | n.a. | n.a. | n.a. | n.a. | 167,331 | 267,628 | 270,841 | 157,503 | 161,462 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 112,142,940 | 165,980,790 | 162,391,434 | 97,351,341 | 97,745,407 |
| Net tax ${ }^{8}$ | \$ | 47,653,000,000 | 50,940,000,000 | 58,016,332,830 | 62,811,041,571 | 67,862,497,836 | 72,445,465,843 | 80,750,449,936 | 80,633,083,585 | 80,206,919,652 |

TABLE 3.25': Selected items for income years 1993-94 to 2001-02

| Selected items |  | 1993-94 ${ }^{2}$ | 1994-95 ${ }^{2}$ | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{3}$ | 2000-013 | 2001-02 ${ }^{4}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Comm of Aust benefits \& payments | no. | 1,184,242 | 1,321,623 | 1,443,561 | 1,383,591 | 1,266,081 | 1,176,607 | 1,141,117 | 1,138,370 | 1,058,846 |
|  | \$ | 4,836,000,000 | 4,501,000,000 | 4,893,226,896 | 4,804,597,220 | 4,447,839,856 | 4,361,728,549 | 4,155,623,361 | 4,293,099,816 | 4,280,300,336 |
| Salary or wages | no. | 7,209,181 | 7,413,071 | 7,819,289 | 7,847,264 | 7,924,382 | 7,986,133 | 8,194,864 | 8,227,431 | 8,029,611 |
|  | \$ | 174,239,000,000 | 186,117,000,000 | 204,460,311,444 | 214,084,762,750 | 226,324,145,443 | 237,440,435,636 | 253,648,249,095 | 267,003,005,992 | 267,596,199,118 |
| Comm of Aust pensions \& allowances | no. | 686,704 | 714,793 | 791,931 | 828,067 | 759,106 | 730,170 | 729,136 | 662,556 | 632,518 |
|  | \$ | 3,573,000,000 | 3,760,000,000 | 4,277,423,596 | 4,643,405,772 | 4,212,576,407 | 4,093,157,845 | 4,208,369,257 | 3,976,431,807 | 3,924,787,418 |
| Other Australian pensions or annuities | no. | 283,755 | 342,482 | 398,417 | 429,210 | 464,783 | 492,106 | 520,777 | 522,536 | 514,093 |
|  | \$ | 3,563,000,000 | 4,448,000,000 | 5,506,393,706 | 6,213,967,499 | 6,956,451,559 | 7,431,030,347 | 8,152,508,551 | 8,841,134,140 | 9,396,823,182 |
| Allowances, benefits, earnings, tips etc | no. | 1,968,086 | 1,983,192 | 2,055,155 | 2,044,493 | 2,048,300 | 2,061,103 | 2,105,352 | 2,028,254 | 1,917,926 |
|  | \$ | 2,981,000,000 | 3,197,000,000 | 3,592,568,970 | 3,784,677,053 | 4,211,232,430 | 4,609,916,519 | 4,939,440,582 | 4,949,876,238 | 4,711,648,460 |
| Other salary \& wages <br> - category 1 | no. | n.a. | n.a. | n.a. | n.a. | 32,075 | 417 | 27,323 | 45,490 | 30,861 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 157,248,478 | 2,309,535 | 183,016,784 | 185,522,020 | 201,218,581 |
| Other salary \& wages <br> - category 2 |  |  | n.a | n.a. | n.a. | 43,495 | 37,744 | 67,047 | 54,187 | 40,728 |
|  | \$ | n.a | n.a. | n.a. | n.a. | 209,903,357 | 266,869,788 | 525,842,286 | 459,269,244 | 397,833,388 |
| Foreign employment \& pension income | no. | 94,618 | 108,806 | 124,711 | 132,979 | n.a. | n.a. | n.a. | n.a. | n. |
|  | \$ | 547,000,000 | 608,000,000 | 685,185,670 | 738,893,849 | n.a. | n.a. | n.a. | n.a. | . |
| Foreign employment \& pension or annuity income without an undeducted purchase price | no. | n.a. n.a. | n.a. n.a. | n.a. n.a. | n.a. n.a. | 69,387 $472,984,415$ | 71,035 $520,228,192$ | 69,755 $503,820,932$ | 55,535 $495,375,773$ | 49,854 $478,768,001$ |
| Foreign pension or annuity income with an undeducted purchase price | no. \$ | n.a. | n.a. | n.a. n.a. | n.a. | 68,653 $385,199,943$ | 72,480 $447,099,789$ | 77,312 $463,263,587$ | 57,928 $404,490,604$ | 51,413 $381,683,390$ |
| Exempt foreign employment income | no. | 11,496 | 12,175 | 14,816 | n.a. | n.a. | n.a. | 17,305 | 18,547 | 19,379 |
|  | \$ | 360,000,000 | 421,000,000 | 486,834,438 | n.a. | n.a. | n.a. | 771,238,513 | 918,707,669 | 1,044,629,798 |
| Lump sum payments <br> - assessable in full | no. | 777,025 | 432,387 | 318,691 | 292,555 | 282,332 | 250,342 | 225,368 | 213,979 | 204,858 |
|  | \$ | 2,574,000,000 | 1,629,000,000 | 1,604,533,776 | 1,809,899,783 | 2,044,863,327 | 1,943,591,836 | 1,859,364,691 | 1,829,486,209 | 1,847,937,379 |
| Lump sum payments 5 \% assessable | no. | 77,075 | 49,950 | 45,799 | 47,235 | 45,902 | 38,655 | 33,953 | 30,079 | 26,201 |
|  | \$ | 35,000,000 | 21,000,000 | 19,279,059 | 20,751,392 | 20,709,723 | 18,022,671 | 17,278,781 | 15,436,872 | 13,025,129 |
| Eligible termination payments - 5 \% assessable | no. | 301,876 | 181,516 | 165,994 | 155,438 | 147,072 | 130,711 | 122,070 | 103,389 | 95,653 |
|  | \$ | 336,000,000 | 182,000,000 | 141,004,367 | 143,259,821 | 140,597,469 | 125,921,663 | 120,419,800 | 106,519,318 | 98,008,412 |
| Eligible termination payments - taxable at concessional rates | no. | 144,017 | 137,830 | 142,392 | 141,235 | 136,445 | 138,873 | 141,290 | 124,906 | 136,532 |
|  | \$ | 1,904,000,000 | 1,857,000,000 | 1,792,227,438 | 2,353,037,481 | 2,543,008,892 | 2,286,233,828 | 2,534,157,808 | 2,487,011,988 | 2,671,007,436 |


| Selected items | 1993-94 ${ }^{2}$ |  | 1994-95 ${ }^{2}$ | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{3}$ | 2000-01 ${ }^{3}$ | 2001-02 ${ }^{4}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Eligible termination payments - taxable at other rates | no. | 385,566 | 362,285 | 370,580 | 360,684 | 285,218 | 287,082 | 252,242 | 191,484 | 217,219 |
|  | \$ | 2,020,000,000 | 2,067,000,000 | 2,131,753,760 | 2,536,504,747 | 2,722,117,648 | 2,508,358,887 | 2,391,226,285 | 2,121,840,824 | 1,980,588,217 |
| ETP excessive component | no. | n.a. | 1,365 | 1,071 | 807 | 688 | 714 | 610 | 648 | 625 |
|  | \$ | n.a. | 15,000,000 | 10,409,033 | 19,454,731 | 27,623,367 | 33,664,954 | 36,101,052 | 26,325,994 | 41,960,289 |
| Eligible termination payments | no. | 519,309 | 521,182 | 539,808 | 513,783 | 431,420 | 433,999 | 400,690 | 322,204 | 358,463 |
|  | \$ | 3,919,000,000 | 4,106,000,000 | 4,202,259,566 | 5,033,058,961 | 5,410,907,071 | 5,250,074,243 | 5,469,479,719 | 5,118,342,804 | 5,124,236,348 |
| Total salary \& wages in assessable income | no. | 8,193,452 | 8,455,336 | 8,940,339 | 9,033,918 | 9,082,329 | 9,104,950 | 9,301,846 | 9,220,586 | 8,968,382 |
|  | \$ | 196,921,000,000 | 208,696,000,000 | 228,566,406,046 | 241,134,014,279 | 254,881,685,376 | 266,096,044,861 | 283,699,095,091 | 297,193,306,909 | 298,014,737,629 |
| Net business income/loss -PP | no. | 124,186 | 119,280 | 122,816 | 123,847 | 125,888 | 125,527 | 122,039 | 112,624 | 104,562 |
|  | \$ | -148,000,000 | -291,000,000 | -373,322,978 | -576,465,647 | -692,599,591 | -708,163,569 | -715,288,053 | -278,778,336 | -97,903,372 |
| Net business income/loss - NPP | no. | 725,120 | 747,821 | 796,117 | 789,047 | 815,457 | 844,662 | 875,125 | 743,394 | 721,300 |
|  | \$ | 7,119,000,000 | 7,856,000,000 | 8,411,958,990 | 8,698,548,270 | 9,776,062,798 | 10,960,893,919 | 12,464,169,810 | 10,644,404,934 | 11,283,010,182 |
| Total net business income/loss | no. | 830,057 | 848,047 | 898,449 | 606,543 | 918,989 | 948,202 | 975,768 | 838,599 | 809,859 |
|  | \$ | 6,972,000,000 | 7,566,000,000 | 8,038,636,011 | 8,122,082,623 | 9,083,463,206 | 10,252,730,350 | 11,748,881,757 | 10,365,626,598 | 11,185,106,810 |
| Net partnership \& trust distribution - PP | no. | 384,340 | 364,301 | 374,263 | 387,824 | 373,277 | 356,502 | 344,374 | 328,552 | 305,530 |
|  | \$ | 1,893,000,000 | 1,995,000,000 | 2,330,971,138 | 1,943,755,574 | 1,738,398,791 | 4,610,767,440 | 886,587,391 | 2,758,559,024 | 4,235,236,954 |
| Net partnership \& trust distribution - NPP | no. | 1,622,832 | 1,650,428 | 1,757,290 | 1,812,961 | 1,888,830 | 1,954,511 | 2,029,431 | 2,118,501 | 1,991,333 |
|  | \$ | 14,883,000,000 | 16,539,000,000 | 16,845,186,923 | 17,550,393,336 | 18,982,494,823 | 22,260,899,184 | 22,459,671,456 | 21,694,883,650 | 20,800,861,107 |
| Total net partnership \& trust distribution | no. | 1,749,252 | 1,764,524 | 1,870,192 | 1,937,838 | 2,003,107 | 2,063,849 | 2,136,375 | 2,211,168 | 2,076,900 |
|  | \$ | 16,774,000,000 | 18,534,000,000 | 19,176,158,061 | 19,494,148,910 | 20,720,893,614 | 26,871,666,624 | 23,346,258,847 | 24,453,442,674 | 25,036,098,061 |
| Partnership \& trust deductions - PP | no. | n.a. | 85,124 | 91,509 | 90,749 | n.a. | n.a. | n.a. | n.a. | n.a. |
|  | \$ | n.a. | 257,000,000 | 284,821,240 | 287,979,600 | n.a. | n.a. | n.a. | n.a. | n.a. |
| Landcare operations expenses - PP | no. | n.a. | n.a. | n.a. | n.a. | 17,933 | 18,130 | 17,240 | 14,774 | 14,477 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 56,943,341 | 60,945,354 | 59,348,238 | 49,536,799 | 52,933,305 |
| Other deductions relating to P\&T distribution - PP | no. | n.a. | n.a. | n.a. | n.a. | 77,233 | 73,448 | 69,443 | 65,636 | 91,784 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 239,467,092 | 228,922,916 | 231,115,622 | 226,097,410 | 261,561,619 |
| Partnership \& trust deductions - NPP | no. | n.a. | 142,785 | 173,536 | 198,806 | n.a. | n.a. | n.a. | n.a. | n.a. |
|  | \$ | n.a. | 629,000,000 | 768,108,432 | 765,212,833 | n.a. | n.a. | n.a. | n.a. | n.a. |
| Landcare operations expenses - NPP | no. | n.a. | n.a. | n.a. | n.a. | 2,935 | 1,816 | 1,852 | 1,654 | 1,358 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 9,851,521 | 4,548,526 | 4,957,326 | 5,033,997 | 4,186,629 |
| Other deductions relating to P\&T distribution - NPP | no. | n.a. | n.a. | n.a. | n.a. | 226,120 | 255,453 | 286,084 | 317,882 | 337,723 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 836,037,627 | 924,521,992 | 1,047,754,751 | 1,155,841,626 | 1,144,554,700 |


| ed from previous page continued on next page, table notes on page 50 |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| TABLE 3.25': Selected items for income years 1993-94 to 2001-02 |  |  |  |  |  |  |  |  |  |  |
| Selected items |  | 1993-94 ${ }^{2}$ | 1994-95 ${ }^{2}$ | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{3}$ | 2000-013 | 2001-024 |
| Total partnership \& trust deductions | no. | n.a. | 224,507 | 261,272 | 285,535 | 313,361 | 338,009 | 364,188 | 390,104 | 432,183 |
|  | \$ | n.a. | 886,000,000 | 1,052,929,672 | 1,053,192,433 | 1,142,299,581 | 1,218,938,788 | 1,343,175,937 | 1,436,509,832 | 1,463,236,253 |
| Gross rent | no. | 969,569 | 1,034,111 | 1,139,857 | 1,196,791 | 1,239,293 | 1,276,348 | 1,334,701 | 1,345,874 | 1,323,758 |
|  | \$ | 7,439,000,000 | 8,204,000,000 | 9,360,556,789 | 10,100,514,242 | 10,750,599,049 | 11,369,255,419 | 12,217,005,529 | 13,057,845,641 | 13,111,294,294 |
| Rental interest deductions | no. | 647,833 | 700,533 | 785,055 | 831,784 | 872,604 | 913,349 | 975,922 | 998,556 | 1,004,918 |
|  | \$ | 3,501,000,000 | 4,217,000,000 | 5,228,416,592 | 5,206,008,833 | 4,902,710,947 | 5,001,371,247 | 5,741,544,697 | 6,949,032,929 | 6,583,605,475 |
| Special building write-off | no. | n.a. | n.a. | n.a. | n.a. | 201,156 | 245,501 | 288,932 | n.a. | n.a. |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 330,714,849 | 404,041,774 | 481,876,080 | n.a. | n.a. |
| Capital works deductions |  | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 310,384 | 338,567 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 549,355,826 | 606,767,520 |
| Other rental deductions | no. | 959,789 | 1,024,711 | 1,130,425 | 1,188,016 | 1,232,491 | 1,271,737 | 1,333,190 | 1,337,796 | 1,324,790 |
|  | \$ | 3,539,000,000 | 3,981,000,000 | 4,550,435,909 | 4,875,523,095 | 4,932,207,891 | 5,265,410,313 | 5,819,840,028 | 6,243,819,510 | 6,542,442,343 |
| Total rental deductions | no. | 966,653 | 1,030,384 | 1,136,768 | 1,193,928 | 1,238,868 | 1,277,865 | 1,338,818 | 1,344,057 | 1,331,118 |
|  | \$ | 7,040,000,000 | 8,199,000,000 | 9,778,852,501 | 10,081,531,928 | 10,165,633,687 | 10,670,823,334 | 12,043,260,805 | 13,742,208,265 | 13,732,815,338 |
| Net rent - profit | no. | 480,736 | 482,504 | 505,853 | 555,753 | 607,300 | 636,553 | 621,605 | 568,343 | 571,148 |
|  | \$ | 2,270,000,000 | 2,350,000,000 | 2,550,190,113 | 2,796,411,835 | 3,011,974,543 | 3,194,420,389 | 3,230,810,259 | 3,177,088,066 | 3,146,204,771 |
| Net rent - loss | no. | 499,735 | 561,629 | 643,555 | 650,407 | 623,620 | 649,679 | 726,424 | 787,155 | 766,372 |
|  | \$ | -1,872,000,000 | -2,345,000,000 | -2,968,110,454 | -2,777,190,348 | -2,412,679,911 | -2,495,966,765 | -3,057,076,605 | -3,922,823,827 | -3,767,725,815 |
| Net rent | no. | 980,471 | 1,044,133 | 1,149,408 | 1,206,160 | 1,230,920 | 1,286,232 | 1,348,029 | 1,355,498 | 1,337,520 |
|  | \$ | 399,000,000 | 6,000,000 | -417,920,341 | 19,221,487 | 599,294,631 | 698,453,624 | 173,733,654 | -745,735,761 | -621,521,044 |
| Gross interest | no. | 5,634,643 | 5,718,457 | 6,003,284 | 5,821,717 | 5,105,833 | 4,815,925 | 4,663,509 | 4,458,717 | 3,880,229 |
|  | \$ | 5,487,000,000 | 5,848,000,000 | 7,751,738,850 | 7,484,402,239 | 6,175,396,307 | 5,607,148,478 | 5,655,800,933 | 6,609,702,267 | 5,401,759,340 |
| Capital losses applied | no. | 97,475 | 88,181 | 115,172 | 160,657 | n.a. | n.a. | n.a. | n.a. | n.a. |
|  | \$ | 567,000,000 | 417,000,000 | 613,102,010 | 651,635,642 | n.a. | n.a. | n.a. | n.a. | n.a. |
| Capital losses carried forward | no. | n.a. | n.a. | 169,039 | 216,681 | 268,267 | 321,960 | 331,612 | 383,137 | 459,364 |
|  | \$ | n.a. | n.a. | 2,000,002,046 | 2,733,144,354 | 3,499,022,311 | 3,972,571,142 | 4,554,751,446 | 4,618,031,063 | 5,353,854,516 |
| Net capital gain | no. | 414,631 | 332,524 | 441,801 | 695,454 | 855,739 | 972,618 | 1,022,566 | 1,418,996 | 1,078,817 |
|  | \$ | 2,440,000,000 | 1,656,000,000 | 2,311,565,029 | 3,282,635,607 | 5,147,334,900 | 6,171,731,083 | 6,234,667,375 | 5,891,668,884 | 6,119,573,796 |
| Net tax on capital gains (taxable individuals only) ${ }^{9}$ | \$ | 711,000,000 | 476,000,000 | 631,470,079 | 880,499,537 | 1,386,797,449 | 2,063,095,189 | 2,362,286,049 | 2,338,184,338 | 2,419,218,549 |
| Dividends franked | no. | 907,255 | 985,829 | 1,115,902 | 1,329,199 | 2,002,436 | 2,446,472 | 2,647,933 | 3,240,215 | 3,081,527 |
|  | \$ | 2,520,000,000 | 3,776,000,000 | 4,509,210,922 | 4,770,776,522 | 5,490,587,848 | 5,998,744,802 | 6,906,308,259 | 9,010,065,955 | 7,661,565,211 |


| Selected items |  | 1993-94 ${ }^{2}$ | 1994-95 ${ }^{2}$ | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{3}$ | 2000-013 | 2001-02 ${ }^{4}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Total dividends | no. | 988,488 | 1,078,232 | 1,188,988 | 1,422,577 | 2,048,300 | 3,152,924 | 2,740,265 | 3,318,587 | 3,126,276 |
|  | \$ | 2,799,000,000 | 4,132,000,000 | 4,851,596,132 | 5,057,967,371 | 5,836,123,604 | 6,375,460,431 | 7,892,793,541 | 9,784,123,278 | 8,124,484,011 |
| Net farm management deposits | no. | 1,780 | 2,391 | 4,928 | 4,188 | 4,769 | 6,312 | 6,043 | 12,214 | 25,583 |
|  | \$ | 38,000,000 | 55,000,000 | 117,336,143 | 90,754,282 | 115,957,901 | 158,916,709 | 165,514,589 | 406,381,142 | 954,571,222 |
| Net farm management withdrawals | no. | 912 | 1,216 | 1,079 | 1,592 | 1,999 | 2,768 | 3,689 | 2,732 | 2,288 |
|  | \$ | 13,000,000 | 19,000,000 | 17,344,718 | 28,176,189 | 39,650,276 | 59,448,502 | 78,161,208 | 58,613,399 | 53,114,867 |
| Attributed foreign income | no. | 5,505 | 2,640 | 2,525 | 4,429 | 1,435 | 1,730 | 1,718 | 2,735 | 2,408 |
|  | \$ | 12,000,000 | 8,000,000 | 10,100,141 | 19,062,512 | 16,946,159 | 13,003,789 | 26,551,946 | 17,399,726 | 6,860,747 |
| Other net foreign source income | no. | 243,693 | 248,067 | 296,341 | 333,338 | 386,834 | 453,782 | 534,894 | 616,983 | 698,746 |
|  | \$ | 298,000,000 | 269,000,000 | 347,948,934 | 392,110,227 | 548,774,573 | 576,485,248 | 605,200,405 | 708,913,003 | 684,504,403 |
| Under 18 excepted net income | no. | n.a. | n.a. | n.a. | 85,429 | 125,732 | 172,744 | 182,876 | 188,951 | 174,912 |
|  | \$ | n.a. | n.a. | n.a. | 595,697,484 | 673,626,442 | 928,393,968 | 1,127,323,064 | 1,131,585,470 | 1,029,562,376 |
| Life insurance \& friendly society bonuses | no. | 45,333 | 45,958 | 47,006 | 35,281 | 19,823 | 14,059 | 11,904 | 8,474 | 5,080 |
|  | \$ | 208,000,000 | 230,000,000 | 219,755,123 | 146,990,881 | 71,824,257 | 49,838,890 | 43,876,034 | 34,670,894 | 24,590,266 |
| Other income n.e.i. | no. | 74,738 | 76,496 | n.a. | 91,984 | n.a. | n.a. | n.a. | n.a. | . |
|  | \$ | 289,000,000 | 298,000,000 | 323,774,465 | 409,161,186 | n.a. | n.a. | n.a. | n.a. | n.a. |
| Other income n.e.i. <br> - category 1 | no. | n.a. | n. | n.a. | n.a. | 6,802 | 4,058 | 10,562,521 | 10,551,918 | 10,312,816 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 38,442,770 | 38,462,247 | 77,049,083 | 146,208,662 | 162,156,452 |
| Other income n.e.i. <br> - category 2 | no. | n.a. | n.a. | n.a. | n.a. | 71,006 | 52,397 | 10,522,797 | 10,543,221 | 10,302,949 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 342,708,575 | 445,427,665 | 331,258,301 | 510,741,771 | 503,438,939 |
| Total income or loss ${ }^{10}$ | \$ | 234,246,000,000 | 249,308,000,000 | 274,678,842,614 | 290,027,340,577 | 306,426,378,841 | 321,360,167,922 | 344,073,468,945 | 360,674,135,008 | 358,624,202,377 |
| Work related car expenses | no. | 1,198,019 | 1,306,053 | 1,439,264 | 1,505,991 | 1,567,610 | 1,647,517 | 1,783,526 | 1,891,745 | 1,978,505 |
|  | \$ | 1,613,000,000 | 1,855,000,000 | 2,153,674,442 | 2,256,707,623 | 2,445,571,601 | 2,620,775,912 | 3,061,708,164 | 3,519,774,510 | 3,684,728,189 |
| Work related travel expenses | no. | 400,649 | 404,487 | 457,005 | 443,128 | 442,270 | 454,535 | 490,184 | 511,659 | 529,640 |
|  | \$ | 433,000,000 | 439,000,000 | 519,494,654 | 502,957,151 | 508,477,124 | 581,930,770 | 667,560,363 | 736,210,829 | 750,555,320 |
| Work related clothing expenses | no. | 3,032,634 | 3,193,561 | 3,404,913 | 3,471,832 | 3,569,213 | 3,718,221 | 3,936,382 | 4,051,187 | 4,269,855 |
|  | \$ | 545,000,000 | 575,000,000 | 629,757,234 | 641,794,834 | 669,847,625 | 711,778,067 | 785,059,159 | 832,660,976 | 1,079,434,416 |
| Work related self education expenses | no. | 458,569 | 508,436 | 482,423 | 491,311 | 559,280 | 509,029 | 508,508 | 506,709 | 505,489 |
|  | \$ | 385,000,000 | 436,000,000 | 469,022,722 | 530,623,316 | 618,369,361 | 574,636,475 | 618,618,699 | 659,323,985 | 678,680,866 |
| Other work related expenses | no. | 4,333,347 | 4,441,564 | 4,915,644 | 5,017,982 | 5,127,247 | 5,328,406 | 5,556,936 | 5,654,060 | 4,958,985 |
|  | \$ | 2,124,000,000 | 2,221,000,000 | 2,614,451,495 | 2,708,537,537 | 2,774,937,779 | 2,827,794,025 | 3,059,206,068 | 3,312,665,055 | 3,436,876,223 |
| Total work related expenses | no. | 5,506,433 | 5,681,047 | 6,141,874 | 6,230,764 | 6,359,876 | 6,525,591 | 6,765,620 | 6,853,822 | 6,575,814 |
|  | \$ | 5,101,000,000 | 5,525,000,000 | 6,385,829,817 | 6,640,620,597 | 7,006,828,647 | 7,316,915,249 | 8,192,142,670 | 9,060,635,355 | 9,630,275,014 |


| continued from previous page |  |  |  |  |  |  |  | continued on next page, table notes on page 50 |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| TABLE 3.25: Selected items for income years 1993-94 to 2001-02 |  |  |  |  |  |  |  |  |  |  |
| Selected items |  | 1993-94 ${ }^{2}$ | 1994-95 ${ }^{2}$ | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{3}$ | 2000-013 | 2001-024 |
| Deduction for project pool |  | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 6,600 |
|  |  | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 3,924,498 |
| Low value pool deduction |  | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 97,628 |
|  |  | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 49,896,102 |
| Tax losses of earlier years claimed - PP |  | 62,537 | 51,791 | 59,544 | 52,107 | 42,645 | 47,640 | 44,634 | 48,376 | 38,606 |
|  | \$ | 1,325,000,000 | 1,842,000,000 | 2,313,113,809 | 2,201,026,084 | 1,804,256,502 | 2,050,619,148 | 1,911,549,721 | 2,028,313,870 | 1,653,262,687 |
| Tax losses of earlier years claimed - NPP | no. | 60,571 | 68,349 | 80,688 | 79,372 | 87,213 | 70,630 | 65,166 | 61,705 | 66,282 |
|  | \$ | 2,050,000,000 | 1,381,000,000 | 1,767,660,867 | 1,767,182,155 | 2,132,119,795 | 1,769,870,685 | 1,663,472,013 | 1,594,944,560 | 1,482,096,988 |
| Total tax losses of earlier years claimed |  | 120,509 | 116,585 | 135,834 | 127,269 | 126,203 | 114,788 | 106,806 | 107,225 | 102,403 |
|  | \$ | 3,374,000,000 | 3,223,000,000 | 4,080,774,676 | 3,968,208,239 | 3,936,376,297 | 3,820,489,833 | 3,575,021,734 | 3,623,258,430 | 3,135,359,675 |
| Australian film industry incentives | no. | 6,300 | 4,614 | 1,920 | 1,515 | 1,272 | 1,255 | 2,043 | 1,509 | 1,589 |
|  | \$ | 36,000,000 | 30,000,000 | 39,491,206 | 30,218,190 | 21,500,685 | 25,598,057 | 20,075,845 | 10,752,859 | 19,618,556 |
| Non-employer sponsored superannuation contributions | no. $\$$ | $\begin{array}{r} 243,809 \\ 809,000,000 \\ \hline \end{array}$ | 226,071 $694,000,000$ | 225,268 $883,474,700$ | 211,373 $849,647,232$ | 205,586 $961,375,319$ | 203,299 $1,097,333,270$ | 191,961 $1,127,002,336$ | 183,751 $1,176,964,927$ | $\begin{array}{r} 179,687 \\ 1,272,078,002 \\ \hline \end{array}$ |
| Interest \& dividend deductions | no. | 1,679,358 | 1,845,873 | 1,907,943 | 1,922,110 | 1,851,553 | 1,705,405 | 1,701,944 | 1,640,266 | 1,097,966 |
|  | \$ | 517,000,000 | 594,000,000 | 1,023,676,412 | 1,110,995,958 | 1,301,669,962 | 867,754,981 | 1,035,331,458 | 1,288,443,862 | 1,262,768,447 |
| Gifts or donations | no. | 3,156,223 | 3,170,370 | 3,259,236 | 3,232,260 | 3,300,100 | 3,392,452 | 3,445,447 | 3,507,356 | 3,595,391 |
|  | \$ | 471,000,000 | 495,000,000 | 539,207,259 | 564,627,744 | 610,946,663 | 685,557,681 | 738,766,266 | 855,462,376 | 867,742,431 |
| Cost of managing tax affairs | no. | n.a. | n.a. | n.a. | 4,395,795 | 4,650,215 | 4,804,838 | 4,964,474 | 4,969,015 | 4,880,325 |
|  | \$ | n.a. | n.a. | n.a. | 578,145,432 | 633,988,293 | 692,716,288 | 755,470,727 | 885,625,264 | 932,701,328 |
| Other deductions | no. | 3,904,787 | 4,084,227 | 4,280,688 | 172,994 | 127,170 | 214,992 | 270,687 | 307,309 | 325,831 |
|  | \$ | 1,139,000,000 | 1,385,000,000 | 1,337,465,974 | 247,151,553 | 328,364,719 | 702,208,391 | 888,852,220 | 967,842,037 | 876,872,368 |
| Total deductions ${ }^{11}$ | no. | 7,387,917 | 7,582,123 | 8,031,015 | 8,158,184 | 8,275,540 | 8,371,081 | 8,577,271 | 8,569,111 | 8,311,172 |
|  | \$ | 11,446,000,000 | 11,947,000,000 | 14,290,028,898 | 14,905,959,754 | 15,949,822,906 | 16,368,204,755 | 17,564,495,784 | 19,305,061,016 | 19,688,520,801 |
| Contractor/subcontractor \& commission expenses | no. | 74,024 | 71,192 | 75,246 | 77,437 | 80,767 | 84,938 | 87,030 | 86,330 | 85,211 |
|  | \$ | 1,193,000,000 | 1,181,000,000 | 1,261,216,744 | 1,286,978,118 | 1,305,026,117 | 1,358,539,347 | 1,501,238,160 | 1,433,276,209 | 1,512,274,277 |
| Superannuation expenses | no. | 67,103 | 66,304 | 69,748 | 68,286 | 70,476 | 70,418 | 70,946 | 67,448 | 64,155 |
|  | \$ | 164,000,000 | 175,000,000 | 230,689,671 | 242,843,589 | 270,353,230 | 308,066,812 | 324,152,247 | 340,744,305 | 345,427,510 |
| Cost of sales | no. | 242,223 | 236,376 | 243,824 | 234,968 | 238,099 | 234,157 | 234,234 | 229,141 | 215,300 |
|  | \$ | 9,968,000,000 | 10,044,000,000 | 11,457,043,415 | 11,758,971,396 | 12,723,014,024 | 13,666,200,112 | 17,398,214,087 | 16,829,873,855 | 16,996,607,679 |
| Bad debts | no. | 7,390 | 8,150 | 8,868 | 9,069 | 9,331 | 9,190 | 9,699 | 9,101 | 8,436 |
|  | \$ | 25,000,000 | 30,000,000 | 33,742,765 | 35,376,624 | 31,047,598 | 37,370,003 | 42,156,923 | 37,110,667 | 31,481,770 |


| Selected items |  | 1993-94 ${ }^{2}$ | 1994-95 ${ }^{2}$ | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{3}$ | 2000-01 ${ }^{3}$ | 2001-02 ${ }^{4}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Lease expenses | no. | 46,167 | 46,493 | 49,928 | 50,021 | 53,133 | 56,681 | 56,815 | 51,085 | 46,717 |
|  | \$ | 272,000,000 | 279,000,000 | 321,308,631 | 342,821,695 | 365,656,379 | 396,432,895 | 404,752,009 | 367,189,719 | 324,111,884 |
| Rent expenses | no. | 141,159 | 142,272 | 158,022 | 157,562 | 162,304 | 165,330 | 165,814 | 152,951 | 143,311 |
|  | \$ | 1,067,000,000 | 1,121,000,000 | 1,294,201,056 | 1,330,329,790 | 1,378,045,518 | 1,418,481,260 | 1,476,540,640 | 1,488,024,864 | 1,429,086,920 |
| Interest expenses within Australia | no. | n.a. | n.a. | n.a. | n.a. | 210,525 | 207,533 | 211,795 | 199,763 | 187,328 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 929,279,244 | 894,226,296 | 955,539,420 | 1,010,205,551 | 889,387,167 |
| Interest expenses overseas | no. | n.a. | n.a. | n.a. | n.a. | 3,839 | 2,950 | 3,313 | 3,948 | 3,793 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 18,757,951 | 13,921,653 | 15,435,266 | 20,156,787 | 17,038,573 |
| Total interest expenses | no. | 183,334 | 188,907 | 210,337 | 216,156 | 213,938 | 210,117 | 214,653 | 203,189 | 190,669 |
|  | \$ | 741,000,000 | 818,000,000 | 997,174,400 | 1,002,728,855 | 948,037,195 | 908,147,949 | 970,974,686 | 1,030,362,338 | 906,425,740 |
| Depreciation expenses | no. | 509,383 | 526,592 | 564,183 | 553,974 | 566,508 | 574,844 | 580,468 | 523,429 | 491,971 |
|  | \$ | 1,114,000,000 | 1,230,000,000 | 1,409,687,056 | 1,435,218,865 | 1,511,500,682 | 1,579,120,513 | 1,725,149,009 | 1,583,934,524 | 1,615,159,098 |
| Motor vehicle expenses | no. | 559,139 | 571,336 | 605,314 | 595,917 | 619,851 | 637,737 | 655,412 | 574,405 | 560,351 |
|  | \$ | 1,842,000,000 | 1,954,000,000 | 2,170,103,222 | 2,180,086,045 | 2,295,257,158 | 2,410,215,305 | 2,643,915,560 | 2,415,984,585 | 2,339,381,210 |
| Repairs \& maintenance expenses | no. | 278,361 | 282,765 | 302,096 | 297,080 | 304,376 | 303,601 | 299,763 | 275,979 | 261,199 |
|  | \$ | 513,000,000 | 523,000,000 | 582,390,298 | 581,949,004 | 611,967,853 | 624,960,419 | 656,898,914 | 617,472,603 | 636,531,815 |
| Other expenses | no. | 722,042 | 740,844 | 791,977 | 789,440 | 817,987 | 848,391 | 873,284 | 779,389 | 754,339 |
|  | \$ | 10,118,000,000 | 11,023,000,000 | 12,743,418,837 | 13,402,233,413 | 14,359,089,508 | 14,898,230,244 | 16,356,365,393 | 15,973,526,208 | 15,854,624,318 |
| Total expenses | no. | 755,849 | 774,962 | 826,643 | 823,758 | 839,401 | 889,378 | 917,404 | 816,461 | 788,982 |
|  | \$ | 27,016,000,000 | 28,376,000,000 | 32,420,642,574 | 33,386,774,734 | 34,820,847,970 | 37,563,342,363 | 43,500,359,508 | 42,117,457,958 | 41,991,115,747 |
| Drought investment allowance ${ }^{12}$ | no. | 13,424 | 1,678 | 663 | 582 | 468 | 439 | 219 | 83 | 48 |
|  | \$ | 31,000,000 | 8,000,000 | 3,931,447 | 6,034,607 | 2,388,493 | 3,857,837 | 763,616 | 198,346 | 821,407 |
| Opening stock | no. | 138,950 | 139,759 | 149,071 | 144,891 | 149,458 | 145,952 | 140,446 | 127,447 | 116,421 |
|  | \$ | 1,947,000,000 | 2,071,000,000 | 2,369,744,805 | 2,528,627,759 | 2,587,877,511 | 2,632,264,430 | 2,913,831,254 | 3,170,650,713 | 3,232,376,198 |
| Closing stock | no. | 152,362 | 150,340 | 158,832 | 153,179 | 155,792 | 151,811 | 146,665 | 133,857 | 122,452 |
|  | \$ | 2,094,000,000 | 2,172,000,000 | 2,505,137,504 | 2,459,320,997 | 2,611,004,686 | 2,808,723,138 | 3,225,992,556 | 3,342,707,678 | 3,461,350,520 |
| Salary \& wage expenses | no. | 103,809 | 102,827 | 110,755 | 107,668 | 104,420 | 100,995 | 97,308 | 80,824 | 73,259 |
|  | \$ | 2,212,000,000 | 2,299,000,000 | 2,557,614,574 | 2,545,241,514 | 2,608,812,000 | 2,633,834,912 | 2,783,746,887 | 2,793,814,622 | 2,527,764,716 |
| Payments to related entities | no. | 35,805 | 35,247 | 36,525 | 35,260 | 34,545 | 30,670 | 28,836 | 21,013 | 19,185 |
|  | \$ | 455,000,000 | 466,000,000 | 499,315,856 | 490,909,920 | 497,635,862 | 649,248,556 | 701,796,813 | 630,185,785 | 473,109,288 |
| Depreciable assets purchased ${ }^{13}$ | no. | 211,689 | 212,232 | 214,283 | 205,005 | 205,657 | 202,218 | 202,468 | 147,131 | n.a. |
|  | \$ | 1,918,000,000 | 1,950,000,000 | 2,018,322,978 | 2,052,196,844 | 2,226,383,784 | 2,094,204,224 | 2,297,967,620 | 1,995,109,485 | n.a. |

TABLE 3.25': Selected items for income years 1993-94 to 2001-02

| Selected items |  | 1993-94 ${ }^{2}$ | 1994-95 ${ }^{2}$ | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{\text {3 }}$ | 2000-013 | 2001-024 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Intangible depreciating assets 1st deducted ${ }^{13}$ | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 1,803 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 21,819,463 |
| Other depreciating assets 1 st deducted ${ }^{13}$ | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 105,913 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 1,370,354,147 |
| Depreciable assets sold ${ }^{14}$ | no. | 59,226 | 57,665 | 58,462 | 53,039 | 50,424 | 46,201 | 42,761 | 27,965 | n.a. |
|  | \$ | 489,000,000 | 497,000,000 | 540,167,644 | 492,181,517 | 501,728,823 | 720,509,291 | 611,955,608 | 389,212,130 | n.a. |
| Termination valueintangible dep assets ${ }^{14}$ | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 785 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 13,790,601 |
| Termination value-other dep assets ${ }^{14}$ | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 38,921 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 781,830,665 |
| Gross PPS income | no. | 239,607 | 256,303 | 263,353 | 260,789 | 279,937 | 296,412 | 307,174 | n.a. | n.a. |
|  | \$ | 5,181,000,000 | 5,932,000,000 | 6,267,299,772 | 6,443,926,329 | 7,457,271,651 | 8,119,071,415 | 9,241,276,166 | n.a. | n.a. |
| Gross RPS income | no. | n.a. | n.a. | 2,450 | 3,470 | 11,231 | 10,541 | 9,429 | n.a. | n.a. |
|  | \$ | n.a. | n.a. | 84,194,945 | 130,589,325 | 366,582,021 | 403,662,057 | 362,537,912 | n.a. | n.a. |
| Gross payments where ABN not quoted | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 5,818 | 4,127 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 96,143,459 | 97,904,229 |
| Gross payments <br> - voluntary agreement | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 24,284 | 17,162 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 643,639,490 | 492,221,720 |
| Environmental protection expenses | no. | n.a. | n.a. | n.a. | 297 | 3,108 | 2,113 | 1,944 | 265 | 553 |
|  | \$ | n.a. | n.a. | n.a. | 755,141 | 1,822,612 | 1,169,696 | 1,294,115 | 840,226 | 515,183 |
| Section 40-880 deduction | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 258 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 589,489 |
| Business deduction for project pool | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 173 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 252,019 |
| Landcare degradation expenses | no. | 1,779 | 1,636 | 1,447 | 1,398 | 3,385 | 3,525 | 3,256 | 2,688 | 2,274 |
|  | \$ | 4,000,000 | 5,000,000 | 5,058,620 | 4,816,823 | 15,271,371 | 13,852,914 | 13,395,355 | 11,339,603 | 8,843,089 |
| HECS assessment debt | no. | 123,957 | 147,674 | 191,210 | 200,632 | 328,089 | 319,956 | 337,298 | 342,456 | 321,447 |
|  | \$ | 129,000,000 | 164,000,000 | 218,991,184 | 267,269,735 | 485,124,017 | 491,840,483 | 552,048,356 | 583,752,433 | 562,666,448 |
| Total tax withheld | no. | 7,416,351 | 7,634,557 | 8,081,052 | 8,149,885 | 8,245,908 | 8,309,039 | 8,508,667 | 8,522,480 | 8,315,917 |
|  | \$ | 44,835,000,000 | 48,180,000,000 | 54,609,660,282 | 59,189,562,303 | 63,929,997,287 | 68,488,538,664 | 74,532,444,334 | 70,413,265,783 | 71,504,452,444 |
| Total business income - PP | no. | 110,800 | 103,970 | 103,662 | 101,845 | 99,984 | 99,516 | 93,615 | 86,978 | 80,087 |
|  | \$ | 2,643,000,000 | 2,645,000,000 | 2,841,849,368 | 2,837,366,716 | 2,890,478,805 | 2,986,483,488 | 3,157,269,156 | 3,567,619,742 | 3,778,188,647 |


| Selected items |  | 1993-94 ${ }^{2}$ | 1994-95 ${ }^{2}$ | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{3}$ | 2000-013 | 2001-024 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Total business income - NPP | no. | 714,170 | 734,173 | 780,404 | 772,479 | 783,075 | 834,381 | 863,568 | 736,268 | 713,218 |
|  | \$ | 31,379,000,000 | 33,312,000,000 | 37,651,763,605 | 38,904,295,111 | 40,859,349,201 | 44,878,883,728 | 52,122,108,422 | 48,953,170,220 | 49,600,816,603 |
| Total business income | no. | 808,486 | 822,228 | 866,237 | 853,939 | 866,371 | 916,913 | 941,485 | 810,269 | 781,495 |
|  | \$ | 34,022,000,000 | 35,957,000,000 | 40,420,701,631 | 41,486,917,803 | 43,768,697,359 | 47,865,367,216 | 55,279,377,578 | 52,520,789,962 | 53,379,005,250 |
| Assessable government industry payments - PP ${ }^{15}$ | no. | n.a. | n.a. | n.a. | n.a. | 5,954 | 6,212 | 7,026 | 10,231 | 9,831 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 18,696,377 | 19,182,579 | 24,430,724 | 52,800,288 | 61,939,221 |
| Assessable government industry payments <br> - NPP ${ }^{15}$ | no. | n.a. | n.a. | n.a. | n.a. | 3,960 | 3,136 | 2,967 | 9,955 | 8,539 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 71,675,015 | 67,535,266 | 67,308,637 | 249,927,403 | 224,843,806 |
| Total assessable government industry payments ${ }^{15}$ | no. | n.a. | n.a. | n.a. | 3,854 | n.a. | 9,306 | 9,954 | 20,003 | 18,265 |
|  | \$ | n.a. | n.a. | n.a. | 24,868,928 | 90,371,392 | 86,717,845 | 91,739,361 | 301,567,241 | 286,783,027 |
| Tax losses deducted | no. | 84,436 | 78,837 | 90,719 | 83,116 | 82,286 | 75,728 | 70,828 | 76,050 | 75,881 |
|  | \$ | 810,000,000 | 743,000,000 | 915,030,523 | 821,906,825 | 826,912,175 | 839,891,029 | 825,941,801 | 1,049,741,091 | 980,502,764 |
| Total PPS credit | no. | 454,263 | 471,901 | 482,455 | 446,250 | 474,769 | 496,099 | 503,111 | n.a. | n.a. |
|  | \$ | 1,620,000,000 | 1,844,000,000 | 1,884,688,282 | 1,808,379,486 | 2,110,147,408 | 2,369,072,175 | 2,691,151,829 | n.a. | n.a. |
| Provisional tax credit | no. | 1,385,931 | 1,306,122 | 1,358,847 | 1,448,518 | 1,408,337 | 1,451,256 | 1,385,012 | n.a. | n.a. |
|  | \$ | 5,776,000,000 | 5,756,000,000 | 6,410,120,168 | 7,149,787,659 | 7,118,369,963 | 7,555,759,387 | 8,271,890,972 | n.a. | n.a. |
| Tax payable (or balance payable) | no. | n.a. | n.a. | 1,949,260 | 1,956,533 | 1,918,425 | 1,788,547 | 2,109,724 | 1,964,103 | 1,819,715 |
|  | \$ | 2,887,000,000 | 3,003,000,000 | 3,700,992,304 | 3,617,391,700 | 4,642,830,872 | 5,024,454,449 | 6,674,463,956 | 7,472,778,837 | 7,156,203,764 |
| Tax refundable (or balance refundable) | no. | n.a. | n.a. | 7,530,003 | 7,605,110 | 7,751,409 | 7,890,933 | 7,825,956 | 8,215,801 | 8,146,550 |
|  | \$ | -7,181,000,000 | -7,711,000,000 | -8,401,444,318 | -8,694,237,673 | -9,867,316,330 | -10,544,020,337 | -11,019,778,911 | -10,507,105,226 | -10,816,627,069 |
| Tax payable/refundable (or balance payable/ refundable) | \$ | -4,294,000,000 | -4,708,000,000 | -4,700,452,014 | -5,076,845,973 | -5,224,485,458 | -5,519,565,888 | -4,345,314,955 | -3,034,326,389 | -3,660,423,305 |
| Tax losses carried forward | no. | 144,748 | 148,086 | n.a. | n.a. | n.a. | n.a. | 154,264 | 143,377 | 125,505 |
|  | \$ | 3,365,000,000 | 3,396,000,000 | n.a. | n.a. | n.a. | n.a. | 4,339,068,132 | 3,940,970,708 | 3,356,463,604 |
| Spouse tax offset <br> - dependent child | no. | n.a. | n.a. | 111,197 | 110,147 | 110,332 | 113,292 | 116,435 | n.a. | n.a. |
|  | \$ | n.a. | n.a. | 112,284,748 | 111,361,028 | 113,501,891 | 120,390,512 | 127,317,217 | n.a. | n.a. |
| Spouse tax offset - housekeeper | no. | n.a. | n.a. | 5,615 | 3,906 | 6,418 | 5,251 | 5,595 | 11,882 | 6,569 |
|  | \$ | n.a. | n.a. | 5,790,933 | 4,079,841 | 6,646,855 | 5,451,190 | 6,020,340 | 14,119,967 | 8,285,525 |
| Spouse tax offset <br> - received HCCA or BPA | no. | n.a. | n.a. | 48,495 | 37,256 | 32,348 | 30,491 | 29,345 | n.a. | n.a. |
|  | \$ | n.a. | n.a. | 23,343,376 | 18,091,428 | 14,837,432 | 14,757,816 | 14,975,309 | n.a. | n.a. |
| Spouse tax offset <br> - claiming part of year | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 4,404 | 7,618 | 4,369 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 4,639,113 | 9,029,644 | 5,470,384 |

TABLE 3.25': Selected items for income years 1993-94 to 2001-02

| Selected items |  | 1993-94 ${ }^{2}$ | 1994-95 ${ }^{2}$ | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{3}$ | 2000-013 | 2001-024 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Spouse tax offset - other | no. | n.a. | n.a. | 319,452 | 307,734 | 306,865 | 319,584 | 10,579,845 | 333,155 | 323,039 |
|  | \$ | n.a. | n.a. | 289,035,549 | 291,942,601 | n.a. | 295,285,389 | 451,576,601 | 339,906,927 | 348,295,274 |
| Total spouse tax offset | no. | n.a. | 947,932 | 491,842 | 468,786 | 469,339 | 469,626 | 472,138 | 352,655 | 333,977 |
|  | \$ | n.a. | 615,000,000 | 433,138,091 | 429,700,838 | 437,020,491 | 446,460,345 | 477,211,363 | 363,056,538 | 362,051,183 |
| Spouse or childhousekeeper's separate net income | no. | n.a. | n.a. | n.a. | 378,449 | 18,148 | 11,762 | 6,919 | 5,205 | 3,467 |
|  | \$ | n.a. | n.a. | n.a. | 1,514,276,118 | 265,738,866 | 113,285,245 | 24,874,309 | 64,897,519 | 70,493,383 |
| Basic parenting allowance | no. | n.a. | n.a. | n.a. | 141,893 | 145,315 | 152,261 | 115,475 | n.a. | n.a. |
|  | \$ | n.a. | n.a. | n.a. | 179,512,973 | 194,638,667 | 210,719,166 | 159,847,927 | n.a. | n.a. |
| Sole parent tax offset | no. | 242,817 | 257,294 | 278,099 | 287,051 | 203,145 | 302,663 | 310,864 | n.a. | n.a. |
|  | \$ | 231,000,000 | 250,000,000 | 277,794,323 | 300,981,138 | 214,484,092 | 323,348,586 | 337,154,480 | n.a. | n.a. |
| Zone \& overseas forces tax offset | no. | 454,035 | 470,749 | 508,130 | 515,774 | 515,442 | 512,793 | 504,301 | 491,204 | 480,288 |
|  | \$ | 179,000,000 | 183,000,000 | 199,325,382 | 205,017,836 | 208,876,221 | 208,667,981 | 202,083,050 | 195,913,590 | 196,162,131 |
| Superannuation contributions - superannuation only tax offset | no. | 672,390 | 548,362 | 442,930 | 358,552 | 295,855 | 259,560 | 187,708 | 141,126 | 119,018 |
|  | \$ | 44,000,000 | 35,000,000 | 28,068,477 | 22,466,569 | 17,950,782 | 15,617,027 | 11,577,216 | 8,819,605 | 7,529,217 |
| Superannuation contributions - annuity/ pension tax offset | no. | n.a. | n.a. | 128,279 | 180,496 | 216,502 | 247,549 | 282,205 | 294,565 | 301,837 |
|  | \$ | n.a. | n.a. | 210,217,538 | 330,779,228 | 353,901,775 | 406,471,895 | 476,485,326 | 538,876,630 | 572,808,178 |
| Superannuation contributions - combination of superannuation contributions \& annuity tax offset | no. | n.a. n.a. | n.a. n.a. | 2,680 $3,277,557$ | 3,116 $4,273,887$ | 3,837 $4,477,973$ | 5,651 | 2,963 | 3,160 $5,390,413$ | 2,311 |
| Total superannuation contribution tax offset | no. | n.a. | n.a. | 573,586 | 542,166 | 516,112 | 511,964 | 472,876 | 438,852 | 423,166 |
|  | \$ | n.a. | n.a. | 241,577,947 | 357,522,704 | 376,373,756 | 428,243,696 | 492,066,676 | 553,087,188 | 584,074,099 |
| Senior Australians tax offset (SATO) ${ }^{16,17}$ | no. | n.a. | n.a. | n.a. | 27,776 | 35,842 | 40,610 | 48,249 | 296,219 | 587,584 |
|  | \$ | n.a. | n.a. | n.a. | 9,661,135 | 28,663,152 | 34,259,696 | 42,805,135 | 499,054,930 | 1,129,660,793 |
| Medical expenses tax offset | no. | n.a. | n.a. | n.a. | 261,553 | 284,602 | 308,781 | 333,764 | 346,421 | 384,114 |
|  | \$ | n.a. | n.a. | n.a. | 113,204,714 | 128,061,564 | 145,073,149 | 162,296,859 | 170,255,604 | 192,419,772 |
| Other tax offsets | no. | 255,041 | 361,714 | 316,717 | 33,115 | 16,767 | 17,736 | 9,337 | 7,245 | 4,869 |
|  | \$ | 125,000,000 | 263,000,000 | 180,411,139 | 42,091,203 | 22,328,363 | 14,346,227 | 12,678,058 | 11,616,279 | 9,685,254 |
| Pensioner tax offset ${ }^{18,19}$ | no. | 600,659 | 618,759 | 702,460 | 748,668 | 677,916 | 651,430 | 657,218 | 557,081 | 231,726 |
|  | \$ | 479,000,000 | 478,000,000 | 594,017,470 | 675,515,266 | 610,994,687 | 604,572,460 | 651,516,838 | 1,004,023,769 | 307,695,201 |
| Comm of Aust benefits \& allowances tax offset ${ }^{20}$ | no. | 538,294 | 635,419 | 628,895 | 340,526 | 319,477 | 321,210 | 306,868 | 271,201 | 282,007 |
|  | \$ | 211,000,000 | 317,000,000 | 268,741,664 | 115,199,298 | 110,881,096 | 120,133,081 | 116,601,451 | 86,134,024 | 99,522,098 |

continued from previous page
TABLE 3.25': Selected items for income years 1993-94 to 2001-02

| Selected items |  | 1993-94 ${ }^{2}$ | 1994-95 ${ }^{2}$ | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{3}$ | 2000-013 | 2001-024 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Life assurance bonus tax offset | no. | 44,337 | 44,822 | 45,234 | 34,253 | 19,491 | 13,857 | 11,768 | 8,402 | 5,053 |
|  | \$ | 71,000,000 | 76,000,000 | 73,035,066 | 49,622,410 | 25,630,178 | 18,136,882 | 16,198,653 | 12,930,543 | 8,192,451 |
| Section 98A(2) deduction | no. | 172 | 268 | 285 | 608 | 764 | 856 | 1,015 | 1,016 | 991 |
|  | \$ | n.a. | n.a. | n.a. | 5,864,932 | 9,911,871 | 7,273,064 | 13,871,088 | 11,014,562 | 10,071,690 |
| Imputation credit primary | no. | 904,385 | 983,612 | 1,114,855 | 1,329,200 | 1,989,385 | 2,431,825 | 2,639,573 | 3,222,334 | 3,067,821 |
|  | \$ | 1,597,000,000 | 2,213,000,000 | 2,546,662,168 | 2,674,863,996 | 3,075,503,927 | 3,363,646,252 | 3,868,071,640 | 4,618,691,892 | 3,274,169,898 |
| Total imputation credits ${ }^{21}$ | no. | 1,095,989 | 1,195,015 | 1,350,500 | 1,602,203 | 2,280,428 | 2,733,112 | 2,967,368 | 3,562,725 | 3,429,457 |
|  | \$ | 2,045,000,000 | 2,839,000,000 | 3,285,583,411 | 3,445,313,123 | 4,009,680,224 | 4,421,926,499 | 5,114,088,719 | 6,064,228,136 | 4,261,491,147 |
| Foreign tax credits | no. | 192,125 | 168,271 | 266,941 | 292,190 | 323,317 | 354,293 | 391,465 | 485,055 | 534,921 |
|  | \$ | 51,000,000 | 51,000,000 | 62,014,049 | 80,191,206 | 94,214,961 | 102,622,836 | 104,257,520 | 127,387,813 | 112,128,030 |
| Total tax withheld on interest \& dividends | no. | 256,070 | 274,592 | 290,328 | 210,800 | 162,325 | 170,427 | 239,079 | 237,988 | 175,840 |
|  | \$ | 36,000,000 | 41,000,000 | 40,470,982 | 35,295,302 | 29,566,834 | 29,020,805 | 40,535,528 | 46,807,625 | 32,547,511 |
| Averaging tax offset | no. | 125,676 | 129,655 | 143,437 | 127,332 | 116,201 | 106,629 | 103,439 | 134,515 | 139,824 |
|  | \$ | 126,000,000 | 154,000,000 | 206,643,841 | 144,313,625 | 122,563,208 | 102,285,219 | 113,620,009 | 210,058,225 | 296,529,237 |
| Share of credit for tax paid by trustee ${ }^{22}$ | no. | 3,790 | 3,024 | 3,223 | 5,575 | 4,448 | 4,810 | 4,277 | 4,660 | 2,686 |
|  | \$ | 7,000,000 | 7,000,000 | 5,540,256 | 10,702,979 | 9,019,566 | 9,887,825 | 8,883,529 | 8,321,101 | 7,091,284 |
| Termination payment tax offset | no. | 666,830 | 512,842 | 500,976 | 481,499 | 453,381 | 451,086 | 429,613 | 254,794 | 264,257 |
|  | \$ | 1,274,000,000 | 1,127,000,000 | 1,173,874,874 | 1,398,467,453 | 1,547,427,682 | 1,548,133,597 | 1,662,903,445 | 1,434,888,746 | 1,465,267,914 |
| Low income tax offset | no. | 4,017,598 | 3,995,302 | 4,102,314 | 4,045,660 | 3,850,379 | 3,559,306 | 3,643,474 | 3,260,338 | 3,057,506 |
|  | \$ | 520,000,000 | 517,000,000 | 532,351,894 | 524,570,962 | 499,933,313 | 458,956,386 | 472,850,903 | 417,193,160 | 391,016,271 |
| Total tax offsets/credits allowed ${ }^{23}$ | no. | 6,608,160 | 6,612,084 | 6,695,664 | 6,684,516 | 7,045,633 | 7,680,126 | 7,022,744 | 7,279,990 | 7,028,916 |
|  | \$ | 6,010,000,000 | 6,410,000,000 | 6,997,943,009 | 7,397,813,629 | 8,249,572,021 | 9,324,572,666 | 9,494,106,033 | 10,544,066,077 | 8,880,318,765 |
| SCHEDULE ITEMS ${ }^{24}$ |  |  |  |  |  |  |  |  |  |  |
| Total capital losses of current year applied | no. | n.a. | n.a. | n.a. | n.a. | 139,685 | 177,558 | 235,674 | 76,418 | 76,185 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 592,722,468 | 732,183,623 | 1,241,135,659 | 908,469,517 | 948,919,658 |
| Net capital losses of prior years applied | no. | n.a. | n.a. | n.a. | n.a. | 88,032 | 94,300 | 111,662 | 27,419 | 34,317 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 360,238,995 | 404,811,360 | 639,265,037 | 274,933,213 | 380,162,344 |

## TABLE 3.25': Selected items for income years 1993-94 to 2001-02

 The symbol 'n.a.' used in this publication means not applicable or not available.in order to meet privacy regulations, the following measures have been applied. (a) Number indicators showing values of 1 to 4 have been replaced by 5 . Hence, in the detailed tables, any cell containing a number indicator that is (b) Amount totals are the sum of the indicated cell values in a table. Amounts and totals may vary between tables.
(c) Statistics for some items may not be included in some tables.

1. This table is the same as Personal tax detailed table 7 which can be viewed or downloaded from the CD-ROM or from the online version of this publication on the Tax Office website. 2. Amounts (\$) reported for the 1993-94 and 1994-95 income years are rounded to millions. Actual amount figures are not available.

 chapter of Taxation statistics 2001-02.
2. Numbers exclude manually assessed and issued assessments.
3. Refers to personal (or individual) taxpayers with net tax payable greater than $\$ 0$.
4. Refers to personal (or individual) taxpayers with net tax payable equal to $\$ 0$ (no amount of net tax charged).
5. Net tax is for taxable personal taxpayers only. Non-taxable individuals have net tax of $\$ 0$.
6. The 'Total income' reported in this table is bas
7. Total deductions is the sum of deduction items and total tax losses of earlier years claimed (prior year losses). 2. The drought investment allowance expenditure incurred in prior income years,
en
8. In the 2001-02 income year 'Depreciable assets purchased' was replaced by 'Intangible depreciating assets first deducted' and 'Other depreciating assets first deducted'.
9. In the 2001-02 income year 'Depreciable assets sold' was replaced by 'Termination value - intangible depreciating assets' and 'Termination value - other depreciating assets'.

 payments in income years before 2000-01.
10. Before 2000-01 the 'Senior Australians tax

 2000-01 and 2001-02 were significantly higher compared to the amounts of SATO (or low income aged person tax offset) claimed before 2000-01.

 reclassified as individuals eligible to claim SATO.
 Also referred to as 'beneficiary tax offset'
11. Sum of primary imputation credits and partnership and trust share of imputation credit from franked dividends (or subsidiary imputation credits).
12. Also referred to as 'Section 100(2) credit'.
 or exclude tax offsets and credits reported in other tables
 processed by 31 October 2003.

## HIGHLIGHTS

- In 2001-02, 648,504 companies lodged returns and disclosed $\$ 27.6$ billion in total net tax liability.
- Companies reported total income of \$1.5 trillion and total expenses of \$1.4 trillion.
- In the 2002-03 financial year the petroleum resource rent tax totalled $\$ 1.7$ billion.

This chapter mainly contains company statistics for the 200102 income year. However, it also includes petroleum resource rent tax statistics for the 2002-03 and past financial years.
For tax purposes, companies include all bodies or associations, incorporated or unincorporated, excluding partnerships and non-entity joint ventures. For tax purposes, limited partnerships and some corporate unit trusts and public trading trusts are treated as companies.

Generally, every resident company that derives assessable income, whether sourced within or out of Australia, and every non-resident company that derives assessable income from Australian sources, is required to lodge a company tax return. A resident non-profit company is not required to lodge a return if its taxable income is less than $\$ 417$.

The Australian financial year runs from 1 July to 30 June. For $98 \%$ of companies (accounting for $68 \%$ of total company net tax liability), the income year is the same as the financial year. However, those companies with an income year different to the financial year use a substituted accounting period (see company tax detailed table 3).

One of the reasons a company may use a substituted accounting period would be if they are owned by a multinational and the holding company wishes to have all members of the corporate group operate under the same financial year. For example, the traditional financial year in the United States follows the calendar year, while the British financial year ends in March. Depending on the accounting period chosen, the activity reported could cover a 12-month period starting as early as 1 January 2001 ('early December' balancers) or finishing as late as 31 December 2002 ('late December' balancers).
Companies pay a flat rate of tax without a tax-free threshold. For the 2001-02 income year the rate decreased to $30 \%$ from 34\% in 2000-01 (table 4.1).
Under the pay as you go (PAYG) instalments system companies pay instalments of their tax liability based on either a rate or amount determined from the last return lodged. PAYG instalments for the year are credited against the calculated tax payable on a company's annual income tax return to determine whether the company owes more tax or is owed a refund. This is the final balance for the income year.

## BOX 4.1: PAYG instalments for companies ${ }^{1}$

The PAYG instalments system is a system for paying instalments towards the expected tax liability on a company's (or other entity's) business and investment income for the current income year. This system became effective for most taxpayers from the 2000-01 income year. For companies, the PAYG instalments system replaced the company instalment system.
Companies that are given an instalment rate ${ }^{2}$ by the Tax Office are required to pay instalments. We calculate the instalment rate from information on the company's last assessed income tax return and print it on the company's activity statement (Business activity statement or Instalment activity statement).
In general, we send activity statements in time for companies to complete (report their PAYG instalment obligations) and lodge their activity statement before payment is due. PAYG instalments are generally paid quarterly, but some companies can pay one annual instalment.
Most companies pay an instalment amount calculated by the Tax Office. Some companies set their own instalment rate. In doing this, they try to better match their instalments with their estimated end-of-year tax liability, taking into account changes in business income that will affect their tax liability. Factors that may affect business income include changes in profitability or the utilisation of losses.

Although companies have to lodge activity statements, they still need to lodge an annual income tax return because the PAYG instalments will only approximate each company's expected end-of-year income tax liability. PAYG instalments paid during the year are credited against the calculated tax payable on a company's annual income tax return to determine whether the company owes more tax or is owed a refund.

For the 2001-02 income year, 224,580 companies (35\% of the total number of companies) paid $\$ 24.9$ billion in instalment payments (which included PAYG instalments and other interim payments). Statistics on instalments paid by companies for the 2001-02 income year are reported in company tax detailed tables 2 part E, 4 part E and 8 part E.

[^3]
## SOURCE OF COMPANY STATISTICS

The data for Taxation statistics 2001-02 was compiled before all processing for the 2001-02 income year was completed. The statistics (excluding the statistics on the petroleum resource rent tax) in this chapter are sourced from 2002 company income tax returns processed by 31 October 2003. The statistics are not necessarily complete and will continue to change as data from 2002 tax returns processed after 31 October 2003 is included. The usual practice each year is to update the statistics for the two years before the current year in the company tax time series table (chapter table 4.10 and company tax detailed table 7) included at the end of the chapter. The proportion of tax returns processed each year by 31 October can vary. Caution should be exercised in comparing the statistics for the current year and previous years. Better comparisons between the 2001-02 income year statistics and the statistics from previous years will be possible when Taxation statistics 2002-03 is published. In that edition, the 2001-02 income year statistics will include data from returns and amendments processed up to 31 October 2004.
Company returns were lodged either electronically or in paper form. A copy of the return form is in the appendix. It may be viewed or downloaded in PDF file format from the attached CD-ROM or from the online version of this publication on our website at www.ato.gov.au

Statistics for most of the items shown on the return are included in the detailed tables on the attached CD-ROM. The detailed tables are also included in the online version of this publication, which can be viewed on our website.

Some statistics in the detailed tables were also sourced from 2002 capital gains tax (CGT) schedules and 2002 losses schedules processed by 31 October 2003. They are not necessarily complete and will continue to change as data from 2001 schedules processed after 31 October 2003 is included. In addition, not all company taxpayers are required to complete these schedules. The company statistics sourced from these schedules would therefore not represent or refer to all company taxpayers.
Copies of the CGT schedule and the losses schedule are in the appendix. They may be viewed or downloaded in PDF file format from the attached CD-ROM or from the online version of the publication on our website.

Statistics for petroleum resource rent tax collections were sourced from various issues of the Commissioner of Taxation annual report.

## BOX 4.2: Types of companies ${ }^{1}$

Cooperative company: one in which the number of shares held by one person is limited, the shares are not quoted on a stock exchange, and the business is carried on primarily for:

- acquiring commodities or goods for disposal or distribution to its members
- disposing of or distributing its members' commodities or goods
- storing, marketing, packaging or processing its members' commodities
- rendering services to its members, or
- obtaining funds from its members so that it can make loans to them, enabling them to acquire residential and/or business premises.

Corporate unit trust: a unit trust that qualifies as a public unit trust and, as part of an arrangement for reorganising a company or company group, a business or other property of a company has been transferred to the unit trust and shareholders of the company involved in the reorganisation receive entitlements to take up units in the unit trust.

Limited partnership: a partnership in which the liability of at least one partner is limited. For tax purposes, a limited partnership is called a corporate limited partnership because it is effectively treated as a company.

Non-profit company: a company that is not carried on for the purpose of profit or gain to its individual members. The terms of the memorandum or articles of association, rules or other documents constituting the company or governing its activities must prohibit it from making any distribution in money, property or otherwise to its members.

Pooled development fund: a company that is registered as a pooled development fund under the Pooled Development Funds Act 1992 to provide equity capital for eligible activities to resident Australian companies with total assets not exceeding $\$ 50$ million.

Private company: includes any company that is not a public company.
Public company: a public company as defined in the Income Tax Assessment Act 1936 (section 103A) for the income year. Companies are public companies for tax purposes if:

- the company's shares are listed on the stock exchange in Australia or elsewhere on the last day of the income year
- at all times during the income year, the company was a co-operative
- the company has not, at any time since its formation, been carried on for the purposes of profit or gain to its individual members and was, at all times during the income year, prohibited by the terms of its constituent document from making any distribution (whether in money, property or otherwise) to its members or to relatives of its members, or
the company is
- a mutual life assurance company
- a friendly society dispensary
- a registered organisation
- a body constituted by a law of the Commonwealth or of a state or territory and established for public purposes, not being a company within the meaning of the law in force in a state or territory relating to companies
- a company in which a government body had a controlling interest on the last day of the income year, or
- a public company subsidiary.

Public trading trust: a public unit trust that is also a trading trust and is either a resident in the income year concerned or was a public trading trust in a previous income year. A corporate unit trust cannot also be a public trading trust.

Registered organisation: can include an association registered under a law of a state or territory as a trade union; a society registered under a law of a state or territory providing for the registration of friendly or benefit societies; or an association of employees that is an organisation within the meaning of the Workplace Relations Act 1996.

Strata title body corporate: a body corporate constituted under legislation that creates a special form of legal ownership, referred to in various states or territories as strata title, unit title, group title or cluster title. For tax purposes, it is treated as a public company and does not qualify as a non-profit company.

1. This box presents only general descriptions of the above terms. It does not provide full technical or legal definitions. The information is also derived from information provided on tax returns and may not match commonly understood definitions in all cases

## NEW FEATURES AND INFORMATION

Several tax reforms and laws implemented during the 200102 income year affected the statistics for certain company items reported in this chapter and the detailed tables. Some of these reforms and laws are listed below.

- For the 2001-02 income year, the company tax rate decreased to 30\% from 34\% in 2000-01 (table 4.1).
- The simplified tax system, which offers optional reporting and accounting methods for small business taxpayers, became effective from 1 July 2001.
- The uniform capital allowance system consolidates a range of former capital allowance provisions from 1 July 2001.

■ Thin capitalisation provisions, effective from 1 July 2001, apply to reduce debt deductions and ensure that taxpayers fund their Australian operations with an appropriate amount of equity.

- New rules have been introduced for the tax treatment of hire purchase agreements entered into after 27 February 1998. Certain deductions relating to hire purchase agreements can be claimed from 30 June 2001.
- New debt and equity rules relating to non-share equity interests are effective from 1 July 2001. Certain interests, which are not shares in legal form, are treated in a similar way to shares for some tax law purposes.
- New rules apply from 30 June 2001 for the tax treatment of limited recourse debt arrangements that terminate after 27 February 1998.

Several new labels were introduced in the 2002 company income tax return and some are included in the company tax detailed tables. Definitions of these labels are in the company tax glossary on the attached CD-ROM. The glossary is also available on our website at www.ato.gov.au

R\&D accounting expenditure claimed under R\&D concession (item 7, label D)

- Deduction for project pool (item 7, label H)
- Section 40-880 deduction (item 7, label Z)

R\&D concession claim (100\%. 125\% not 50\% increment) (item 7, label L)

- R\&D incremental concession - additional 50\% increment (item 7, label M)
- Election to take R\&D tax offset (item 7, label Y)
- Intangible depreciating assets first deducted (item 8, label Z)
- Other depreciating assets first deducted (item 8, label A)
- Termination value of intangible depreciating assets (item 8, label P)
- Termination value of other depreciating assets (item 8, label E)
- STS depreciation deduction - Low cost assets (less than \$1000) (item 9, label A)
- STS depreciation deduction - General pool assets (less than 25 years) (item 9, label B)
- STS depreciation deduction - Long life pool assets (25 years or more) (item 9, label C)

Several labels were also removed from the 2002 company return but statistics from previous years for these items are still available in the company tax time series table (chapter table 4.10 and company tax detailed table 7). Definitions of these labels are in the company tax glossary on the attached CD-ROM. The glossary is also available on our website.

- Non-syndicated research and development
- Syndicated research and development
- Depreciable assets purchased
- Depreciable assets sold

A new terminology box (box 4.3) has also been included in this chapter.

## BOX 4.3: Terminology ${ }^{1}$

Uniform capital allowance system (UCA): introduced 1 July 2001, the UCA system applies to most depreciating assets, including those acquired before that date. The UCA provisions in Division 40 of the Income Tax Assessment Act 1997 (ITAA 1997) consolidate a range of former capital allowance provisions, including those relating to plant and equipment. The UCA system does this by providing a set of general rules that apply across a variety of depreciating assets and certain other capital expenditure. It maintains some concessional tax treatments, such as those applying to primary production depreciating assets. It also introduces new deductions for some business-related capital expenditure and for certain project costs that did not previously attract a deduction.

Taxpayers now calculate deductions for the decline in value of their depreciating assets using these new rules.
Eligible taxpayers who elect to enter the simplified tax system (STS) will generally calculate deductions for their depreciating assets under the special STS rules. However, the provisions of the UCA system relating to deductions for certain capital expenditure, such as project amounts and business-related costs, apply to STS taxpayers.
Simplified tax system (STS): introduced 1 July 2001, the STS applies to assessments for income years starting on or after that date. The STS is an alternative method of determining taxable income for eligible small businesses with straightforward financial affairs. The STS provisions can be found in Division 328 of the ITAA 1997.

The STS has three main elements:

- STS cash accounting
- simplified trading stock rules, and
- simplified depreciation (capital allowance) rules.

In addition, STS entities can claim a full deduction for certain prepaid business expenses.
Participation in the STS is optional.
If a taxpayer chooses to participate in the STS, they must use all three elements where they apply. The STS accounting and the simplified depreciation (capital allowance) rules apply to non-business income and deductions, as well as to business income and deductions.

A taxpayer is eligible to be an STS taxpayer for an income year if:

- they carry on a business
- they have an STS average turnover of less than \$1 million. The STS average turnover includes the turnover of any entities the taxpayer is 'grouped with', and
they, together with any entities they are 'grouped with', have depreciating assets with a total adjustable value of less than $\$ 3$ million at the end of the year (includes depreciating assets for which a deduction has been allowed or is allowable under the STS or the UCA provisions).

1. This box presents only general descriptions of the above terms. It does not provide full technical or legal definitions.

Company tax rates applying for the 2001-02 income year are shown in table 4.1.

TABLE 4.1: Company tax rates, 2001-02 income year

| Type of company | Tax rate |
| :---: | :---: |
| Private companies (generally) | 30\% |
| Public companies (generally) | 30\% |
| Retirement savings account (RSA) providers |  |
| - Standard component of taxable income | 30\% |
| - RSA component of taxable income | 15\% |
| Life insurance companies |  |
| Ordinary class | 30\% |
| Complying superannuation class | 15\% |
| Registered organisations (including friendly societies) |  |
| Ordinary class | 30\% |
| Complying superannuation class | 15\% |
| Non-profit companies |  |
| First \$416 of taxable income | Nil |
| Shade-in above \$416 to \$914 | 55\% |
| Taxable income above shade-in range | 30\% |
| Pooled development funds (PDFs) |  |
| Companies that are PDFs throughout the year of income: |  |
| - on small to medium-sized enterprise income component | 15\% |
| - on unregulated investment component | 25\% |
| Companies that become PDFs during the income year and are still PDFs at the end of the income year: |  |
| - on small to medium-sized enterprise income component | 15\% |
| - on unregulated investment component | 25\% |
| - on taxable income that exceeds the PDF component | 30\% |
| Credit unions |  |
| Interest received by: |  |
| - small credit unions (with a notional taxable income of less than $\$ 50,000$ ) | 30\% |

- medium credit unions (with a notional taxable income of \$50,000-\$149,999) on taxable income that exceeds \$49,999
- large credit unions (with a notional taxable income of \$150,000 or more) 30\%


## COMPANY TAXPAYERS

## BOX 4.4: Company size, by total income ${ }^{1}$

For the purposes of this chapter:

- loss/nil companies1 have a total income equal to or less than \$0
- micro companies have a total income equal to or greater than $\$ 1$ but less than $\$ 2$ million
- small companies have a total income equal to or greater than $\$ 2$ million but less than $\$ 10$ million
- medium companies have a total income between $\$ 10$ million and $\$ 100$ million (inclusive), and
- large companies have a total income of more than \$100 million.

The 'total income' amounts are the amounts companies declared at item 6, label S on page 2 of the 2002 company tax return. For example, 'loss/nil' companies are companies that declared 'total income' amounts equal to or less than $\$ 0$ (total loss) on their returns at the indicated label.

1. The 'total income' amounts are the amounts companies declared at item 6 , label S on page 2 of the 2002 company tax return. For example, 'loss/nil' companies are companies that declared 'total income' amounts equal to or less than \$0 (total loss) on their returns at the indicated label.

In 2001-02 a total of 648,504 companies lodged returns in Australia. Approximately $90 \%$ of these companies classified their status as private companies. The next most common types of companies were strata title companies (6\%) and public companies (3\%).

In terms of company size based on company total income, the majority of companies (79\%) were micro companies (table 4.2). Large companies accounted for less than 1\% of the total number of companies.

## COMPANY TAXPAYERS, BY INDUSTRY

For those companies whose industry was stated, $30 \%$ were in the property and business services industry, and a further 19\% were in the finance and insurance industries (table 4.2).
The largest proportion of micro companies whose industry was stated was in the property and business services industry (32\%) followed by the finance and insurance (17\%) and construction (10\%) industries.

The largest proportion of small companies whose industry was stated was in the manufacturing (16\%), property and business services (16\%) and retail trade ( $15 \%$ ) industries.

The largest proportion of medium companies whose industry was stated was in the wholesale trade industry (19\%), followed by the manufacturing (19\%) and finance and insurance (13\%) industries.
The largest proportion of large companies whose industry was stated was in the finance and insurance industry (23\%), followed by the manufacturing (21\%) and wholesale trade (18\%) industries.

TABLE 4.2: Companies, by industry and company size, 2001-02 income year

| Industry ${ }^{1}$ | Loss/nil <br> No. | Micro <br> No. | Small <br> No. | Medium <br> No. | Large <br> No. | Total <br> No. |
| :--- | ---: | ---: | ---: | ---: | ---: | ---: |
| Property \& business services | 24,387 | 165,268 | 5,618 | 1,327 | 125 | 196,725 |
| Finance \& insurance | 31,120 | 86,292 | 3,017 | 1,422 | 412 | 122,263 |
| Construction | 3,837 | 52,837 | 3,995 | 664 | 43 | 61,376 |
| Retail trade | 2,757 | 41,908 | 5,570 | 1,328 | 172 | 51,735 |
| Manufacturing | 3,038 | 35,655 | 5,728 | 1,999 | 389 | 46,809 |
| Wholesale trade | 2,605 | 22,150 | 5,531 | 2,096 | 321 | 32,703 |
| Transport \& storage | 1,508 | 21,375 | 1,971 | 590 | 70 | 25,514 |
| Health \& community services | 1,973 | 21,553 | 500 | 102 | 9 | 24,137 |
| Agriculture, forestry \& fishing | 1,626 | 14,972 | 1,023 | 209 | 21 | 17,851 |
| Personal \& other services | 1,111 | 14,985 | 534 | 98 | 11 | 16,739 |
| Accommodation, cafes \& | 841 | 11,613 | 1,332 | 268 | 12 | 14,066 |
| restaurants | 1,080 | 10,735 | 472 | 172 | 29 | 12,488 |
| Cultural \& recreational services ${ }^{2}$ | 378 | 3,897 | 230 | 106 | 36 | 4,647 |
| Communication | 400 | 3,669 | 132 | 21 | 0 | 4,222 |
| Education | 819 | 2,444 | 356 | 307 | 139 | 4,065 |
| Mining $^{\text {Electricity, gas \& water supply }}$ | 84 | 559 | 89 | 62 | 27 | 821 |
| Total industry stated | 77,564 | 509,912 | 36,098 | 10,771 | 1,816 | 636,161 |
| Other ${ }^{3}$ | 9,414 | 2,764 | 114 | 38 | 13 | 12,343 |
| Total | 86,978 | 512,676 | 36,212 | 10,809 | 1,829 | 648,504 |

1. The industry groups are classified based on the Australian and New Zealand Standard Industry Classification (ANZSIC) system. Fine industries included under these broad industry groupings are listed in company tax detailed table 4. There is a complete listing of all fine industries listed under each broad industry group and the corresponding code in our publication Business industry codes 2002.
2. Includes sports.
3. Includes companies lodging under the 'Nil company returns' code (code: 98000 in our publication Business industry codes 2002) which includes non-taxable companies or companies with nil company returns - no income, expense or balance sheet data present; companies that did not state their industry; and/or companies registered under the government administration and defence industry code.

## COMPANY INCOME

In 2001-02 companies reported total income of $\$ 1.5$ trillion (table 4.3). Despite accounting for less than 1\% of the number of companies, large companies accounted for 60\% (\$899.6 billion) of total company income. Medium companies accounted for 20\% (\$303.4 billion) of total income. Micro and small companies accounted for similar proportions of total income ( $9 \%$ and 10\% respectively) despite the large difference in their numbers (there were 36,212 small companies and 512,676 micro companies) (table 4.2).

Most income (68\%) was derived from the sale of goods and services followed by gross interest (9\%) and gross dividends (4\%). Sales of goods and services accounted for the largest proportion of the total income of most companies, regardless of size. Gross interest and gross dividends respectively accounted for the second and third largest proportions of the total income of small, medium and large companies. For micro companies, gross distributions from trusts accounted for the second largest proportion (4\%) of total income, followed by gross rents (3\%).

TABLE 4.3: Company income, by source and company size, 2001-02 income year

| Source of income ${ }^{\mathbf{1}}$ | Loss/ nil <br> $\mathbf{\$ m}^{2}$ | Micro <br> $\mathbf{\$ m}$ | Small <br> $\mathbf{\$ m}$ | Medium <br> $\mathbf{\$ m}$ | Large <br> $\mathbf{\$ m}$ | Total <br> $\mathbf{\$ m}$ |
| :--- | ---: | ---: | ---: | ---: | ---: | ---: |
| Sales of goods \& services | 16 | 83,417 | 112,468 | 228,302 | 588,203 | $1,012,405$ |
| Gross interest | 22 | 2,528 | 3,311 | 13,924 | 111,356 | 131,141 |
| Gross dividends | 158 | 2,000 | 2,662 | 11,745 | 40,643 | 57,208 |
| Gross rents | 2 | 4,555 | 2,608 | 3,979 | 9,486 | 20,630 |
| Gross distribution - trusts | 8 | 5,695 | 2,351 | 2,041 | 2,665 | 12,760 |
| Gross payments - ABN not quoted | 25 | 52 | 149 | 668 | 3,031 | 3,925 |
| Gross distribution - partnerships | -443 | 1,148 | 872 | 1,339 | 1,268 | 4,184 |
| Assessable government industry <br> payments | 0 | 308 | 276 | 282 | 468 | 1,334 |
| Fringe benefit employee <br> contributions | 0 |  |  |  | 15 | 36 |

1. Definitions of items are in the company tax glossary on the attached CD-ROM
2. An amount of $\$ 0$ indicates a value of less than $\$ 500,000$.
3. Total amount may differ slightly from the sum of components due to rounding. The total income amount is the sum of components as shown by the taxpayer on their annual income tax return. It is not necessarily the total calculated by the Tax Office during assessment.

## COMPANY EXPENSES

In 2001-02 company expenses totalled $\$ 1.4$ trillion. Table 4.4 shows that 47\% (\$639.4 billion) of all company expenses were related to cost of sales, followed by interest expenses within Australia (8\%) and external labour costs (3\%).

For micro, small, medium and large companies, cost of sales accounted for the largest proportion of total expenses, while for loss/nil companies, interest expenses within Australia accounted for the largest proportion (24\%) of total expenses.

TABLE 4.4: Company expenses, by expense and company size, 2001-02 income year

| Expense ${ }^{1}$ | Loss/nil $\$ \mathrm{~m}^{2}$ | Micro \$m | Small \$m | Medium \$m | Large \$m | Total \$m |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Cost of sales | 29 | 40,449 | 71,330 | 151,025 | 376,534 | 639,368 |
| Interest expenses - Australia | 1,149 | 4,327 | 4,112 | 11,757 | 81,817 | 103,162 |
| External labour ${ }^{3}$ | 27 | 6,140 | 5,798 | 8,445 | 16,139 | 36,549 |
| Depreciation | 25 | 3,920 | 2,846 | 6,296 | 21,635 | 34,723 |
| Rent | 7 | 4,387 | 2,908 | 4,283 | 7,620 | 19,205 |
| Interest expenses - overseas | 275 | 356 | 685 | 1,771 | 13,093 | 16,180 |
| Employee superannuation | 5 | 4,119 | 2,169 | 2,644 | 4,128 | 13,066 |
| Repairs \& maintenance | 3 | 1,400 | 1,221 | 2,498 | 7,807 | 12,929 |
| Motor vehicle | 4 | 2,960 | 1,254 | 1,215 | 1,601 | 7,034 |
| Lease expenses - Australia | 7 | 840 | 603 | 1,177 | 3,202 | 5,828 |
| Bad debts | 27 | 286 | 527 | 1,564 | 3,421 | 5,823 |
| Royalty expenses -Australia | 0 | 128 | 169 | 663 | 2,702 | 3,662 |
| Royalty expenses - overseas | 0 | 28 | 106 | 754 | 1,498 | 2,385 |
| Lease expenses -overseas | 0 | 17 | 30 | 56 | 371 | 474 |
| Other expenses | 3,262 | 63,868 | 48,968 | 86,329 | 265,560 | 467,987 |
| Total ${ }^{4}$ | 4,819 | 133,225 | 142,725 | 280,477 | 807,127 | 1,368,374 |

[^4]
## COMPANY NET TAX (OR TAX PAYABLE)

BOX 4.5: Calculating company net tax payable ${ }^{1}$
Expenses are deducted from income to give operating profit or loss. Extraordinary items and reconciliation items ${ }^{2}$ are then applied to operating profit or loss to calculate taxable income or loss. For most companies, the general company tax rate $(30 \%)$ for the income year ended 30 June 2002 is then applied to taxable income to calculate gross tax. Tax offsets/rebates and foreign tax credits are subtracted from gross tax, leaving net tax payable.
Company instalments paid and other credits (credit for interest on early payments - amount of interest, credit for tax withheld where an Australian business number (ABN) was not quoted, tax withheld from interest/investments and other refundable credits) are subtracted from the sum of net tax payable and section 102AAM interest to work out the balance payable or refundable ${ }^{3}$.

1. This box presents only general descriptions of the above terms. It does not provide full technical or legal definitions. More information on the items mentioned in this box and on how net tax payable is calculated is available in the glossary or the Company tax return instructions 2002 booklet on the attached CD-ROM
2. Generally, reconciliation items are adjustments made for items where the treatment for taxation purposes differs from the usual accounting treatment, or for which specific taxation provisions apply
3. Refers to the 'Total amount of tax payable or refundable' item (label S) in the 'Calculation statement' section on page 4 of the 2002 company tax return form. There is more information on how the balance payable or refundable is calculated on page 4 of the company return form and in the instructions booklet.

Companies were liable for $\$ 27.6$ billion in net tax for the 2001-02 income year (table 4.5). Large companies accounted for less than $1 \%$ of the total number of companies but they were liable for $55 \%$ of total company net tax. Companies using a substituted accounting period represented just $2 \%$ of all companies, but were liable for $32 \%$ of total company net tax (company tax detailed table 3).
In 2001-02, 38\% (\$10.5 billion) of total company net tax was payable by companies in the finance and insurance industry (table 4.5). Large companies were liable for 63\% (\$6.6 billion) of the net tax derived from this industry grouping.

The manufacturing industry had the next highest net tax liability accounting for $13 \%$ ( $\$ 3.7$ billion) of company net tax payable.

The finance and insurance industries accounted for the largest share of the net tax payable of loss/nil, micro, small, medium and large companies (table 4.5). The mining industry accounted for the second largest share of the net tax payable of large companies; the manufacturing industry accounted for the second largest share of the net tax payable of medium companies; and the property and business services industries accounted for the second largest share of net tax payable of micro and small companies.

TABLE 4.5: Company ${ }^{1}$ net tax payable, by industry and company size, 2001-02 income year

| Industry ${ }^{2}$ | $\begin{array}{r} \text { Loss/nil } \\ \$ \mathrm{Sm}^{4} \end{array}$ | Micro \$m | Small \$m | Medium \$m | Large \$m ${ }^{4}$ | Total \$m |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Finance \& insurance | 28 | 1,678 | 806 | 1,359 | 6,607 | 10,478 |
| Manufacturing | 14 | 223 | 414 | 896 | 2,120 | 3,667 |
| Mining | 0 | 16 | 39 | 255 | 2,573 | 2,884 |
| Property \& business services | 2 | 1,104 | 605 | 647 | 428 | 2,786 |
| Wholesale trade | 0 | 137 | 317 | 573 | 721 | 1,749 |
| Communication | 0 | 12 | 13 | 26 | 1,513 | 1,564 |
| Retail trade | 0 | 193 | 210 | 278 | 558 | 1,239 |
| Construction | 0 | 259 | 224 | 201 | 41 | 726 |
| Transport \& storage | 0 | 96 | 107 | 189 | 318 | 710 |
| Agriculture, forestry \& fishing | 0 | 173 | 103 | 114 | 46 | 436 |
| Cultural \& recreational services ${ }^{5}$ | 0 | 57 | 53 | 94 | 197 | 401 |
| Accommodation, cafes \& restaurants | 0 | 61 | 82 | 50 | 60 | 253 |
| Health \& community services | 0 | 124 | 41 | 45 | 15 | 225 |
| Personal \& other services | 0 | 79 | 40 | 32 | 23 | 173 |
| Electricity, gas \& water supply | 0 | 3 | 4 | 15 | 55 | 78 |
| Education | 0 | 18 | 10 | 15 | 0 | 44 |
| Other ${ }^{6}$ | 10 | 34 | 35 | 53 | 28 | 161 |
| Total | 56 | 4,268 | 3,103 | 4,844 | 15,303 | 27,574 |

1. Only taxable companies would have net tax payable amounts as taxable companies are defined as companies with net tax payable greater than $\$ 0$.
2. The industry groups are classified based on the Australian and New Zealand Standard Industry Classification (ANZSIC) system. Fine industries included under these broad industry groupings are listed in company tax detailed table 4 . There is a complete listing of all fine industries listed under each broad industry group and the corresponding code in our publication Business industry codes 2002.
3. Loss/nil companies (companies with total income equal to or less than $\$ 0$ ) may still be liable for net tax payable because these companies may still have net capital gains, other assessable income and other income items reported as 'reconciliation items' on their company returns.
4. A $\$ 0$ net tax payable amount may indicate an amount less than $\$ 500,000$.
5. Includes sports.
6. Includes companies lodging under the 'Nil company returns' code (code: 98000 in our publication Business industry codes 2002) which includes non-taxable companies or companies with nil company returns - no income, expense or balance sheet data present; companies that did not state their industry; and/or companies registered under the government administration and defence industry code.

Public companies accounted for 63\% (\$17.5 billion) of net tax payable but represented only $2 \%$ of taxable companies (table 4.6). Private companies accounted for $36 \%$ ( $\$ 9.9$ billion) of total net tax, but represented $89 \%$ of companies.

TABLE 4.6: Company net tax payable, by company type, 2001-02 income year

| Company type ${ }^{\mathbf{1}}$ | Taxable <br> companies $^{2}$ | Net tax <br> payable | Average <br> net tax <br> payable ${ }^{3}$ |
| :--- | ---: | ---: | ---: |
|  | 6,183 | $\mathbf{N m}^{4}$ | $\mathbf{1 7 , 4 6 2}$ | | $\mathbf{2 , 8 2 4 , 2 6 4}$ |
| ---: |
| Public company |
| Private company |
| Limited partnership |
| Co-operative |
| Corporate unit <br> trust \& other |
| Public trading trust |
| Strata title |
| Pooled <br> development fund |
| Non-profit <br> organisation |
| Registered <br> organisation |
| Total |

[^5]Less than 1\% of taxable companies were liable for $\$ 1$ million or more in net tax, but they were liable for $70 \%$ of total company net tax (table 4.7).

TABLE 4.7: Taxable companies and net tax payable, by grade of net tax payable, 2001-02 income year

| Grade of net tax | Taxable |  |  | Net tax payable |
| :--- | ---: | ---: | ---: | ---: |
| payable | companies |  |  |  |
|  | No. | $\%$ | \$m | $\%$ |
| $\$ 1-\$ 9,999$ | 149,551 | 57.3 | 427 | 1.5 |
| $\$ 10,000-\$ 49,999$ | 71,913 | 27.6 | 1,675 | 6.1 |
| $\$ 50,000-\$ 99,999$ | 17,766 | 6.8 | 1,250 | 4.5 |
| $\$ 100,000-\$ 499,999$ | 17,253 | 6.6 | 3,479 | 12.6 |
| $\$ 500,000-\$ 999,999$ | 2,164 | 0.8 | 1,499 | 5.4 |
| $\$ 1,000,000$ or more | 2,256 | 0.9 |  | 69.8 |
| Total | $\mathbf{2 6 0 , 9 0 3}$ | $\mathbf{1 0 0 . 0}$ |  | $\mathbf{1 0 0 . 0}$ |

## COMPANY RATIO ANALYSIS

In table 4.8, five ratios have been calculated for medium to large taxable companies (that is, companies with total income equal to or greater than $\$ 10$ million and with net tax/tax payable greater than $\$ 0$ ) with operating profit/loss greater than \$0 (See box 4.6).
These ratios aim to provide insight into the operations of such companies and show similarities or differences between industries. However, several factors that can influence the level of these ratios should be noted.

- The ratios are averages across each industry and, as such, may be influenced by, and tend to mask, the companies that have values at the extremes.
- The aggregate basis for calculating these ratios means that the ratios are subject to distortions due to multiple counting of intra-group transactions. The current tax system is based on legal entities (companies, and so on) but recognises that companies may be parts of larger corporate groups. This means that:
- turnover reported in a consolidated set of accounts may be quite different from the total turnover reported on the tax returns of constituent companies, and
- subsidiaries of large corporate groups with turnover of less than $\$ 10$ million may be omitted.
- The ratios may be affected by large corporate groups that have subsidiaries in a number of industries and also have control over where profits are allocated within the group.
- The ratios may be affected as much by corporate restructure as by true economic effects.
- Varied legislative measures, industry structure and individual business operations can also create differences in the values of these ratios.

TABLE 4.8: Financial ratios ${ }^{1}$ for profitable taxable medium to large companies ${ }^{2}$, by broad industry, 2001-02 income year

| Industry | Return on <br> assets <br> Ratio | Net profit <br> margin <br> Ratio | Gearing | Interest <br> cover ratio <br> Ratio | Tax to profit <br> ratio <br> Ratio |
| :--- | ---: | ---: | ---: | ---: | ---: |
| Agriculture, forestry \& fishing | 0.15 | 0.11 | 1.03 | 7.50 | 0.21 |
| Mining | 0.14 | 0.29 | 1.81 | 6.21 | 0.23 |
| Manufacturing | 0.11 | 0.08 | 1.39 | 6.74 | 0.23 |
| Electricity, gas \& water supply | 0.08 | 0.21 | 1.19 | 3.04 | 0.11 |
| Construction | 0.13 | 0.05 | 2.22 | 11.41 | 0.24 |
| Wholesale trade | 0.15 | 0.03 | 2.16 | 2.97 | 0.28 |
| Retail trade | 0.12 | 0.03 | 3.40 | 3.71 | 0.26 |
| Accommodation, cafes \& restaurants | 0.10 | 0.11 | 1.11 | 14.27 | 0.21 |
| Transport \& storage | 0.08 | 0.06 | 2.06 | 5.81 | 0.24 |
| Communication | 0.15 | 0.19 | 1.72 | 6.46 | 0.29 |
| Finance \& insurance | 0.07 | 2.14 | 4.89 | 1.93 | 0.13 |
| Property \& business services | 0.13 | 0.12 | 1.83 | 7.01 | 0.20 |
| Education | 0.30 | 0.15 | 2.02 | 56.64 | 0.32 |
| Health \& community services | 0.13 | 0.12 | 1.92 | 5.27 | 0.25 |
| Cultural \& recreational services ${ }^{4}$ | 0.08 | 0.26 | 1.94 | 5.96 | 0.16 |
| Personal \& other services | 0.10 | 0.08 | 1.39 | 5.22 | $\mathbf{0 . 2 7}$ |

1. Financial ratios are calculated from items in company tax detailed table 5 part A. Company tax detailed table 5 , parts B, C and D include financial ratios calculated for non-taxable and non-profitable companies. The ratios in this table are aggregate ratios, that is, both the numerator and denominator used to calculate the ratios are aggregate amounts for all companies in each industry. The ratios are not the average of the ratio for each taxpayer in the industry.
2. The companies considered here are taxable companies with operating profit/loss amounts greater than $\$ 0$ and with total income equal to or greater than $\$ 10$ million. Taxable companies are companies with net tax payable (or tax payable) greater than \$0.
3. The industry groups are classified based on the Australian and New Zealand Standard Industry Classification (ANZSIC) system.
4. Includes sports.

## BOX 4.6: Calculation of financial ratios ${ }^{1}$

In table 4.8 (and company tax detailed table 5, part A), the following ratios have been calculated for companies with: - total income equal to or greater than $\$ 10$ million

- operating profit/loss greater than $\$ 0$ (that is, the company is profitable), and
- net tax or tax payable greater than $\$ 0$ (that is, they are taxable companies).

In company tax detailed table 5, parts B, C and D, similar ratios have been calculated for companies with:

- total income equal to or greater than $\$ 10$ million
- operating profit/loss equal to or less than $\$ 0$ (that is, the company is non-profitable), and/or
- net tax or tax payable equal to $\$ 0$ (that is, they are non-taxable companies).
(See the description for company tax detailed table 5, parts A to $D$ at the back of this chapter.)
Return on assets: operating profit or loss, plus interest expenses, divided by total assets. This measures the ordinary economic return that accrues to a business from its assets (either by debt or equity). The effect of interest expenses is netted out from operating profit so that the calculation focuses on the ordinary returns of the assets and ignores how the assets are financed. Average asset levels vary across industries. Service-based businesses generally have very low asset levels, while mining and manufacturing operations are more heavily based around capital equipment. In the latter case there may be a significant lag between expenditure and profit. This ratio depends on how the assets themselves are valued.

Net profit margin: operating profit or loss, minus tax payable, divided by sales. It relates after-tax profit to sales revenue. Profit margins vary across industries, with many large retail operations having high-volume, low-margin business, whereas other industries may operate with lower volumes and higher margins.
Gearing: total liabilities divided by shareholder funds. It reflects the borrowing position of the company compared to its equity. In general, higher levels of gearing lead to higher interest expense deductions and lower tax paid. In essence, some of the profit from the geared company or group is transferred to the lending entities (profit allocation through intra-group transactions).

Interest cover ratio: operating profit or loss, plus interest expenses, divided by interest expenses. This ratio shows the proportion of operating profit required to cover the interest expenses of the business. Higher borrowings lead to greater interest expenses and so the ratio measures the capacity of a business to service the interest component of debt capital.

Tax to profit ratio: the tax payable, divided by the operating profit or loss. This ratio shows the proportion of a company's operating profit that is paid in tax. It is important to note that there are numerous reconciliation items (capital gains, legislative concessions, losses and the like) that are applied to operating profit before tax is calculated. The use of these reconciliation items will affect the value of the ratio. Capital gains tend to increase the ratio, whereas recouping prior year losses tends to decrease it.

1. This box presents only general descriptions of the above terms. It does not provide full technical or legal definitions

## NON-TAXABLE COMPANIES

In general, non-taxable companies are companies with net tax payable equal to $\$ 0$. They include non-trading companies, those lodging nil returns and companies operating at a loss. In 2001-02, 387,601 companies ( $60 \%$ of companies) were nontaxable (table 4.9).
There are several reasons for a company being non-taxable. The main reason in 2001-02 was due to losses made on trading activities. Companies that made losses on trading activities accounted for $58 \%$ of non-taxable companies (figure 4.1). Losses can be due to poor trading performance (such as poor sales performance or poor cost control performance) or to the nature of a company's activities.

As shown in figure 4.1, $22 \%$ of non-taxable companies had trading profits, based on their trading activities, which were offset by adjustments made by reconciliation items such as
depreciation deductions, capital works deductions and other deductible expenses. (For a full listing of possible reconciliation items see the 2002 company tax return.)
Companies that were not actively trading (reported no expenses, no income and consequently no profit or loss for the income year) comprised 13\% of all non-taxable companies. Companies that broke even accounted for $5 \%$ of non-taxable companies. (Most break-even companies claimed prior year losses or had losses transferred in. In the latter case they would have been members of a larger company group.) Other companies were non-taxable because their gross tax amounts were offset by rebates or foreign credits (2\%).

FIGURE 4.1: Non-taxable companies, 2001-02 income year

_ Trading at a loss
_ Trading profit offset by reconciliation items

- Not trading
_- Breaking even
_Gross tax offset by rebates or foreign tax credits

Among non-taxable companies whose industry was stated, the property and business services industry accounted for $30 \%(115,762)$ of the total number of non-taxable companies (table 4.9). Fifty-nine per cent of companies listed or classified under the property and business services industry grouping were non-taxable.

The mining industry, however, had the highest proportion (73\%) of non-taxable companies. This reflects the large number of mining exploration companies engaging in activities that incur immediately deductible expenses, but as yet do not produce revenue. The industry with the next highest proportion of non-taxable companies was the communication industry (68\%).

TABLE 4.9: Non-taxable companies, by industry, 2001-02 income year

| Industry ${ }^{1}$ | Non-taxable <br> companies | Total companies | Proportion of non- <br> taxable companies to <br> all companies <br> $\%$ |
| :--- | ---: | ---: | ---: |
| Property \& business services | 115,762 | $\mathbf{N o .}$ | 58.8 |
| Finance \& insurance | 67,375 | 196,725 | 55.1 |
| Construction | 37,003 | 61,376 | 60.3 |
| Retail trade | 30,862 | 51,735 | 59.7 |
| Manufacturing | 27,849 | 46,809 | 59.5 |
| Wholesale trade | 18,650 | 32,703 | 57.0 |
| Transport \& storage | 15,597 | 25,514 | 61.1 |
| Health \& community services | 15,068 | 24,137 | 62.4 |
| Agriculture, forestry \& fishing | 10,796 | 17,851 | 60.5 |
| Personal \& other services | 10,486 | 16,739 | 62.6 |
| Accommodation, cafes \& restaurants | 9,402 | 14,066 | 66.8 |
| Cultural \& recreational services ${ }^{2}$ | 8,355 | 12,488 | 66.9 |
| Communication | 3,180 | 4,647 | 68.4 |
| Education | 2,694 | 4,222 | 63.8 |
| Mining | 2,960 | 4,065 | 72.8 |
| Electricity, gas \& water supply | 543 | 821 | 66.1 |
| Total industry stated | 376,582 | 636,161 | 59.2 |
| Other ${ }^{3}$ | 11,019 | 12,343 | 89.3 |
| Total | 387,601 | 648,504 | 59.8 |

1. The industry groups are classified based on the Australian and New Zealand Standard Industry Classification (ANZSIC) system. Fine industries included under these broad industry groupings are listed in company tax detailed table 4. There is a complete listing of all fine industries listed under each broad industry group and the corresponding code in our publication Business industry codes 2002.
2. Includes sports.
3. Includes companies lodging under the 'Nil company returns' code (code: 98000 in our publication Business industry codes 2002) which includes non-taxable companies or companies with nil company returns - no income, expense or balance sheet data present; companies that did not state their industry; and/or companies registered under the government administration and defence industry code.

## THE FUTURE FOR COMPANY STATISTICS

The entity nature of the statistics presented in this chapter does not take account of intra-group transactions and other relationships between corporate groups. Thus the total income reported here has a degree of multiple counting that would be removed in the process of compiling consolidated published accounts of listed companies. For example, in consolidated accounts only sales outside the group are included in the sales figure for the group, whereas tax entities of the group would report all their sales, including those to other group members.

On 1 July 2002 a consolidated regime was introduced, which mainly affected companies. This will have an impact on company returns for the 2002-03 income year. Companies that choose to consolidate from 2002-03 will provide data in a form that will be incompatible with earlier data because it will consist of consolidated head company returns and, in some cases, returns for subsidiary non-membership periods. More information on the effect of this change will be provided in Taxation statistics 2002-03.

## PETROLEUM RESOURCE RENT TAX

Petroleum resource rent tax is imposed by the Petroleum Resource Rent Tax Assessment Act 1987 on all offshore petroleum projects except certain North-west Shelf projects. It was introduced as a more economically efficient replacement of Commonwealth royalties for these projects. Like royalties, petroleum resource rent tax payments are allowable deductions for calculating income tax. The tax is calculated at $40 \%$ of 'excess' profit (a tax on the economic rent of the petroleum resource), which is the excess of assessable receipts over deductible expenditure and eligible transferred exploration expenditure. The tax is paid to the Tax Office on a quarterly basis, with the first three payments made in October, January and April. Companies submit their petroleum resource rent tax return in August and a final payment, or refund, is made following the issue of a notice of assessment by the Commissioner.

In the 2002-03 financial year, petroleum resource rent tax totalled $\$ 1.7$ billion (figure 4.2). The increase in collections (up $26 \%$ from $\$ 1.4$ billion in 2001-02) was mainly due to an increase in world crude oil prices.

FIGURE 4.2: Petroleum resource rent tax, 1991-92 to 2002-03 financial years


## DETAILED TABLES

The following company tax detailed tables are on the attached CD-ROM and included in the online version of this publication on our website at www.ato.gov.au The tables may be viewed or downloaded in Adobe Acrobat (PDF), Microsoft Excel (XLS) or Comma Separated Values (CSV) file format.

The 'items' referred to in the detailed tables are items declared on the 2002 company tax return. A copy of the form is in the appendix.

To find out whether a particular item is included in a detailed table, refer to the company tax detailed tables index included on the attached CD-ROM and in the online version of this publication. (The index can only be viewed or downloaded in Adobe Acrobat (PDF) and Microsoft Excel (XLS) file formats.) The table index lists the different items shown in the detailed tables and specifies in which tables they appear.

Table 1: Selected items, by net tax and company type, 2001-02 income year
This table shows the number of records and amounts for selected items such as total income, taxable income, total credit/rebate, total refundable credit, net tax and net capital gains for public, private, other and total companies, ranged by grade of net tax.

Table 2: Selected items, by taxable income, taxable status, residential status and company type, 2001-02 income year
This table shows the number of records and amounts for items from the company tax return for taxable and non-taxable companies that are classified by different types (resident, nonresident, public, private and other), ranged by grade of taxable income.

Part A: Income items - contains income labels from item 6 'Calculation of total profit or loss' on page 2 of the company return.

- Part B: Expense items - contains expense labels and operating profit/loss labels from item 6 'Calculation of total profit or loss' on page 2 of the company return.
- Part C: Reconciliation to taxable income or loss items - contains reconciliation labels from item 7 'Reconciliation to taxable income or loss' on page 2 of the company return.
- Part D: Financial, losses and other information items - contains labels from item 8 'Financial and other information', item 10 'Losses information’ on page 3 and tax offsets labels from item 16 on page 4 of the company return.
- Part E: Calculation statement items
- contains labels from the 'Calculation statement' on page 4 of the company return.
Note: In order to meet privacy regulations, statistics for some items may not be included in the tables.

Table 3: Number of companies and net tax, by balance date, 2001-02 income year
This table shows the number of companies and taxable companies which used an income year similar to the Australian financial year (June balancers) and companies and taxable companies which used a substituted accounting period. The net tax payable of these companies is also shown.

Table 4: Selected items, by fine industry, 2001-02 income year
This table shows the number of records and amounts for items from the company tax return for companies classified by fine industry groupings (determined by the main source of income) based on the Australian and New Zealand Standard Industry Classification (ANZSIC) system.

- Part A: Income items - contains income labels from item 6 'Calculation of total profit or loss' on page 2 of the company return.
- Part B: Expense items - contains expense labels and operating profit/loss labels from item 6 'Calculation of total profit or loss' on page 2 of the company return.
- Part C: Reconciliation to taxable income or loss items - contains reconciliation labels from item 7 'Reconciliation to taxable income or loss' on page 2 of the company return.
- Part D: Financial, losses and other information items - contains labels from item 8 'Financial and other information', item 10 'Losses information' on page 3 and tax offsets labels from item 16 on page 4 of the company return.
- Part E: Calculation statement items
- contains labels from the 'Calculation statement' on page 4 of the company return.

Note: In order to meet privacy regulations, statistics for some items are not reported by fine industries in the different parts of this table. Statistics on items showing a low number of records are reported in table 10 ('Other selected items, by broad industry').

Table 5: Selected items and financial ratios for medium to large companies, by broad industry, 2001-02 income year
This table reports amounts for selected items from the company tax return and financial ratios calculated from these items for companies with total income equal to or greater than $\$ 10$ million. The financial ratios in this table include return on assets, net profit margin, gearing, interest cover and tax to profit ratios.

- Part A: Taxable and profitable companies - includes amounts for selected items and ratios calculated for companies with:
- total income equal to or greater than $\$ 10$ million
- net tax or tax payable greater than \$0, and
- operating profit or loss greater than \$0.
- Part B: Taxable and non-profitable companies - includes amounts for selected items and ratios calculated for companies with:
- total income equal to or greater than $\$ 10$ million
- net tax or tax payable greater than \$0, and
- operating profit or loss equal to or less than \$0.
- Part C: Non-taxable and profitable companies - includes amounts for selected items and ratios calculated for companies with:
- total income equal to or greater than $\$ 10$ million
- net tax or tax payable equal to \$0, and
- operating profit or loss greater than \$0.
- Part D: Non-taxable and nonprofitable companies - includes amounts for selected items and ratios calculated for companies with:
- total income equal to or greater than $\$ 10$ million
- net tax or tax payable equal to \$0, and
- operating profit or loss equal to or less than \$0.


## Table 6: Number of companies, by broad industry, state/territory/region, 2001-02 income year

This table shows the number of public, private and other types of companies classified by broad industry in specified regions within different states and territories (for example, major urban, other urban, regional-high urbanisation, regional-low urbanisation, rural and other regions in New South Wales). A region category is composed of postcodes grouped together according to specified population ranges. The broad industry groups used to classify personal taxpayers are based on the ANZSIC industry groups.

Table 7: Selected items for income years 1993-94 to 2001-02
This table shows selected items from the company tax return for all income years from 1993-94 to 2001-02. The number of records and amounts for most items are shown.

This table is also available at the back of this chapter (see table 4.10).

Table 8: Selected items, by total income, taxable status, residential status and company type, 2001-02 income year
This table presents data (number of records and amounts) on items from the company tax return for taxable and non-taxable companies which are classified by different types (resident, nonresident, public, private and other) and ranged by grades of total income.

- Part A: Income items - contains income labels from item 6 'Calculation of total profit or loss' on page 2 of the company return.
- Part B: Expense items - contains expense labels and operating profit/loss labels from item 6 'Calculation of total profit or loss' on page 2 of the company return.
- Part C: Reconciliation to taxable income or loss items - contains reconciliation labels from item 7 'Reconciliation to taxable income or loss' on page 2 of the company return.
- Part D: Financial, losses and other information items - contains labels from item 8 'Financial and other information', item 10 'Losses information' on page 3 and tax offsets labels from item 16 on page 4 of the company return.
- Part E: Calculation statement items
- contains labels from the 'Calculation statement' on page 4 of the company return.

Note: In order to meet privacy regulations, statistics for some items may not be included in the tables.

Table 9: Selected items, by broad industry and total income, 2001-02 income year
This table shows the number of companies classified under the different broad industry groupings based on the ANZSIC system, and the total income, taxable income and net tax of these companies. The companies, total income, taxable income and net tax are also ranged by grade of total income.

Table 10: Other selected items (items not included in table 4), by broad industry, 2001-02 income year
This table shows the number of records and amounts for selected items that are not included in company tax detailed table 4 ('Selected items, by fine industry'). Taxpayers and the data are classified into broad industry groupings (determined by the taxpayer's main source of business income) based on the ANZSIC industry groups.

Note: In order to meet privacy regulations, statistics for some items may not be included in the table.

## TIME SERIES TABLE

Table 4.10 shows selected items from company returns for income years 1993-94 to 2001-02. This table is also available on the attached CD-ROM and in the online version of the publication on our website at www.ato.gov.au as company tax detailed table 7. It may be viewed or downloaded in Adobe Acrobat (PDF), Microsoft Excel (XLS) or Comma Separated Values (CSV) file format.
TABLE 4.10': Selected items for income years 1993-94 to 2001-02

| Selected items |  | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{2}$ | 2000-01 ${ }^{2}$ | 2001-02 ${ }^{3}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Number of companies <br> - resident | no. | 497,405 | 531,960 | 552,916 | 581,911 | 587,538 | 630,064 | 657,364 | 670,776 | 646,391 |
| - non-resident | no. | 1,678 | 1,498 | 1,454 | 1,461 | 1,290 | 1,526 | 1,622 | 1,736 | 1,676 |
| - not stated | no. | n.a. | n.a. | n.a. | n.a. | n.a. | 355 | 373 | 390 | 437 |
| Number of companies - private | no. | 460,032 | 492,552 | 500,857 | 524,641 | 527,691 | 571,395 | 597,462 | 604,682 | 578,938 |
| - public | no. | 27,904 | 28,380 | 20,657 | 19,882 | 16,677 | 18,571 | 19,294 | 19,897 | 19,545 |
| - strata title | no. | n.a. | n.a. | 20,637 | 23,896 | 30,192 | 32,935 | 35,028 | 40,520 | 41,152 |
| - non-profit | no. | n.a. | n.a. | n.a. | 2,786 | 1,309 | 1,407 | 1,365 | 1,445 | 1,503 |
| - other | no. | 11,147 | 12,526 | 12,219 | 2,058 | 994 | 1,082 | 1,121 | 2,511 | 4,269 |
| - co-operative | no. | n.a. | n.a. | n.a. | 10,109 | 11,965 | 6,555 | 5,089 | 3,847 | 3,097 |
| - Total | no. | 499,083 | 533,458 | 554,370 | 583,372 | 588,828 | 631,945 | 659,359 | 672,902 | 648,504 |
| Gross payments where ABN not quoted | no. | $\begin{aligned} & \text { n.a. } \\ & \text { n.a. } \end{aligned}$ | $\begin{aligned} & \text { n.a. } \\ & \text { n.a. } \end{aligned}$ | $\begin{aligned} & \text { n.a. } \\ & \text { n.a. } \end{aligned}$ | $\begin{aligned} & \text { n.a. } \\ & \text { n.a. } \end{aligned}$ | $\begin{aligned} & \text { n.a. } \\ & \text { n.a. } \end{aligned}$ | $\begin{aligned} & \text { n.a. } \\ & \text { n.a. } \end{aligned}$ | n.a. | 1,107 $7,270,031,540$ | $\begin{array}{r} 631 \\ 3,924,729,841 \end{array}$ |
| Sales of goods \& services | no. | n.a. | n.a. | n.a. | 222,659 | 227,839 | 245,523 | 258,982 | 270,998 | 257,346 |
|  | \$ | n.a. | n.a. | n.a. | 719,463,511,921 | 762,982,566,703 | 867,870,170,078 | 944,610,223,694 | 967,480,526,730 | 1,012,405,326,738 |
| Gross distributions from partnerships | no. | n.a. | n. | n.a. | 13,649 | 12,678 | 13,015 | 13,268 | 13,895 | 13,522 |
|  | \$ | n.a. | n.a. | n.a. | 3,298,271,457 | 1,801,632,800 | 1,867,778,899 | 3,066,154,227 | 3,526,582,055 | 4,183,979,689 |
| Gross distributions from trusts | no. | n.a. | n.a. | n.a. | 43,930 | 46,874 | 51,648 | 54,324 | 52,377 | 53,543 |
|  | \$ | n.a. | n.a. | n.a. | 7,367,336,824 | 9,016,798,013 | 10,998,694,865 | 12,428,099,384 | 12,358,358,208 | 12,760,178,958 |
| Gross rents | no. | 65,954 | 70,072 | 72,842 | 74,427 | 72,636 | 73,772 | 73,625 | 71,563 | 67,378 |
|  | \$ | 8,757,222,869 | 12,035,702,334 | 12,772,087,126 | 14,194,274,230 | 14,292,846,733 | 16,394,803,417 | 21,206,701,402 | 18,187,047,216 | 20,630,136,733 |
| Gross interest | no. | n.a. | 229,944 | 254,096 | 271,085 | 272,741 | 291,159 | 305,494 | 321,155 | 312,484 |
|  | \$ | n.a. | 74,885,485,936 | 89,982,031,545 | 97,625,459,933 | 94,863,730,629 | 97,293,515,085 | 117,010,973,121 | 141,369,231,669 | 131,141,326,953 |
| Gross dividends | no. | n.a. | 33,504 | 35,087 | 36,598 | 48,758 | 54,284 | 62,229 | 71,999 | 68,741 |
|  | \$ | n.a. | 26,864,875,105 | 36,563,266,019 | 41,238,518,612 | 48,375,943,392 | 94,283,702,019 | 66,777,486,439 | 71,805,784,330 | 57,208,264,896 |
| Assessable government industry payments ${ }^{4}$ | no. | n.a. | n.a. | n.a. | 7,169 | 9,416 | 8,745 | 9,756 | 16,332 | 17,643 |
|  | \$ | n.a. | n.a. | n.a. | 396,079,658 | 515,084,803 | 604,670,890 | 838,500,732 | 1,233,849,770 | 1,334,112,480 |
| Other gross income | no. | n.a. | 354,513 | 260,078 | 256,252 | 246,621 | 259,289 | 272,694 | 291,583 | 276,169 |
|  | \$ | n.a. | 788,039,915,204 | 231,459,358,545 | 198,557,359,239 | 188,937,300,790 | 211,268,126,026 | 224,868,204,164 | 254,994,260,933 | 248,092,377,012 |
| Total income ${ }^{5}$ | no. | 426,727 | 458,946 | 481,384 | 505,417 | 514,922 | 553,516 | 579,096 | 584,832 | 563,287 |
|  | \$ | 854,192,136,222 | 913,826,927,359 | 1,032,803,238,540 | 1,095,377,179,257 | 1,136,276,404,436 | 1,317,974,656,014 | 1,407,681,475,269 | 1,478,497,416,452 | 1,491,901,445,574 |

TABLE 4.10': Selected items for income years 1993-94 to 2001-02

| Selected items |  | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{2}$ | 2000-01 ${ }^{2}$ | 2001-02 ${ }^{3}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Contractor/subcontractor \& commission expenses | no. | n.a. | 103,481 | 105,188 | 106,687 | 106,855 | 119,517 | 125,698 | 122,852 | 118,395 |
|  | \$ | n.a. | 19,371,395,430 | 23,132,385,950 | 22,586,968,357 | 25,710,174,267 | 34,084,864,626 | 37,385,917,893 | 37,620,030,489 | 36,548,657,042 |
| Employee superannuation | no. | n.a. | 239,408 | 252,734 | 262,508 | 271,226 | 289,849 | 299,419 | 299,028 | 286,035 |
|  | \$ | n.a. | 6,393,853,182 | 8,440,846,996 | 8,677,894,539 | 8,691,929,107 | 10,467,430,253 | 11,366,639,582 | 12,348,792,130 | 13,066,017,874 |
| Cost of sales | \$ | n.a. | 427,926,353,144 | 471,962,439,019 | 483,017,875,572 | 493,109,985,224 | 554,903,038,704 | 600,096,979,762 | 610,817,419,236 | 639,367,774,450 |
| Bad debts | no. | n.a. | 31,899 | 33,464 | 34,803 | 35,580 | 37,859 | 39,650 | 41,494 | 40,081 |
|  | \$ | n.a. | 2,657,585,830 | 2,486,210,064 | 2,083,357,778 | 2,407,459,289 | 3,629,195,342 | 5,464,510,148 | 4,237,116,177 | 5,823,415,533 |
| Lease expenses within Australia | no. | n.a. | n.a. | 80,563 | 83,317 | 83,068 | 93,033 | 93,906 | 88,448 | 78,568 |
|  | \$ | n.a. | n.a. | 4,404,269,742 | 5,713,868,984 | 4,785,754,605 | 5,847,667,870 | 6,630,088,807 | 6,563,036,400 | 5,828,025,811 |
| Lease expenses overseas | no. | n.a. | n.a. | 459 | 1,364 | 1,563 | 1,613 | 1,757 | 1,480 | 1,392 |
|  | \$ | n.a. | n.a. | 105,441,872 | 190,730,676 | 118,439,981 | 251,965,473 | 187,161,891 | 183,072,930 | 474,261,020 |
| Total lease expenses | no. | 80,086 | 80,453 | 80,884 | 84,521 | 84,488 | 94,470 | 95,663 | 89,928 | 79,960 |
|  | \$ | 4,136,583,255 | 4,136,860,342 | 4,509,711,614 | 5,904,599,660 | 4,904,194,586 | 6,099,633,343 | 6,817,250,698 | 6,746,109,330 | 6,302,286,831 |
| Rent expenses | no. | n.a. | 170,029 | 174,561 | 182,963 | 184,629 | 197,157 | 204,965 | 204,846 | 195,020 |
|  | \$ | n.a. | 12,517,364,366 | 13,257,164,168 | 13,885,697,434 | 14,602,308,333 | 16,270,608,767 | 17,622,480,585 | 18,511,499,351 | 19,204,603,297 |
| Interest expenses within Australia | no. | n.a. | 230,946 | 236,999 | 243,495 | 235,387 | 250,079 | 259,467 | 264,049 | 253,506 |
|  | \$ | n.a. | 56,650,216,209 | 70,174,923,064 | 73,429,782,781 | 72,574,847,839 | 75,521,780,601 | 90,727,232,267 | 111,711,804,309 | 103,161,826,570 |
| Interest expenses overseas | no. | n.a | 3,732 | 3,904 | 5,942 | 6,092 | 6,132 | 6,592 | 7,037 | 6,876 |
|  | \$ | n.a. | 6,763,377,232 | 8,593,684,602 | 9,868,980,852 | 9,673,434,111 | 9,699,669,128 | 13,932,830,636 | 19,191,195,330 | 16,179,627,394 |
| Royalty expenses within Australia | no. | n.a. | 4,667 | 4,829 | 5,114 | 4,937 | 5,376 | 5,494 | 5,369 | 5,208 |
|  | \$ | n.a. | 2,193,771,990 | 2,517,925,004 | 2,704,812,097 | 2,378,408,425 | 2,475,254,206 | 2,500,123,079 | 3,166,153,572 | 3,661,636,457 |
| Royalty expenses overseas | no. | 1,481 | 1,479 | 1,451 | 1,441 | 1,343 | 1,472 | 1,568 | 1,538 | 1,482 |
|  | \$ | 1,544,849,877 | 1,671,459,098 | 1,572,430,319 | 1,693,105,332 | 1,743,972,053 | 2,167,070,285 | 2,347,713,980 | 2,482,295,908 | 2,385,311,768 |
| Depreciation expenses | no. | n.a. | 317,197 | 332,910 | 348,646 | 355,539 | 381,161 | 399,562 | 400,979 | 379,247 |
|  | \$ | n.a. | 18,473,802,067 | 22,139,781,390 | 23,998,189,958 | 25,462,057,049 | 28,388,626,396 | 31,408,829,291 | 33,442,625,905 | 34,722,587,427 |
| Motor vehicle expenses | no. | n.a. | 244,543 | 253,187 | 263,601 | 268,591 | 289,262 | 303,486 | 308,036 | 293,979 |
|  | \$ | n.a. | 5,437,234,181 | 5,987,615,978 | 6,231,017,910 | 6,402,949,890 | 6,911,356,811 | 7,389,040,171 | 7,382,197,272 | 7,033,598,176 |
| Repairs \& maintenance | no. | 222,916 | 239,174 | 249,003 | 257,043 | 258,623 | 274,514 | 282,420 | 283,082 | 269,709 |
|  | \$ | 6,510,375,086 | 9,240,545,147 | 11,675,452,221 | 11,321,356,305 | 11,158,123,393 | 11,640,455,053 | 12,663,545,651 | 12,891,924,237 | 12,928,818,343 |
| Other expenses | no. | n.a. | 457,250 | 481,512 | 506,295 | 516,246 | 556,014 | 581,440 | 592,437 | 570,194 |
|  | \$ | n.a. | 267,871,225,690 | 289,597,433,417 | 335,645,634,596 | 347,235,779,664 | 396,498,251,204 | 436,668,556,808 | 477,203,610,433 | 467,987,403,699 |

continued from previous page
TABLE 4.10': Selected items for income years 1993-94 to 2001-02

| Selected items |  | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{2}$ | 2000-01 ${ }^{2}$ | 2001-02 ${ }^{3}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Total expenses ${ }^{6}$ | no. | 430,937 | 463,917 | 487,569 | 513,005 | 523,160 | 562,919 | 589,201 | 600,296 | 577,200 |
|  | \$ | 777,426,773,490 | 841,576,438,542 | 936,062,130,694 | 1,001,054,736,600 | 1,026,058,559,661 | 1,158,753,367,545 | 1,276,380,501,377 | 1,359,145,876,480 | 1,368,373,571,545 |
| Operating profit/loss \& extraordinary items | no. | 437,802 | 469,384 | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
|  | \$ | 84,459,462,678 | 72,259,979,524 | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| Operating profit or loss | no. | n.a. | n.a. | 488,761 | 515,648 | 524,058 | 564,365 | 589,392 | 596,604 | 576,739 |
|  | \$ | n.a. | n.a. | 95,612,201,587 | 94,339,236,325 | 107,440,469,564 | 159,500,273,150 | 131,293,134,028 | 119,351,539,303 | 123,527,873,919 |
| Extraordinary revenue or expenses | no. | n.a. | n.a. | 5,719 | 6,413 | 6,577 | 6,434 | 6,424 | 5,884 | 5,127 |
|  | \$ | n.a. | n.a. | -859,019,089 | 114,736,516 | 1,343,221,579 | -8,339,748,713 | 3,433,752,747 | 630,426,581 | -1,033,622,804 |
| Net capital gain | no. | 12,254 | 11,366 | 13,393 | 18,755 | 19,666 | 21,888 | 23,498 | 22,731 | 21,579 |
|  | \$ | 2,405,585,304 | 1,892,486,732 | 2,474,524,088 | 3,295,273,393 | 4,749,324,863 | 8,646,845,608 | 8,429,095,844 | 8,079,570,741 | 4,773,468,423 |
| Tax losses transferred in | no. | n.a. | n.a. | n.a. | 13,484 | 12,016 | 19,229 | 20,052 | 9,687 | 8,599 |
|  | \$ | n.a. | n.a. | 13,160,178,147 | 12,582,083,517 | 11,517,559,781 | 14,615,102,477 | 16,795,614,228 | 21,227,535,687 | 19,144,855,515 |
| Tax losses carried forward | no. | n.a. | n.a. | 148,726 | 170,936 | 182,000 | 202,443 | 208,794 | 241,728 | 247,233 |
|  | \$ | n.a. | n.a. | 48,194,839,664 | 51,533,205,780 | 55,444,773,036 | 68,707,968,592 | 93,904,688,326 | 96,284,666,807 | 95,672,374,183 |
| Net capital losses carried forward | no. | n.a. | n.a. | n.a. | 18,850 | n.a. | 23,817 | 26,943 | 29,221 | 32,026 |
|  | \$ | n.a. | n.a. | n.a. | 23,253,733,896 | n.a. | 53,960,247,039 | 41,119,013,313 | 41,132,855,209 | 46,524,764,821 |
| Special building write-off | no. | n.a. | 11,145 | 12,037 | 11,885 | 12,311 | 12,399 | 12,222 | n.a. | n.a. |
|  | \$ | n.a. | 682,380,893 | 849,724,125 | 724,278,565 | 751,384,655 | 815,273,077 | 839,581,300 | n.a. | n.a. |
| Capital works deductions | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 9,639 | 12,216 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 835,421,256 | 967,990,124 |
| Drought investment allowance ${ }^{7}$ | no. | 36,739 | 7,835 | 752 | n.a. | n.a. | 133 | 91 | 27 | 5 |
|  | \$ | 567,441,292 | 810,520,730 | 298,936,286 | n.a. | n.a. | 748,890 | 1,061,929 | 242,416 | 182,826 |
| Development allowance | no. | n.a. | 226 | 191 | 155 | 193 | 214 | 189 | 220 | 115 |
|  | \$ | n.a. | 207,998,404 | 288,150,746 | 317,720,074 | 460,276,375 | 535,085,143 | 442,586,619 | 276,778,271 | 115,335,788 |
| Research \& development non-syndicated | no. | n.a. | 2,987 | 3,131 | 2,529 | 2,323 | 2,215 | 2,100 | 2,318 | n.a. |
|  | \$ | n.a. | 1,855,710,032 | 2,209,790,703 | 1,575,945,485 | 1,271,064,872 | 1,100,688,698 | 1,316,429,880 | 1,570,055,665 | n.a. |
| Research \& development syndicated | no. | n.a. | 391 | 374 | 278 | 189 | 158 | 233 | 209 | n.a. |
|  | \$ | n.a. | 748,293,055 | 439,853,054 | 205,866,740 | 84,855,023 | 63,212,851 | 42,351,940 | 65,349,591 | n.a. |


| cont |  |  |  |  |  |  |  | continued | next page, tabl | 75 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| TABLE 4.10': Selected items for income years 1993-94 to 2001-02 |  |  |  |  |  |  |  |  |  |  |
| Selected items |  | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{2}$ | 2000-01 ${ }^{2}$ | 2001-02 ${ }^{3}$ |
| Research \& development concession claim | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 3,565 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 5,151,234,020 |
| Research \& development increment concession | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 456 |
|  | \$ | n.a. | n.a | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 239,309,466 |
| Tax losses deducted | no. | n.a. | n.a. | 82,181 | 94,025 | 95,397 | 98,529 | 104,446 | 98,129 | 115,285 |
|  | \$ | n.a. | n.a. | 4,750,456,693 | 5,285,334,987 | 6,116,248,920 | 6,969,499,606 | 7,009,083,236 | 9,121,470,367 | 9,372,119,765 |
| Taxable or net income ${ }^{8}$ | \$ | 70,521,784,664 | 79,461,655,263 | 89,182,917,293 | 102,388,478,916 | 109,960,850,270 | 160,135,443,245 | 148,184,067,665 | 149,762,736,746 | 153,084,294,950 |
| Total non-refundable tax offsets \& credits | no. | 23,036 | 23,426 | 26,469 | 4,841 | 5,183 | 5,593 | 5,842 | 6,434 | 7,100 |
|  | \$ | 7,484,414,382 | 9,034,332,199 | 13,714,375,640 | 425,894,509 | 452,412,419 | 540,567,228 | 553,720,512 | 667,621,872 | 694,208,969 |
| Net tax ${ }^{9}$ | \$ | 14,560,356,513 | 16,286,295,395 | 16,628,903,403 | 18,758,846,044 | 21,065,119,768 | 22,286,411,813 | 29,159,752,178 | 26,943,359,565 | 27,573,658,100 |
| Refundable tax offsets \& credits or total refundable credits | no. | 34,306 | 45,825 | 47,015 | 147,763 | 157,397 | 171,273 | 156,046 | 249,982 | 243,173 |
|  | \$ | 181,645,800 | 276,457,022 | 333,216,487 | 13,634,309,280 | 15,367,443,645 | 16,772,105,546 | 18,337,204,309 | 24,419,287,793 | 25,507,714,057 |
| Opening stock | no. | n.a. | 120,710 | 123,875 | 124,453 | 122,336 | 125,573 | 126,333 | 124,674 | 119,701 |
|  | \$ | n.a. | 65,458,391,591 | 73,853,016,501 | 78,620,442,513 | 74,612,149,790 | 90,306,760,534 | 89,655,761,868 | 101,976,431,565 | 110,791,236,865 |
| Closing stock | no. | 119,889 | 125,723 | 127,790 | 128,978 | 127,084 | 130,993 | 131,787 | 131,256 | 124,580 |
|  | \$ | 69,656,789,151 | 79,019,105,438 | 77,169,508,618 | 81,601,497,566 | 79,813,030,475 | 83,103,307,521 | 97,503,133,082 | 107,639,863,775 | 111,683,437,590 |
| Total salary \& wage expenses | no. | 250,130 | 273,430 | 286,541 | 289,311 | 297,793 | 317,543 | 326,554 | 323,938 | 301,180 |
|  | \$ | 120,003,829,953 | 97,154,294,807 | 105,603,964,405 | 110,891,535,435 | 115,474,051,092 | 125,808,396,501 | 140,704,997,192 | 147,316,772,495 | 152,349,589,658 |
| Dividends franked | no. | 42,814 | 60,236 | 64,671 | 67,991 | 74,235 | 76,915 | 77,699 | 86,617 | 83,300 |
|  | \$ | 20,634,656,656 | 30,796,113,599 | 34,430,204,656 | 40,309,105,438 | 34,607,281,526 | 39,443,352,188 | 44,179,997,106 | 99,539,990,021 | 74,177,536,823 |
| Dividends unfranked | no. | 3,372 | 4,060 | 4,094 | 4,712 | 5,148 | 5,256 | 5,723 | 5,593 | 4,764 |
|  | \$ | 7,902,564,026 | 8,351,564,190 | 12,945,148,457 | 20,601,917,774 | 16,202,005,675 | 56,574,752,135 | 38,290,825,935 | 30,876,435,925 | 20,508,186,539 |
| Total dividends | no. | 65,404 | 61,981 | 66,353 | 69,731 | 76,157 | 78,913 | 83,422 | 92,210 | 88,064 |
|  | \$ | 28,537,220,682 | 39,147,677,789 | 47,375,353,113 | 60,911,023,212 | 50,809,287,201 | 96,018,104,323 | 82,470,823,041 | 130,416,425,946 | 94,685,723,362 |
| Payments to related entities | no. | n.a. | 188,429 | 197,095 | 204,130 | 208,178 | 213,198 | 181,842 | 171,019 | 176,894 |
|  | \$ | n.a. | 16,380,604,257 | 13,030,543,542 | 13,881,010,746 | 15,541,427,917 | 13,382,832,206 | 15,505,399,051 | 16,104,582,361 | 13,566,614,954 |
| Depreciable assets purchased ${ }^{10}$ | no. | n.a. | 185,671 | 183,923 | 182,245 | 183,162 | 190,219 | 195,746 | 188,615 | n.a. |
|  | \$ | n.a. | 35,781,141,601 | 46,563,486,537 | 45,737,447,027 | 44,604,461,786 | 46,412,075,675 | 55,468,198,331 | 57,229,321,002 | n.a. |
| Intangible depreciating assets 1st deducted ${ }^{10}$ | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 5,376 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 4,054,197,422 |
| Other depreciating assets 1 st deducted ${ }^{10}$ | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 126,655 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 47,950,763,395 |


| Selected items |  | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{2}$ | 2000-01 ${ }^{2}$ | 2001-02 ${ }^{3}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Depreciable assets sold ${ }^{11}$ | no. | n.a. | 70,271 | 68,649 | 67,194 | 65,396 | 64,224 | 64,063 | 57,164 | n.a. |
|  | \$ | n.a. | 7,045,762,520 | 10,628,631,481 | 9,196,883,968 | 15,841,873,808 | 9,779,580,340 | 12,316,388,906 | 11,343,285,105 | n.a. |
| Termination value-intangible dep assets ${ }^{11}$ | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 2,798 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 1,193,575,619 |
| Termination value-other dep assets ${ }^{11}$ | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 75,128 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 26,351,183,833 |
| Net foreign income | no. | n.a. | 5,291 | 6,060 | 6,499 | 6,747 | 7,544 | 7,980 | 9,483 | 10,548 |
|  | \$ | n.a. | 4,487,078,028 | 4,626,162,839 | 4,224,050,527 | 4,866,383,340 | 6,954,926,472 | 7,488,879,622 | 5,568,604,059 | 4,835,988,111 |
| AFI - Listed country | no. | n.a. | 154 | 247 | 238 | n.a. | n.a. | n.a. | n.a. | n.a. |
|  | \$ | n.a. | 89,108,830 | 437,942,883 | 172,974,458 | n.a. | n.a. | n.a. | n.a. | n.a. |
| AFI - Broad-exemption listed country | no. | n.a. | n.a. | n.a. | n.a. | 93 | 98 | 124 | 106 | 264 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 56,530,562 | 42,512,153 | 94,866,760 | 85,427,699 | 267,487,489 |
| AFI - Limited-exemption listed country | no. | n.a. | n.a. | n.a. | n.a. | 107 | 168 | 165 | 180 | 183 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 137,983,238 | 204,045,792 | 388,730,756 | 266,128,739 | 227,257,596 |
| AFI - Unlisted country | no. | n.a. | 88 | 114 | 122 | 113 | 147 | 138 | 700 | 167 |
|  | \$ | n.a. | 111,451,452 | 248,706,749 | 244,674,135 | 164,005,484 | 370,334,675 | 434,310,663 | 1,002,044,611 | 441,143,252 |
| AFI - FIF income | no. | n.a. | 124 | 150 | 61 | 43 | 43 | 56 | 81 | 63 |
|  | \$ | n.a. | 4,348,898 | 20,056,690 | 14,993,182 | 16,873,380 | 8,247,492 | 17,473,047 | 22,195,847 | 21,268,512 |
| AFI - Transferor trust | no. | n.a. | n.a. | 19 | 27 | 14 | 37 | 54 | 175 | 18 |
|  | \$ | n.a. | n.a. | 235,531 | 94,954,576 | 1,861,661 | 1,460,805 | 3,434,514 | 440,633,197 | 134,300,159 |
| AFI - FLP income | no. | n.a. | n.a. | 6 | 31 | 17 | 23 | 14 | 17 | 1 |
|  | \$ | n.a. | n.a. | 141,287 | 1,970,876 | 2,110,738 | 1,042,853 | 412,136 | 1,780,506 | 190,890 |
| Foreign exchange gains or losses of a capital nature | no. | n.a. | n.a. | 3,380 | 3,852 | 3,550 | 3,364 | 1,073 | 636 | 485 |
|  | \$ | n.a. | n.a. | 452,529,256 | 751,020,945 | -1,045,494,456 | 177,149,896 | -161,269,200 | -1,473,462,185 | 222,906,535 |
| Land degradation expenses | no. | n.a. | 300 | 305 | 110 | 402 | 538 | 522 | 493 | 487 |
|  | \$ | n.a. | 12,356,584 | 11,564,307 | 3,589,528 | 20,481,201 | 23,204,004 | 29,159,585 | 39,587,188 | 36,985,709 |
| Trade debtors | no. | n.a. | n.a. | 171,972 | 177,457 | 178,026 | 186,891 | 201,077 | 203,829 | 183,954 |
|  | \$ | n.a. | n.a. | 118,703,359,991 | 122,707,314,917 | 128,589,019,823 | 377,926,275,649 | 314,983,729,385 | 164,757,246,747 | 143,345,046,546 |
| Current assets | no. | n.a. | n.a. | 460,915 | 482,357 | 486,515 | 520,787 | 543,116 | 550,974 | 526,720 |
|  | \$ | n.a. | n.a. | 721,556,750,409 | 774,514,834,457 | 745,549,800,430 | 797,443,802,197 | 1,057,815,707,595 | 1,417,454,614,886 | 1,523,483,246,384 |
| Total assets | no. | n.a. | n.a. | 488,921 | 513,195 | 519,681 | 552,261 | 570,905 | 577,140 | 551,214 |
|  | \$ | n.a. | n.a. | ,220,588,804,850 | 2,527,212,997,865 | ,645,415,613,436 | 2,850,377,924,468 | 3,479,716,811,537 | 4,023,191,370,017 | 4,127,291,839,753 |

TABLE 4.10': Selected items for income years 1993-94 to 2001-02

| Selected items |  | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{2}$ | 2000-01 ${ }^{2}$ | 2001-02 ${ }^{3}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Trade creditors | no. | n.a. | n.a. | 234,643 | 240,630 | 239,931 | 253,030 | 265,905 | 267,140 | 230,941 |
|  | \$ | n.a. | n.a. | 125,500,719,650 | 127,594,584,893 | 102,939,733,289 | 161,276,480,235 | 169,478,471,050 | 128,412,056,348 | 130,882,561,427 |
| Current liabilities | no. | n.a. | n.a. | 428,267 | 445,482 | 448,254 | 479,229 | 498,730 | 511,368 | 487,049 |
|  | \$ | n.a. | n.a. | 716,533,972,566 | 782,175,959,833 | 730,319,262,024 | 748,237,631,843 | 1,094,739,170,427 | 1,546,817,545,413 | 1,628,736,754,461 |
| Total liabilities | no. | n.a. | n.a. | 462,282 | 483,633 | 489,948 | 521,510 | 539,638 | 546,716 | 521,633 |
|  | \$ | n.a. | n.a. | 1,592,510,200,966 | 1,833,992,010,798 | 1,938,405,515,308 | 2,059,519,725,009 | 2,540,960,532,008 | 3,023,656,877,152 | 3,075,284,076,087 |
| Shareholders' funds | no. | n.a. | n.a. | 492,080 | 516,898 | 523,557 | 555,793 | 574,577 | 580,410 | 554,555 |
|  | \$ | n.a. | n.a. | 638,008,808,078 | 693,164,607,067 | 707,010,099,006 | 790,858,155,119 | 938,752,804,787 | 969,360,271,191 | 1,044,946,750,602 |
| SCHEDULE ITEMS ${ }^{12}$ |  |  |  |  |  |  |  |  |  |  |
| Total capital gains | no. | n.a. | n.a. | n.a. | 20,562 | 23,813 | 26,651 | 29,226 | 13,440 | 14,919 |
|  | \$ | n.a. | n.a. | n.a. | 7,003,060,708 | 9,577,557,888 | 13,492,686,333 | 14,780,176,783 | 11,629,162,432 | 11,724,419,013 |
| Total capital losses of current year applied | no. | n.a. | n.a. | n.a. | 4,175 | 4,629 | 5,724 | 7,357 | 5,061 | 5,052 |
|  | \$ | n.a. | n.a. | n.a. | 1,553,184,488 | 2,827,371,812 | 3,726,215,991 | 3,675,715,170 | 2,806,164,959 | 2,972,031,788 |
| Net capital losses of prior years applied | no. | n.a. | n.a. | n.a. | 4,380 | 3,299 | 3,769 | 4,596 | 2,329 | 2,886 |
|  | \$ | n.a. | n.a. | n.a. | 861,304,909 | 889,720,363 | 1,024,226,853 | 1,075,923,279 | 705,487,876 | 817,022,812 |
| Capital losses transferred in | no. | n.a. | n.a. | n.a. | 730 | 428 | 564 | 515 | 349 | 428 |
|  | \$ | n.a. | n.a. | n.a. | 1,293,297,918 | 1,111,140,850 | 1,594,870,262 | 1,591,586,582 | 1,555,683,809 | 2,468,761,422 |
| Tax losses transferred out | no. | n.a. | n.a. | n.a. | 6,974 | 6,730 | 7,099 | 7,482 | 5,994 | 5,588 |
|  | \$ | n.a. | n.a. | n.a. | 11,556,459,056 | 10,507,769,684 | 12,858,531,029 | 15,815,673,767 | 18,607,305,180 | 17,516,442,834 |
| Net capital losses transferred out | no. | n.a. | n.a. | n.a. | 736 | n.a. | 804 | 910 | 446 | 558 |
|  | \$ | n.a. | n.a. | n.a. | 1,280,201,046 | n.a. | 1,401,383,574 | 2,288,870,833 | 1,661,847,032 | 2,996,175,671 |

continued from previous page


## (1) HIGHLIGHTS

- In 2001-02, 463,129 partnerships lodged returns and reported total business income of $\$ 130.7$ billion.
- The largest proportion of partnerships (27\%) was in the agriculture, forestry and fishing industry.
- Partnerships reported $\$ 111.1$ billion in expenses, with the main type of expense being cost of sales, which accounted for $\$ 36.9$ billion.

For tax purposes, a partnership is an association of people who carry on business as partners, or who receive income jointly, but does not include a company. Partners contribute their time, talents and/or capital towards the partnership and, in return, share in both the profits/losses and responsibilities.
A partnership generally does not pay tax in its own right. Members of the partnership pay tax at their individual tax rate on their share of partnership income included on their individual tax return. A partner's share of any capital gains or losses relating to capital gains tax (CGT) events for partnership assets must be disclosed on the partner's tax return.
As a partnership is a separate entity for tax purposes, it requires a separate tax file number and must lodge a partnership tax return at the end of the income year. All income earned by the partnership, and deductions claimed for expenses incurred in earning that income, must be shown on the tax return. Although this return is simply an information return, it provides the basis for determining the partners' respective shares of the net partnership income or loss.

## SOURCE OF PARTNERSHIP STATISTICS

The data for Taxation statistics 2001-02 was compiled before all processing for the 2001-02 income year was completed. Statistics in this chapter are sourced from 2002 partnership income tax returns processed by 31 October 2003. The statistics are not necessarily complete and will continue to change as data from 2002 tax returns processed after 31 October 2003 is included. The usual practice each year is to update the statistics for the two years before the current year in the partnership tax time series table (chapter table 5.4 and partnership tax detailed table 3). The proportion of tax returns processed each year by 31 October can vary. Caution should be exercised in comparing the statistics for the current year and previous years. Better comparisons between the 2001-02 income year statistics and the statistics from previous years will be possible when Taxation statistics 2002-03 is published. In that edition, the 2001-02 income year statistics will include data from returns and amendments processed up to 31 October 2004.

Partnership tax returns were lodged either electronically or in paper form. A copy of the return is in the appendix. It may be
viewed or downloaded in PDF file format from the attached CD-ROM or from the online version of this publication on our website at www.ato.gov.au

Statistics for most items shown on the partnership tax return are included in the detailed tables on the attached CD-ROM. The detailed tables are also included in the online version of this publication, which can be viewed on our website.

## NEW FEATURES AND INFORMATION

Several tax reforms and laws implemented during the 200102 income year affected the statistics for some partnership items reported in this chapter and the detailed tables. Some of these reforms and laws are listed below.

- The simplified tax system, which offers optional reporting and accounting methods for small business taxpayers, took effect from 1 July 2001.
- The uniform capital allowance system consolidates a range of former capital allowance provisions from 1 July 2001.
- Thin capitalisation provisions, effective from 1 July 2001, apply to reduce debt deductions and ensure that taxpayers fund their Australian operations with an appropriate amount of equity.
- New rules have been introduced for the tax treatment of hire purchase agreements entered into after 27 February 1998.
Certain deductions relating to hire purchase agreements can be claimed from 30 June 2001.
- New debt and equity rules relating to non-share equity interests are effective from 1 July 2001. Certain interests, which are not shares in legal form, are treated in a similar way to shares for some tax law purposes.
- New rules apply from 30 June 2001 for the tax treatment of limited recourse debt arrangements that terminate after 27 February 1998.

Several new labels were introduced in the 2002 partnership income tax return and some are included in the partnership tax detailed tables. Definitions of these labels are in the partnership tax glossary on the attached CD-ROM. The glossary is also available on our website at www.ato.gov.au

- Intangible depreciating assets first deducted (item 42, label N)
- Other depreciating assets first deducted (item 43, label U)
- Termination value of intangible depreciating assets (item 44, label O)
- Termination value of other depreciating assets (item 45, label W)
- Deduction for project pool (item 46, label P)
- Section 40-880 deduction (item 47, label X)
- STS depreciation deduction - Low cost assets (less than \$1000) (item 54, label A)
- STS depreciation deduction - General pool assets (less than 25 years) (item 54, label B)
- STS depreciation deduction - Long life pool assets (25 years or more) (item 54, label C)

Several labels were also removed from the 2002 partnership return but statistics for previous years for these items are
still available in the partnership tax time series table (chapter table 5.4 and partnership tax detailed table 3). Definitions of these labels are in the partnership tax glossary on the attached CD-ROM. The glossary is also available on our website.

- Depreciable assets purchased.
- Depreciable assets sold.

A new terminology box (box 5.1) has also been included in this chapter.

## BOX 5.1: Terminology ${ }^{1}$

Uniform capital allowance system (UCA): introduced 1 July 2001, the UCA system applies to most depreciating assets, including those acquired before that date. The UCA provisions in Division 40 of the Income Tax Assessment Act 1997 (ITAA 1997) consolidate a range of former capital allowance provisions, including those relating to plant and equipment. The UCA system does this by providing a set of general rules that apply across a variety of depreciating assets and certain other capital expenditure. It maintains some concessional tax treatments, such as those applying to primary production depreciating assets. It also introduces new deductions for some business-related capital expenditure and for certain project costs that did not previously attract a deduction.
Taxpayers now calculate deductions for the decline in value of their depreciating assets using these new rules.
Eligible taxpayers who elect to enter the simplified tax system (STS) will generally calculate deductions for their depreciating assets under the special STS rules. However, the provisions of the UCA system relating to deductions for certain capital expenditure, such as project amounts and business-related costs, apply to STS taxpayers.
Simplified tax system (STS): introduced 1 July 2001, the STS applies to assessments for income years starting on or after that date. The STS is an alternative method of determining taxable income for eligible small businesses with straightforward financial affairs. The STS provisions can be found in Division 328 of the ITAA 1997.
The STS has three main elements:

- STS cash accounting
- simplified trading stock rules, and
- simplified depreciation (capital allowance) rules.

In addition, STS entities can claim a full deduction for certain prepaid business expenses.
Participation in the STS is optional.
If a taxpayer chooses to participate in the STS, they must use all three elements where they apply. The STS accounting and the simplified depreciation (capital allowance) rules apply to non-business income and deductions, as well as to business income and deductions.

A taxpayer is eligible to be an STS taxpayer for an income year if:

- they carry on a business
- they have an STS average turnover of less than $\$ 1$ million. The STS average turnover includes the turnover of any entities the taxpayer is 'grouped with', and
- they, together with any entities they are 'grouped with', have depreciating assets with a total adjustable value of less than $\$ 3$ million at the end of the year (includes depreciating assets for which a deduction has been allowed or is allowable under the STS or the UCA provisions).

1. This box presents only general descriptions of the above terms. It does not provide full technical or legal definitions.

## PARTNERSHIP TAXPAYERS

In 2001-02 a total of 463,129 partnerships lodged returns in Australia (table 5.1).

Partnership numbers generally reflect the geographic distribution of the Australian population, with more partnerships in the states with larger populations.
Approximately $31 \%$ of partnerships were in New South Wales, followed by 22\% in both Victoria and Queensland (figure 5.1).

## PARTNERSHIP TAXPAYERS, BY INDUSTRY

In 2001-02 the largest proportion of partnerships (whose industry was stated) was in the agriculture, forestry and fishing industry (27\%), followed by the construction (15\%) and retail trade (13\%) industries (table 5.1).
The number of partnerships in specific industries in each state or territory is relative to the amount of industry activity in that state or territory. For example, the largest proportion of partnerships in the property, construction and primary production industries was in New South Wales, while the largest proportion of mining partnerships was in Western Australia and Queensland.

FIGURE 5.1: Number of partnerships, by state/territory, 2001-02 income year


TABLE 5.1: Partnerships, by industry, 2001-02 income year

| Industry ${ }^{1}$ | Partnerships |  |
| :---: | :---: | :---: |
|  | No. | \% |
| Agriculture, forestry \& fishing ${ }^{2}$ | 123,426 | 27.3 |
| Construction | 67,312 | 14.9 |
| Retail trade | 56,582 | 12.5 |
| Property \& business services ${ }^{3}$ | 47,922 | 10.6 |
| Investment income recipients ${ }^{4}$ | 42,941 | 9.5 |
| Manufacturing | 23,270 | 5.2 |
| Transport \& storage | 20,725 | 4.6 |
| Personal \& other services | 17,542 | 3.9 |
| Accommodation, cafés \& restaurants | 15,318 | 3.4 |
| Wholesale trade | 11,151 | 2.5 |
| Cultural \& recreational services ${ }^{5}$ | 8,082 | 1.8 |
| Finance \& insurance | 5,663 | 1.3 |
| Health \& community services | 4,967 | 1.1 |
| Communication | 3,864 | 0.9 |
| Education | 1,720 | 0.4 |
| Mining | 755 | 0.2 |
| Electricity, gas \& water supply | 341 | 0.1 |
| Total industry stated | 451,581 | 100.0 |
| Other ${ }^{6}$ | 11,548 |  |
| Total | 463,129 |  |

1. With the exception of the 'Investment income recipients' category, the industry groups are classified based on the Australian and New Zealand Standard Industry Classification (ANZSIC) system. Fine industries included under these broad industry groupings are listed in partnership tax detailed table 5. There is a complete listing of all fine industries listed under each broad industry group and the corresponding code in our publication, Business industry codes 2002.
2. Includes partnerships that lodged a subsidiary return with income from primary production partnerships and trusts
3. This industry group includes services such as property operators and developers, real estate, non-financial asset investors, machinery and equipment hiring and leasing, technical, computer, scientific research, legal and accounting, marketing and business management and other business services listed in our publication, Business industry codes 2002. This industry group should not be confused with the 'Property' or 'Property income recipients' category that appeared in the tables of past editions of Taxation statistics.
4. This category refers to partnership taxpayers who reported direct income from investment (for example, rental income, interest and dividends) and did not report income or loss from a business or another partnership or trust on their returns. In past editions of Taxation statistics this category was referred to as 'Property' or 'Property income recipients'.
5. Includes sports.
6. Includes partnerships that lodged a subsidiary return with income from non-primary production partnerships and trusts, those registered under the government administration and defence code and those that did not state their industry.

## PARTNERSHIP INCOME

BOX 5.2: Partnership size, by total business income
For the purposes of this chapter:

- loss/nil partnerships have a total business income equal to or less than \$0
micro partnerships have a total business income equal to or greater than $\$ 1$ but less than $\$ 2$ million
small partnerships have a total business income equal to or greater than $\$ 2$ million but less than $\$ 10$ million
- medium partnerships have a total business income between $\$ 10$ million and $\$ 100$ million (inclusive), and
- large partnerships have a total business income greater than $\$ 100$ million.

In 2001-02 the majority of partnerships (84\%) were classified as micro partnerships. Micro partnerships accounted for $52 \%$ ( $\$ 67.3$ billion) of total business income. Partnerships classified as large partnerships accounted for less than 1\% of the total numbe r of partnerships, but they accounted for 25\% ( $\$ 33$ billion) of total business income (table 5.2).

Overall, partnerships had a total business income of $\$ 130.7$ billion.

TABLE 5.2: Number of partnerships and selected income items, by partnership size, 2001-02 income year

| Items $^{1}$ |  | Loss/nil | Micro | Small | Medium | Large | Total |
| :--- | :--- | ---: | ---: | ---: | ---: | ---: | ---: |
| Number of partnerships | No. | 69,407 | 388,297 | 4,825 | 544 | 56 | 463,129 |
| Net rent | $\$ m$ | 1,113 | 233 | 10 | 27 | 2 | 1,385 |
| Gross interest | $\$ m$ | 301 | 271 | 39 | 62 | 48 | 722 |
| Gross (or total) dividends ${ }^{2}$ | $\$ m$ | 97 | 119 | 6 | 1 | 0 | 223 |
| Net business income | $\$ m$ | -390 | 11,884 | 1,719 | 1,743 | 3,687 | 18,643 |
| Total business income | $\$ m$ | -5 | 67,340 | 17,739 | 12,583 | 33,020 | 130,678 |

1. Definitions of items are in the partnership tax glossary on the attached CD-ROM.
2. An amount equal to $\$ 0$ indicates an amount less than $\$ 500,000$.

## PARTNERSHIP EXPENSES

In 2001-02 partnerships had total business expenses of $\$ 111.1$ billion (table 5.3).
Micro partnerships accounted for 50\% (\$55.6 billion) of total business expenses, while large partnerships accounted for $26 \% ~(\$ 28.7$ billion) of total business expenses.

Cost of sales accounted for the largest share (33\%) of all partnership expenses. This expense category also accounted for the largest share of the total expenses of micro (34\%), small (53\%), medium (44\%) and large partnerships (18\%).

TABLE 5.3: Partnership expenses, by expense and partnership size, 2001-02 income year

| Expense ${ }^{1}$ | $\begin{array}{r} \text { Loss/Nil } \\ \$ \mathrm{~m}^{2} \end{array}$ | Micro \$m | Small \$m | Medium \$m | Large \$m | Total \$m |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Cost of sales | 5 | 18,770 | 8,359 | 4,677 | 5,054 | 36,865 |
| External labour ${ }^{3}$ | 7 | 2,123 | 552 | 640 | 1,822 | 5,144 |
| Depreciation | 25 | 3,158 | 326 | 341 | 593 | 4,443 |
| Interest | 88 | 2,054 | 370 | 425 | 978 | 3,915 |
| Rent | 3 | 1,759 | 325 | 218 | 170 | 2,475 |
| Repairs \& maintenance | 6 | 1,828 | 177 | 92 | 186 | 2,288 |
| Motor vehicles | 6 | 1,976 | 87 | 28 | 26 | 2,123 |
| Superannuation | 0 | 395 | 137 | 83 | 96 | 711 |
| Lease expenses | 2 | 493 | 72 | 54 | 50 | 671 |
| Royalty expenses | 0 | 29 | 13 | 34 | 123 | 200 |
| Bad debts | 1 | 50 | 49 | 30 | 26 | 156 |
| Other expenses | 108 | 22,970 | 5,441 | 4,004 | 19,540 | 52,063 |
| Total ${ }^{4}$ | 250 | 55,606 | 15,909 | 10,627 | 28,662 | 111,054 |

1. Definitions of items are in the partnership tax glossary on the attached CD-ROM.
2. An expense amount equal to $\$ 0$ may refer to an amount less than $\$ 500,000$.
3. Also referred to as 'Contractor/subcontractor and commission expenses'.
4. Total amount may differ slightly from the sum of components due to rounding.

## DETAILED TABLES

The following partnership tax detailed tables are on the attached CD-ROM and included in the online version of this publication on our website at www.ato.gov.au The tables may be viewed or downloaded in Adobe Acrobat (PDF), Microsoft Excel (XLS) or Comma Separated Values (CSV) file format.

The 'items' referred to in the detailed tables are items declared on the 2002 partnership tax return. A copy of the return is in the appendix

To find out whether a particular item is included in a detailed table, refer to the partnership tax detailed tables index included on the attached CD-ROM and in the online version of this publication. (The index can be viewed or downloaded only in Adobe Acrobat (PDF) and Microsoft Excel (XLS) file formats.) The table index lists the different items shown in the detailed tables and specifies in which tables they appear.

Table 1: All items, by net Australian income, 2001-02 income year
This table shows the number of records and amounts for all items from the partnership tax return, ranged by net Australian income.

- Part A: Business income, expense and reconciliation items - contains income, expense and reconciliation labels from item 5 'Business income and expenses' on page 2 of the partnership tax return.
- Part B: Other income and expense items contains labels from items 6, 8, 9, 10, 11 and 12 on page 3 of the partnership tax return.
- Part C: Other deductions, foreign income and total net income - contains labels from items 14, 15, 17, 20 and 21 on page 4 of the partnership tax return.
- Part D: Business and professional items - contains items 35 to 55 from the 'Business and professional items' section on page 5 of the partnership tax return.

Table 2: Selected items, by broad industry, 2001-02 income year
This table shows the number of records and amounts for most items from the partnership tax return. Partnership taxpayers (and the data) are classified by broad industry groupings (determined by the taxpayer's main source of business income) based on the Australian and New Zealand Standard Industry Classification (ANZSIC) system.

- Part A: Business income, expense and reconciliation items - contains income, expense and reconciliation labels from item 5 'Business income and expenses' on page 2 of the partnership tax return.
- Part B: Other income and expense items contains labels from items 6, 8, 9, 10, 11 and 12 on page 3 of the partnership tax return.
- Part C: Other deductions, foreign income and total net income - contains labels from items 14, 15, 17, 20 and 21 on page 4 of the partnership tax return.
- Part D: Business and professional items - contains items 35 to 55 from the 'Business and professional items' section on page 5 of the partnership tax return.

Note: In order to meet privacy regulations, statistics for some items may not be included in the tables.

Table 3: Selected items for income years 1993-94 to 2001-02
This table shows selected items from the partnership tax return for all income years between 1993-94 and 2001-02. Most items display number of records and amounts.
This table is also available at the back of this chapter (see table 5.4).

Table 4: Total business income, by broad industry and state/territory, 2001-02 income year This table shows the number of partnerships and number of records and amounts for partnerships with total business income, by state and territory. Partnership taxpayers (and the data) are classified into broad industry groupings based on the ANZSIC system.

Table 5: Selected items, by fine industry (amounts only), 2001-02 income year
This table shows the number of partnership taxpayers and amounts for most items from the partnership tax return. Partnership taxpayers and the amounts are classified by fine industry groupings (determined by the taxpayer's main source of business income) based on the ANZSIC system.

- Part A: Business income, expense and reconciliation items - contains income, expense and reconciliation labels from item 5 'Business income and expenses' on page 2 of the partnership tax return.
- Part B: Other income and expense items contains labels from items 6, 8, 9, 10, 11 and 12 on page 3 of the partnership tax return.
- Part C: Other deductions, foreign income and total net income - contains labels from items 14, 15, 17, 20 and 21 on page 4 of the partnership tax return.
- Part D: Business and professional items - contains items 35 to 55 from the 'Business and professional items' section on page 5 of the partnership tax return.
Note: In order to meet privacy regulations, statistics for some items may not be included in the tables.


## TIME SERIES TABLE

Table 5.4 shows selected items from partnership returns for income years 1993-94 to 2001-02. This table is also available on the attached CD-ROM and in the online version of this publication on our website at www.ato.gov.au as partnership tax detailed table 3. It may be viewed or downloaded in Adobe Acrobat (PDF), Microsoft Excel (XLS) or Comma Separated Values (CSV) file format.

| TABLE 5.4': Selected items for income years 1993-94 to 2001-02 |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Selected items |  | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{2}$ | 2000-01 ${ }^{2}$ | 2001-02 ${ }^{3}$ |
| Number of partnerships | no. | 591,524 | 593,069 | 578,626 | 560,263 | 534,891 | 525,801 | 520,002 | 493,958 | 463,129 |
| Total business income - PP | no. | 153,360 | 152,699 | 146,293 | 145,712 | 142,388 | 138,647 | 135,366 | 127,943 | 121,483 |
|  | \$ | 15,106,721,651 | 15,901,896,060 | 17,090,757,743 | 17,044,589,221 | 17,286,712,562 | 16,942,355,345 | 17,317,861,804 | 20,032,399,814 | 22,990,793,901 |
| Total business income -NPP | no. | 382,592 | 383,859 | 366,998 | 360,633 | 344,441 | 337,929 | 333,526 | 318,821 | 296,779 |
|  | \$ | 70,616,058,303 | 74,838,152,007 | 77,066,407,928 | 77,118,890,334 | 89,085,435,217 | 94,674,831,618 | 103,609,479,310 | 103,331,374,189 | 107,687,458,296 |
| Total business income | no. | п.a. | 504,628 | 495,561 | 476,462 | 457,824 | 448,832 | 441,866 | 420,423 | 393,963 |
|  | \$ | 85,722,779,954 | 90,740,048,067 | 94,156,490,691 | 94,163,479,555 | 106,372,147,779 | 111,617,186,963 | 120,927,341,114 | 123,363,774,003 | 130,678,25, 197 |
| Contractor/subcontractor \& commission expenses | no. | 110,514 | 105,659 | 98,365 | 93,763 | 92,517 | 95,954 | 96,999 | 95,047 | 93,187 |
|  | \$ | 3,073,911,540 | 3,247,960,134 | 3,239,361,091 | 3,012,540,581 | 3,364,213,664 | 3,698,257,628 | 4,268,551,886 | 4,083,625,114 | 5,143,931,863 |
| Superannuation expenses | no. | 114,967 | 111,429 | 105,707 | 102,097 | 99,322 | 97,299 | 94,781 | 90,954 | 87,279 |
|  | \$ | 280,617,834 | 304,357,370 | 390,980,888 | 414,974,284 | 439,329,930 | 523,043,250 | 591,576,342 | 662,597,835 | 710,966,876 |
| Cost of sales | no. | 285,555 | 285,210 | 275,271 | 263,065 | 252,410 | 243,771 | 236,135 | 225,215 | 211,522 |
|  | \$ | 32,069,257,395 | 32,987,245,910 | 32,376,220,399 | 31,435,069,839 | 31,286,952,794 | 32,912,450,552 | 35,692,947,021 | 35,330,888,992 | 36,864,574,498 |
| Bad debts | no. | 11,270 | 11,591 | 11,693 | 11,734 | 12,029 | 11,782 | 11,821 | 11,669 | 10,979 |
|  | \$ | 123,983,155 | 120,773,805 | 117,950,501 | 127,046, 188 | 147,581,040 | 130,272,393 | 140,728,150 | 163,116,630 | 155,886,879 |
| Lease expenses | no. | 63,550 | 60,882 | 57,491 | 57,684 | 57,972 | 59,777 | 57,895 | 52,349 | 46,755 |
|  | \$ | 677,509,946 | 662,977,748 | 706,948,687 | 732,104,668 | 775,152,030 | 846,119,149 | 817,764,081 | 804,758,633 | 670,938,613 |
| Rent expenses | no. | 158,043 | 153,358 | 146,658 | 140,936 | 134,977 | 129,623 | 124,809 | 116,495 | 108,008 |
|  | \$ | 2,388,083,110 | 2,453,681,710 | 2,497,009,882 | 2,404,360,443 | 2,370,350,361 | 2,412,538,683 | 2,458,427,508 | 2,517,909,965 | 2,474,897,053 |
| Total interest expenses | no. | 285,838 | 286,041 | 274,433 | 269,213 | 257,827 | 249,205 | 242,685 | 231,907 | 216,340 |
|  | \$ | 2,874,509,322 | 3,129,086,599 | 3,336,939,970 | 3,079,363,158 | 2,998,554,646 | 3,246,207,018 | 3,716,661,352 | 3,839,246,201 | 3,914,992,537 |
| Total royalty expenses | no. | 3,379 | 3,279 | 3,157 | 3,140 | 2,973 | 2,880 | 2,832 | 2,616 | 2,439 |
|  | \$ | 58,405,297 | 88,877,952 | 90,776,063 | 89,407,362 | 222,125,303 | 157,284,486 | 397,391,864 | 173,981,286 | 200,122,285 |
| Depreciation expenses | no. | 457,536 | 463,516 | 443,696 | 435,423 | 422,243 | 412,276 | 403,963 | 378,159 | 348,221 |
|  | \$ | 3,084,317,942 | 3,355,106,662 | 3,667,172,219 | 3,566,378,897 | 3,803,802,548 | 4,158,535,772 | 4,384,383,714 | 4,222,420,032 | 4,443,080,159 |
| Motor vehicle expenses | no. | 403,990 | 403,803 | 381,484 | 370,583 | 359,257 | 351,263 | 344,183 | 324,935 | 303,152 |
|  | \$ | 2,370,503,643 | 2,426,228,920 | 2,374,630,118 | 2,306,920,768 | 2,269,473,998 | 2,254,266,178 | 2,371,790,263 | 2,265,353,199 | 2,123,137,889 |
| Repairs \& maintenance | no. | 347,096 | 348,669 | 332,926 | 327,044 | 317,212 | 309,532 | 301,136 | 285,829 | 268,359 |
|  | \$ | 1,802,170,320 | 1,846,534,731 | 1,917,717,616 | 1,919,283,627 | 1,905,507,236 | 2,019,821,897 | 2,092,913,526 | 2,066,761,772 | 2,288,120,139 |
| Other expenses | no. | 503,252 | 506,219 | 495,548 | 478,077 | 458,537 | 449,782 | 442,601 | 420,627 | 394,577 |
|  | \$ | 24,562,177,743 | 27,295,155,509 | 30,311,037,766 | 31,972,418,148 | 43,527,827,289 | 45,165,653,784 | 49,360,757,351 | 51,849,516,949 | 52,063,057,071 |
| Total expenses | no. | 510,532 | 513,946 | 503,504 | 486,234 | 466,503 | 457,554 | 450,236 | 428,233 | 401,646 |
|  | \$ | 73,365,447,247 | 77,917,987,050 | 81,026,745,200 | 81,059,867,963 | 93,110,870,839 | 97,524,450,790 | 106,293,877,311 | 107,980,176,138 | 111,053,705,921 |


|  |  |  |  |  |  |  |  |  |  | e 89 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| TABLE 5.41: Selected items for income years 1993-94 to 2001-02 |  |  |  |  |  |  |  |  |  |  |
| Selected items |  | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{2}$ | 2000-01 ${ }^{2}$ | 2001-02 ${ }^{3}$ |
| Drought investment allowance ${ }^{4}$ | no. | 34,112 | 5,621 | 2,705 | 2,581 | 2,443 | 1,599 | 924 | 198 | 133 |
|  | \$ | 142,239,832 | 58,945,277 | 15,887,326 | 15,608,521 | 20,154,696 | 6,209,473 | 71,404,952 | 1,786,201 | 3,974,323 |
| Income reconciliation adjustments | no. | n.a. | n.a. | n.a. | n.a. | n.a. | 22,171 | 19,592 | 17,912 | 22,147 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | - 203,863,303 | -257,538,392 | 307,064,552 | 396,331,571 |
| Expense reconciliation adjustments | no. | n.a. | n.a. | n.a. | n.a. | n.a. | 55,713 | 57,224 | 52,592 | 58,316 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | - 739,153,986 | -809,000,195 | -417,248,252 | -1,374,320,243 |
| Net business income - PP - profit | no. | 83,883 | 79,135 | 78,361 | 75,836 | 73,001 | 71,130 | 66,975 | 73,426 | 74,807 |
|  | \$ | 2,889,486,519 | 2,980,439,432 | 3,555,317,918 | 3,106,997,065 | 3,043,022,542 | 2,731,321,813 | 2,603,530,033 | 3,877,824,437 | 5,125,533,975 |
| Net business income - PP - loss | no. | 77,137 | 82,436 | 79,387 | 77,804 | 76,687 | 74,856 | 75,171 | 60,132 | 52,450 |
|  | \$ | - 1,215,391,397 | - 1,459,058,556 | - 1,456,160,017 | - 1,471,634,287 | - 1,547,958,396 | - 1,556,327,762 | -1,962,026,389 | -1,517,107,366 | -1,316,953,544 |
| Net business income or loss - PP | no. | 161,020 | 161,571 | 158,900 | 153,640 | 149,688 | 145,986 | 142,146 | 133,558 | 127,257 |
|  | \$ | 1,674,095,121 | 1,521,380,875 | 2,099,157,900 | 1,635,362,777 | 1,495,064,145 | 1,174,994,051 | 641,503,644 | 2,360,717,071 | 3,808,580,431 |
| Net business income - NPP - profit | no. | 300,092 | 302,860 | 295,218 | 287,800 | 276,892 | 272,888 | 269,753 | 256,353 | 241,614 |
|  | \$ | 12,346,281,289 | 13,409,245,637 | 13,233,044,918 | 13,716,072,610 | 15,291,305,055 | 15,256,466,786 | 16,980,701,580 | 15,799,790,542 | 17,933,717,372 |
| Net business income - NPP - loss | no. | 84,637 | 83,661 | 82,454 | 75,330 | 69,197 | 66,839 | 66,078 | 63,464 | 56,534 |
|  | \$ | - 1,564,011,498 | - 1,821,774,550 | - 2,351,525,725 | -2,465,558,700 | -2,684,209,708 | - 3,312,833,524 | -3,788,367,023 | -2,888,579,321 | -3,099,714,528 |
| Net business income or loss - NPP | no. | 384,729 | 386,521 | 377,672 | 363,130 | 346,089 | 339,727 | 335,831 | 319,817 | 298,148 |
|  | \$ | 10,782,269,790 | 11,587,471,086 | 10,881,519,192 | 11,250,513,909 | 12,607,095,346 | 11,943,633,262 | 13,192,334,557 | 12,911,211,221 | 14,834,002,844 |
| Net business income or loss | no. | 486,544 | 513,444 | 491,090 | 484,596 | 464,894 | 455,962 | 448,978 | 425,682 | 399,449 |
|  | \$ | 12,456,364,911 | 13,105,985,687 | 12,980,677,092 | 12,885,876,686 | 14,102,159,491 | 13,118,613,947 | 13,833,434,063 | 15,271,570,904 | 18,642,583,275 |
| Distribution from partnerships - PP - profit | no. | n.a. | n.a. | n.a. | 1,588 | 1,569 | 1,489 | 1,431 | 1,488 | 1,487 |
|  | \$ | n.a. | n.a. | n.a. | 53,977,615 | 68,257,573 | 85,236,833 | 60,015,772 | 68,484,184 | 82,614,329 |
| Distribution from partnerships - PP - loss | no. | n.a. | n.a. | n.a. | 899 | 895 | 812 | 782 | 631 | 486 |
|  | \$ | n.a. | n.a. | n.a. | - 13,404,074 | - 14,013,804 | - 16,026,631 | -15,746,163 | -15,214,015 | -11,917,691 |
| Distribution from partnerships - PP | no. | n.a. | n.a. | n.a. | 2,487 | 2,464 | 2,301 | 2,213 | 2,119 | 1,973 |
|  | \$ | n.a. | n.a. | n.a. | 40,575,641 | 54,243,768 | 69,210,202 | 44,269,609 | 53,270,169 | 70,696,638 |
| Distribution from trusts - PP - profit | no. | n.a. | n.a. | n.a. | 221 | 849 | 206 | 197 | 2,551 | 4,282 |
|  | \$ | n.a. | n.a. | n.a. | 4,049,340 | 5,776,993 | 7,126,713 | 5,719,657 | 10,210,014 | 30,145,717 |
| Distribution from trusts - PP - loss | no. | n.a. | n.a. | n.a. | 17 | 8 | 8 | 10 | 5 | 5 |
|  | \$ | n.a. | n.a. | n.a. | - 370,178 | - 30,790 | -68,324 | -238,496 | -197,130 | -35,255 |
| Distribution from trusts - PP | no. | n.a. | n.a. | n.a. | 238 | 857 | 214 | 207 | 2,554 | 4,287 |
|  | \$ | n.a. | n.a. | n.a. | 3,679,162 | 5,746,202 | 7,058,389 | 5,481,161 | 10,012,884 | 30,110,462 |


| Selected items |  | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{2}$ | 2000-01 ${ }^{2}$ | 2001-02 ${ }^{3}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Distribution from partnerships - NPP - profit | no. | n.a. | n.a. | n.a. | n.a. | 4,894 | 4,727 | 4,540 | 4,299 | 3,961 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 188,836,751 | 238,377,249 | 295,980,573 | 268,753,309 | 342,158,184 |
| Distribution from partnerships - NPP - loss | no. | n.a. | n.a. | n.a. | n.a. | 933 | 915 | 952 | 868 | 733 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | -40,225,213 | - 150,383,583 | -388,250,663 | -49,479,503 | -25,723,895 |
| Distribution from partnerships - NPP | no. | n.a. | n.a. | n.a. | n.a. | 5,827 | 5,642 | 5,492 | 5,167 | 4,694 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 148,611,537 | 87,993,666 | -92,270,090 | 219,273,806 | 316,434,289 |
| Distribution from trusts - NPP - profit | no. | n.a. | n.a. | n.a. | 9,603 | 10,845 | 11,012 | 10,455 | 12,611 | 11,652 |
|  | \$ | n.a. | n.a. | n.a. | 133,151,369 | 116,424,517 | 167,075,225 | 389,157,105 | 377,589,587 | 424,569,374 |
| Distribution from trusts - NPP - loss | no. | n.a. | n.a. | n.a. | 20 | 5 | 5 | 5 | n.a. | n.a. |
|  | \$ | n.a. | n.a. | n.a. | - 171,060 | -17,309 | - 1,583 | -2,512 | n.a. | n.a. |
| Distribution from trusts - NPP | no. | n.a. | n.a. | n.a. | 9,623 | 10,849 | 11,016 | 10,457 | 12,611 | 11,652 |
|  | \$ | n.a. | n.a. | n.a. | 132,980,308 | 116,407,207 | 167,073,642 | 389,154,593 | 377,589,587 | 424,569,374 |
| P\&T deductions relating to distribution - PP | no. | n.a. | 769 | 799 | 777 | 792 | 741 | 694 | 672 | 646 |
|  | \$ | n.a. | 7,958,989 | 9,257,960 | 9,715,888 | 9,893,488 | 9,424,939 | 9,388,556 | 9,960,627 | 11,393,688 |
| P\&T deductions relating to distribution - NPP | no. | n.a. | 2,358 | 2,565 | 2,612 | 2,860 | 3,028 | 3,025 | 3,125 | 2,938 |
|  | \$ | n.a. | 28,049,312 | 25,646,780 | 30,369,031 | 34,438,090 | 31,847,955 | 32,132,088 | 32,617,834 | 39,070,940 |
| Total P\&T deductions relating to distribution | no. | n.a. | 3,047 | 3,327 | 3,355 | 3,611 | 3,731 | 3,719 | 3,797 | 3,584 |
|  | \$ | n.a. | 36,008,301 | 34,904,740 | 40,084,919 | 44,331,578 | 41,272,894 | 41,520,644 | 42,578,461 | 50,464,628 |
| Gross rent | no. | 109,082 | 111,775 | 108,343 | 107,977 | 103,209 | 99,817 | 98,250 | 82,390 | 78,980 |
|  | \$ | 3,117,218,663 | 3,252,754,349 | 3,271,671,465 | 3,372,016,039 | 3,356,128,917 | 3,344,949,385 | 3,525,752,461 | 3,436,844,042 | 3,539,404,521 |
| Net rent - profit | no. | 78,803 | 79,035 | 76,232 | 77,067 | 76,046 | 74,297 | 72,697 | 60,214 | 59,152 |
|  | \$ | 1,307,589,261 | 1,379,201,717 | 1,373,108,029 | 1,450,546,176 | 1,489,152,373 | 1,489,831,194 | 1,544,324,566 | 1,517,949,090 | 1,601,481,587 |
| Net rent - loss | no. | 30,580 | 33,165 | 33,883 | 31,027 | 27,427 | 25,932 | 26,185 | 22,491 | 20,402 |
|  | \$ | - 307,812,777 | - 314,212,459 | - 334,399,591 | - 281,997,373 | - 240,216,999 | - 214,585,188 | -241,049,157 | -233,712,880 | -216,383,760 |
| Net rent | no. | 109,383 | 112,200 | 110,115 | 108,095 | 103,473 | 100,229 | 98,882 | 82,705 | 79,554 |
|  | \$ | 999,776,483 | 1,064,989,557 | 1,038,708,437 | 1,168,548,802 | 1,248,935,373 | 1,274,846,006 | 1,303,275,409 | 1,284,236,210 | 1,385,097,827 |
| Rental interest deductions | no. | 51,796 | 53,163 | 52,089 | 51,830 | 49,326 | 48,064 | 48,049 | 42,250 | 40,727 |
|  | \$ | 969,383,923 | 972,883,257 | 1,023,517,058 | 957,961,006 | 827,550,427 | 785,687,413 | 836,754,671 | 853,399,810 | 816,468,200 |
| Other rental deductions | no. | 98,324 | 100,592 | 98,460 | 98,256 | 94,191 | 91,539 | 90,490 | 79,263 | 76,110 |
|  | \$ | 1,150,063,729 | 1,214,910,668 | 1,208,255,087 | 1,245,185,843 | 1,182,417,848 | 1,168,730,423 | 1,255,302,490 | 1,171,002,049 | 1,197,455,258 |
| Dividends franked | no. | 18,482 | 20,557 | 21,104 | 22,813 | 32,159 | 31,994 | 35,442 | 44,897 | 43,688 |
|  | \$ | 49,276,778 | 90,919,893 | 103,664,322 | 119,824,307 | 132,714,531 | 130,068,986 | 111,738,557 | 185,686,154 | 185,195,608 |

continued from previous page
TABLE 5.4': Selected items for income years 1993-94 to 2001-02

| Selected items |  | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000² | 2000-01 ${ }^{2}$ | 2001-02 ${ }^{3}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Dividends unfranked | no. | 20,485 | 21,633 | 21,730 | 21,870 | 21,464 | 22,745 | 30,754 | 27,576 | 22,307 |
|  | \$ | 26,395,949 | 26,168,582 | 26,415,319 | 24,726,279 | 27,390,714 | 31,979,384 | 36,202,820 | 40,323,527 | 38,248,917 |
| Total dividends | no. | 30,633 | 33,408 | 34,317 | 34,765 | 43,418 | 43,179 | 66,196 | 72,473 | 65,995 |
|  | \$ | 75,672,727 | 117,088,475 | 130,079,641 | 144,550,586 | 160,105,245 | 162,048,370 | 147,941,377 | 226,009,681 | 223,444,525 |
| Gross interest | no. | 199,625 | 211,107 | 209,760 | 204,527 | 183,403 | 171,433 | 164,630 | 164,344 | 147,324 |
|  | \$ | 585,041,666 | 547,146,367 | 706,108,475 | 679,195,389 | 562,462,901 | 554,887,543 | 618,756,079 | 812,808,418 | 721,826,818 |
| Imputation credit primary | no. | 18,369 | 20,416 | 20,983 | 22,727 | 32,057 | 31,907 | 35,374 | 44,877 | 43,662 |
|  | \$ | 30,966,109 | 41,918,193 | 56,655,042 | 66,721,954 | 73,294,862 | 72,679,299 | 62,145,637 | 95,101,375 | 79,152,613 |
| Imputation credit subsidiary | no. | 5,320 | 5,581 | 5,470 | 5,898 | 6,332 | 6,652 | 6,118 | 6,638 | 6,435 |
|  | \$ | 3,062,055 | 3,423,325 | 3,973,575 | 4,330,227 | 5,464,095 | 5,801,481 | 5,377,514 | 6,065,193 | 4,728,804 |
| TFN amounts withheld from gross interest | no. | n.a. | 10,961 | 11,145 | 9,418 | 7,328 | 6,871 | 6,798 | 6,253 | 4,478 |
|  | \$ | n.a. | 2,406,462 | 2,770,089 | 2,479,972 | 1,994,829 | 2,134,703 | 3,237,056 | 2,182,202 | 1,804,341 |
| TFN amounts withheld from dividends | no. | n.a | 1,072 | 901 | 1,067 | 933 | 1,233 | 1,833 | 1,459 | 1,206 |
|  | \$ | n.a. | 101,051 | 112,023 | 102,472 | 119,107 | 181,191 | 280,334 | 235,036 | 163,824 |
| Credit for TFN amounts withheld from interest \& dividends | no. $\$$ | n.a. | 706 137,569 | 657 260,434 | 794 172,493 | 732 228,183 | 755 261,030 | 614 278,546 | 679 425,754 | 573 466,293 |
| Credit for tax withheld where ABN not quoted | no. | n.a | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 72 | 37 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 319,362 | 127,925 |
| Other Australian income | no. | 10,670 | 9,411 | 8,687 | 8,358 | 7,225 | 6,582 | 6,581 | 7,305 | 6,857 |
|  | \$ | 167,533,076 | 280,530,364 | 113,321,703 | 114,314,869 | 93,837,503 | 99,136,529 | 155,585,891 | 127,045,120 | 116,087,696 |
| Investment income deductions - Australia | no. | 15,157 | 14,630 | 14,883 | 14,588 | 13,963 | 12,599 | 11,330 | 10,878 | 8,996 |
|  | \$ | 89,343,750 | 57,243,607 | 97,451,518 | 95,400,364 | 65,339,651 | 53,720,177 | 61,192,870 | 70,046,344 | 59,399,816 |
| Other deductions | no. | 17,709 | 17,701 | 16,752 | 16,473 | 16,127 | 15,547 | 14,577 | 14,664 | 14,180 |
|  | \$ | 177,325,760 | 172,306,204 | 145,022,498 | 398,923,223 | 290,858,556 | 123,202,139 | 273,137,233 | 193,212,663 | 110,933,519 |
| Net Australian income or loss | no. | 575,006 | 576,916 | 563,568 | 544,654 | 522,514 | 511,816 | 505,024 | 478,970 | 451,156 |
|  | \$ | 14,415,600,564 | 15,121,200,985 | 15,019,556,603 | 14,892,502,881 | 16,165,274,304 | 15,395,236,211 | 16,090,905,048 | 18,171,116,355 | 21,789,205,554 |
| AFI - Listed country | no. | 37 | 35 | 21 | 31 | n.a. | n.a. | n.a. | n.a. | n.a. |
|  | \$ | 54,295,318 | 36,384,062 | 42,038 | 114,907 | n.a. | n.a. | n.a. | n.a. | n.a. |
| AFI - Broad-exemption listed county | no. | n.a. | n.a. | n.a. | n.a. | 24 | 18 | 27 | 25 | 24 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 47,531 | 213,324 | 131,062 | 38,610 | 3,044 |
| AFI - Limited-exemption listed country | no. | n.a. | n.a. | n.a. | n.a. | 0 | 5 | 6 | 5 | 5 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 0 | 102 | 380,838 | 459,186 | 140,955 |


| Selected items |  | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{2}$ | 2000-01 ${ }^{2}$ | 2001-02 ${ }^{3}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| AFI - Unlisted country | no. | 13 | 7 | 10 | 5 | 5 | 6 | 5 | 5 | 5 |
|  | \$ | 1,762,254 | 464,746 | 3,169,022 | 6,749,338 | 9,081,425 | 15,131,241 | 18,204,640 | 30,906,079 | 23,207,225 |
| AFI - FIF/FLP income | no. | 21 | 10 | 12 | 5 | 5 | 6 | 5 | 8 | 8 |
|  | \$ | 66,211 | 20,094 | 14,870 | 670,569 | 866,441 | 890,919 | 905,276 | 1,313,190 | 946,925 |
| Net other assessable foreign source income | no. | 3,177 | n.a. | 3,037 | 2,919 | 3,387 | 3,446 | 3,353 | 3,757 | 4,063 |
|  | \$ | 128,455,150 | n.a. | 61,433,852 | 50,413,225 | 53,234,548 | 44,169,593 | 31,578,630 | 231,027,205 | 307,298,977 |
| Foreign tax credits | no. | n.a. | n.a. | n.a. | n.a. | 3,023 | 2,927 | 2,620 | 3,111 | 3,373 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 6,529,588 | 2,979,669 | 2,586,286 | 38,407,953 | 73,700,437 |
| Total net income or loss | no. | 575,017 | 576,926 | 563,694 | 544,667 | 522,528 | 511,824 | 505,027 | 478,985 | 451,172 |
|  | \$ | 14,600,179,497 | 15,250,282,179 | 15,084,196,325 | 14,950,450,920 | 16,228,504,249 | 15,455,641,390 | 16,142,105,494 | 18,434,860,625 | 22,120,802,680 |
| Opening stock | no. | 224,955 | 228,832 | 219,746 | 214,425 | 207,562 | 197,752 | 188,759 | 175,002 | 162,568 |
|  | \$ | 6,645,765,935 | 7,105,054,837 | 7,088,745,164 | 6,755,290,099 | 7,228,051,030 | 8,481,515,728 | 8,431,393,700 | 10,036,057,626 | 8,912,721,232 |
| Closing stock | no. | 229,929 | 231,695 | 225,104 | 214,109 | 205,046 | 195,495 | 185,803 | 174,427 | 161,699 |
|  | \$ | 6,925,228,227 | 7,093,002,498 | 7,120,502,367 | 6,714,198,482 | 7,299,229,811 | 8,251,927,471 | 9,455,739,245 | 11,946,296,543 | 9,638,957,548 |
| Trade debtors | no. | n.a. | n.a. | n.a. | 102,224 | 98,514 | 93,515 | 95,411 | 91,571 | 66,797 |
|  | \$ | n.a. | n.a. | n.a. | 3,432,831,057 | 3,803,158,973 | 4,060,819,708 | 5,301,795,341 | 6,006,953,808 | 5,323,002,515 |
| Current assets | no. | n.a. | n.a. | n.a. | 320,395 | 313,022 | 301,287 | 290,975 | 287,190 | 268,327 |
|  | \$ | n.a. | n.a. | n.a. | 22,699,852,178 | 24,846,492,499 | 25,670,488,533 | 30,111,444,007 | 34,163,333,101 | 35,150,675,485 |
| Total assets | no. | n.a. | n.a. | n.a. | 354,548 | 349,748 | 338,592 | 326,353 | 322,296 | 301,746 |
|  | \$ | n.a. | n.a. | n.a. | 86,287,248,796 | 98,057,511,934 | 101,449,333,870 | 118,970,497,682 | 128,743,372,854 | 132,362,538,775 |
| Trade creditors | no. | n.a. | n.a. | n.a. | 156,538 | 150,540 | 144,044 | 137,940 | 132,423 | 93,988 |
|  | \$ | n.a. | n.a. | n.a. | 3,328,526,296 | 3,571,371,464 | 3,800,306,835 | 4,471,712,600 | 4,606,826,890 | 4,354,168,755 |
| Current liabilities | no. | n.a. | n.a. | n.a. | 242,957 | 234,210 | 225,009 | 218,153 | 242,498 | 225,700 |
|  | \$ | n.a. | n.a. | n.a. | 19,470,867,276 | 21,403,971,442 | 22,703,084,613 | 26,164,965,032 | 29,497,563,477 | 28,810,912,722 |
| Total liabilities | no. | n.a. | n.a. | n.a. | 276,931 | 267,847 | 258,682 | 250,662 | 264,703 | 246,546 |
|  | \$ | n.a. | n.a. | n.a. | 49,723,607,633 | 55,013,157,698 | 56,901,037,487 | 72,630,193,330 | 76,708,414,448 | 78,359,109,284 |
| Proprietors' funds | no. | n.a. | n.a. | n.a. | 349,463 | 343,565 | 332,148 | 319,386 | 314,578 | 295,548 |
|  | \$ | n.a. | n.a. | n.a. | 38,331,492,277 | 40,742,032,572 | 42,706,637,511 | 47,931,273,484 | 58,927,128,959 | 56,403,613,094 |
| Total salary \& wage expenses | no. | 190,862 | 189,116 | 180,423 | 174,956 | 167,132 | 161,638 | 153,109 | 141,300 | 130,323 |
|  | \$ | 6,815,143,461 | 7,181,057,566 | 7,189,507,767 | 7,120,413,201 | 7,253,241,651 | 8,550,900,652 | 9,041,534,787 | 11,209,766,012 | 9,354,376,839 |
| Payments to related entities | no. | 60,549 | 59,426 | 56,929 | 55,718 | 53,606 | 44,152 | 40,777 | 33,584 | 31,123 |
|  | \$ | 1,207,066,141 | 1,217,099,734 | 1,415,767,760 | 1,297,866,330 | 1,320,828,798 | 1,839,538,617 | 1,993,408,450 | 2,442,260,950 | 1,696,331,219 |

TABLE 5.4': Selected items for income years 1993-94 to 2001-02

| Selected items |  | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{2}$ | 2000-01 ${ }^{2}$ | 2001-023 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Depreciable assets purchased ${ }^{5}$ | no. | 254,781 | 252,836 | 242,915 | 218,680 | 212,802 | 200,442 | 196,499 | 169,993 | n.a. |
|  | \$ | 5,187,395,067 | 5,101,439,307 | 5,340,206,335 | 7,927,390,583 | 10,087,614,673 | 8,121,767,611 | 6,734,488,617 | 7,271,206,977 | n.a. |
| Intangible depreciating assets 1st deducted ${ }^{5}$ | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 2,641 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 89,531,112 |
| Other depreciating assets 1st deducted ${ }^{5}$ | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 120,847 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 4,555,932,011 |
| Depreciable assets sold ${ }^{6}$ | no. | 97,912 | 94,768 | 88,579 | 82,651 | 78,967 | 71,540 | 66,838 | 53,831 | n.a. |
|  | \$ | 1,495,097,301 | 1,514,738,182 | 15,219,943,004 | 1,453,405,653 | 2,329,927,737 | 4,231,127,106 | 4,294,633,347 | 1,714,017,229 | n.a. |
| Termination valueintangible dep assets ${ }^{6}$ | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 2,001 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 82,854,746 |
| Termination value-other dep assets ${ }^{6}$ | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 72,953 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 3,697,378,523 |
| Gross PPS income | no. | 104,273 | 110,053 | 105,161 | 102,124 | 99,046 | 96,488 | 93,409 | n.a. | n.a. |
|  | \$ | 6,475,925,999 | 7,154,679,168 | 6,552,132,939 | 6,368,347,441 | 7,629,938,318 | 7,280,543,234 | 8,063,269,998 | n.a. | n.a. |
| Total gross RPS income | no. | n.a. | n.a. | 1,572 | 2,327 | n.a. | n.a. | n.a. | n.a. | n.a. |
|  | \$ | n.a. | n.a. | 145,600,874 | 242,449,133 | n.a. | n.a. | n.a. | n.a. | n.a. |
| Gross RPS income - PP | no. | n.a. | n.a. | n.a. | n.a. | 6,579 | 6,790 | 6,118 | n.a. | n.a. |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 817,712,456 | 876,574,733 | 814,016,323 | n.a. | n.a. |
| Gross RPS income - NPP | no. | n.a. | n.a. | n.a. | n.a. | 2,738 | 2,690 | 2,410 | n.a. | n.a. |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 305,905,151 | 367,078,459 | 322,761,528 | n.a. | n.a. |
| Gross payments where ABN not quoted - PP | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 148 | 87 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 6,072,095 | 4,299,592 |
| Gross payments where ABN not quoted - NPP | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 1,036 | 507 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 79,013,406 | 32,247,184 |
| Assessable government industry payments - $\mathrm{PP}^{7}$ | no. | n.a. | n.a. | n.a. | n.a. | 26,124 | 27,416 | 30,503 | 34,495 | 34,172 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 148,800,052 | 156,322,440 | 190,223,339 | 294,674,882 | 307,097,339 |
| Assessable government industry payments - NPP7 | no. | n.a. | n.a. | n.a. | n.a. | 4,889 | 3,965 | 3,996 | 12,542 | 12,484 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 84,185,505 | 81,772,213 | 114,706,950 | 431,549,406 | 376,708,361 |
| Interest expenses overseas | no. | 462 | 478 | 513 | 505 | 588 | 544 | 534 | 620 | 571 |
|  | \$ | 13,088,363 | 5,480,323 | 7,451,701 | 4,388,724 | 5,823,525 | 18,327,010 | 8,110,011 | 23,006,193 | 14,595,647 |
| Royalty expenses overseas | no. | 57 | 61 | 51 | 55 | 60 | 59 | 65 | 55 | 52 |
|  | \$ | 6,562,751 | 10,957,819 | 18,690,366 | 24,844,399 | 30,169,517 | 5,236,484 | 38,510,157 | 50,908,693 | 52,565,874 |
| Environmental protection expenses | no. | n.a. | n.a. | n.a. | 731 | 832 | 722 | 545 | 409 | 418 |
|  | \$ | n.a. | n.a. | n.a. | 3,212,160 | 5,007,317 | 5,055,481 | 2,476,736 | 1,830,445 | 1,370,125 |

## TABLE 5.4: Selected items for income years 1993-94 to 2001-02

 vebsite. It is also included on the Taxation statistics 2001-02 CD-ROM. * The symbol n.a. used in this pubication means not applicable or noen applied. (b) Amount totals are the sum of the indicated cell values in a table. Amounts and totals may vary between tables.
(c) Statistics for some items may not be included in some tables.

1. This table is the same as partnership tax detailed table 3 which can be viewed or downloaded from the CD-ROM or from the online version of this publication on the Tax Office website.

. The statistics for the 2001-02 income year were sourced from 2002 partnership income tax returns processed by 31 October 2003. The statistics are not necessarily complete. Therefore, caution should be exercised in making
comparisons between the statistics for the 2001-02 and prior income years. For further information please refer to the 'Source of partnership statistics' section in the 'Partnership tax' chapter of Taxation statistics $2001-02$.
. The drought investment allowance ended on 30 June 2001. However, this expense can be claimed restrospectively. That is, expenses relating to the drought investment allowance can be claimed in the 2001-02 income year for
2. In the 2001-02 income year 'Depreciable assets purchased' was replaced by 'Intangible depreciating assets first deducted' and 'Other depreciating assets first deducted'.

 government industry payments labels on the
payments in income years before 2000-01.

## HIGHLIGHTS

- In 2001-02, 455,980 trusts lodged returns and reported total business income of $\$ 173.7$ billion.
- Investment income recipients accounted for the largest share (39\%) of trust taxpayers.
- Trusts reported $\$ 159.8$ billion in expenses, with the main type of expense being cost of sales, which accounted for $\$ 83.2$ billion.

A trust exists where a person, the 'trustee', is under an obligation to hold property or income for the benefit of other people, known as 'beneficiaries'. This obligation usually arises under the express terms of a trust, but may also be imposed by court order or declaration, or by the operation of law. Although the trustee holds the legal title to the property, they must deal with it in accordance with the terms of the trust for the benefit of the beneficiaries.

Beneficiaries can include public and charitable institutions, and the potential beneficiaries of a discretionary trust can include people not yet born.

A trust is not a separate taxable entity and a trust does not pay tax in its own right. In general terms, it is the beneficiaries (presently entitled to receive and retain trust income) who are subject to tax. The trustee is generally taxed only in respect of certain kinds of beneficiaries (such as non-residents and those under a legal disability) and where some part of the net income of the trust for tax purposes is not assessable to a beneficiary. The net income of the trust is generally assessable to the trustee or the beneficiaries in the income year it is derived by the trust.

An annual tax return must be lodged for a trust, regardless of the amount of income derived by the trust, and even if the trust makes a loss for tax purposes.

## SOURCE OF TRUST STATISTICS

The data for Taxation statistics 2001-02 was compiled before all processing for the 2001-02 income year was completed. Statistics in this chapter are sourced from 2002 trust income tax returns processed by 31 October 2003. The statistics are not necessarily complete and will continue to change as data from 2002 tax returns processed after 31 October 2003 is included. The usual practice each year is to update the statistics for the two years before the current year in the trust tax time series table (chapter table 6.4 and trust tax detailed table 3). The proportion of tax returns processed each year by 31 October can vary. Caution should be exercised in comparing the statistics for the current year and previous years. Better comparisons between the 2001-02 income year statistics and the statistics from previous years will be possible when Taxation statistics 2002-03 is published. In that edition,
the 2001-02 income year statistics will include data from returns and amendments processed up to 31 October 2004.

Trust return forms were lodged either electronically or in paper form. A copy of the return form is in the appendix. It may be viewed or downloaded in PDF file format from the attached CD-ROM or from the online version of this publication on our website at www.ato.gov.au

Statistics for most items shown on the return form are included in the detailed tables on the attached CD-ROM. The detailed tables are also included in the online version of this publication, which can be viewed on our website.

Some statistics in the detailed tables were also sourced from 2002 capital gains tax (CGT) schedules processed by 31 October 2003. They are not necessarily complete and will continue to change as data from 2002 schedules processed after 31 October 2003 is included. In addition, not all trust taxpayers are required to complete this schedule. The trust tax statistics sourced from this schedule would therefore not represent or refer to all trust taxpayers.

A copy of the CGT schedule is in the appendix. It may be viewed or downloaded in PDF file format from the attached CD-ROM or from the online version of this publication on our website.

## NEW FEATURES AND INFORMATION

Several tax reforms and laws implemented during the 2001-02 income year affected certain statistics for trust items reported in this chapter and in the detailed tables. Some of these reforms and laws are listed below.

- The simplified tax system, which offers optional reporting and accounting methods for small business taxpayers, took effect from 1 July 2001.
- The uniform capital allowance system consolidates a range of former capital allowance provisions from 1 July 2001.

■ Thin capitalisation provisions, effective from 1 July 2001, apply to reduce debt deductions and ensure that taxpayers fund their Australian operations with an appropriate amount of equity.

- New rules have been introduced for the tax treatment of hire purchase agreements entered into after 27 February 1998. Certain deductions relating to hire purchase agreements can be claimed from 30 June 2001.
- New debt and equity rules relating to non-share equity interests are effective from 1 July 2001. Certain interests, which are not shares in legal form, are treated in a similar way to shares for some tax law purposes.
- New rules apply from 30 June 2001 for the tax treatment of limited recourse debt arrangements that terminate after 27 February 1998.

Several new labels were introduced in the 2002 trust income tax return and some are included in the trust tax detailed tables. Definitions of these labels are in the trust tax glossary on the attached CD-ROM. The glossary is also available on our website at www.ato.gov.au

- Intangible depreciating assets first deducted (item 42, label N)
- Other depreciating assets first deducted (item 43, label U)
- Termination value of intangible depreciating assets (item 44, label O)
- Termination value of other depreciating assets (item 45, label W)
- Deduction for project pool (item 46, label P)
- Section 40-880 deduction (item 47, label X)
- STS depreciation deduction - Low cost assets (less than \$1000) (item 54, label A)
- STS depreciation deduction - General pool assets (less than 25 years) (item 54, label B)
- STS depreciation deduction - Long life pool assets (25 years or more) (item 54, label C)
Several labels were also removed from the 2002 trust return but statistics for previous years for these items are still available in the trust tax time series table (chapter table 6.4 and trust tax detailed table 3). Definitions of these labels are in the trust tax glossary on the attached CD-ROM. The glossary is also available on our website.
- Depreciable assets purchased
- Depreciable assets sold

A new terminology box (box 6.1) has also been included in this chapter.

## BOX 6.1: Terminology ${ }^{1}$

Uniform capital allowance system (UCA): introduced 1 July 2001, the UCA system applies to most depreciating assets, including those acquired before that date. The UCA provisions in Division 40 of the Income Tax Assessment Act 1997 (ITAA 1997) consolidate a range of former capital allowance provisions, including those relating to plant and equipment. The UCA system does this by providing a set of general rules that apply across a variety of depreciating assets and certain other capital expenditure. It maintains some concessional tax treatments, such as those applying to primary production depreciating assets. It also introduces new deductions for some business-related capital expenditure and for certain project costs that did not previously attract a deduction.
Taxpayers now calculate deductions for the decline in value of their depreciating assets using these new rules.
Eligible taxpayers who elect to enter the simplified tax system (STS) will generally calculate deductions for their depreciating assets under the special STS rules. However, the provisions of the UCA system relating to deductions for certain capital expenditure, such as project amounts and business-related costs, apply to STS taxpayers.
Simplified tax system (STS): introduced 1 July 2001, the STS applies to assessments for income years starting on or after that date. The STS is an alternative method of determining taxable income for eligible small businesses with straightforward financial affairs. The STS provisions can be found in Division 328 of the ITAA 1997.
The STS has three main elements:

- STS cash accounting
- simplified trading stock rules, and
- simplified depreciation (capital allowance) rules.

In addition, STS entities can claim a full deduction for certain prepaid business expenses.
Participation in the STS is optional.
If a taxpayer chooses to participate in the STS, they must use all three elements where they apply. The STS accounting and the simplified depreciation (capital allowance) rules apply to non-business income and deductions, as well as to business income and deductions.
A taxpayer is eligible to be an STS taxpayer for an income year if:

- they carry on a business
- they have an STS average turnover of less than $\$ 1$ million. The STS average turnover includes the turnover of any entities the taxpayer is 'grouped with', and
- they, together with any entities they are 'grouped with', have depreciating assets with a total adjustable value of less than $\$ 3$ million at the end of the year (includes depreciating assets for which a deduction has been allowed or is allowable under the STS or the UCA provisions).

1. This box presents only general descriptions of the above terms. It does not provide full technical or legal definitions.

## TRUST TAXPAYERS

In 2001-02 a total of 455,980 trusts lodged returns in Australia (table 6.1).

Figure 6.1 shows that the greatest proportion of trusts was in Victoria (32\%) and New South Wales (23\%). The relatively high number of trusts in Victoria reflects a long-standing preference of that state for choosing trusts over other entities for commercial activities. Victoria reported the highest proportion of trusts across all industries (except for mining) for 2001-02 (trust tax detailed table 4).

FIGURE 6.1: Number of trusts, by state/territory, 2001-02 income year


## TRUST TAXPAYERS, BY INDUSTRY

In 2001-02 the largest proportion of trusts (whose industry was stated) were classified as 'investment income recipients' (39\%) followed by those in the property and business services industry (17\%) (table 6.1).

TABLE 6.1: Trusts, by industry, 2001-02 income year

| Industry ${ }^{1}$ |  | Trusts <br> $\%^{2}$ |
| :--- | ---: | ---: |
| Nnvestment income recipients $^{3}$ | 154,968 | 39.1 |
| Property \& business services $^{4}$ | 66,017 | 16.6 |
| Finance \& insurance | 48,358 | 12.2 |
| Agriculture, forestry \& fishing |  |  |
| Retail trade | 26,567 | 6.7 |
| Construction | 23,715 | 6.0 |
| Manufacturing | 20,757 | 5.2 |
| Wholesale trade | 12,370 | 3.1 |
| Accommodation, cafes \& | 8,296 | 2.1 |
| restaurants | 7,787 | 2.0 |
| Transport \& storage | 7,597 | 1.9 |
| Health \& community services | 7,588 | 1.9 |
| Personal \& other services | 6,795 | 1.7 |
| Cultural \& recreational services ${ }^{6}$ | 2,992 | 0.8 |
| Communication | 1,097 | 0.3 |
| Education | 859 | 0.2 |
| Mining | 593 | 0.1 |
| Electricity, gas \& water supply | 172 | 0.0 |
| Total industry stated | 396,528 | 100.0 |
| Other | 59,452 |  |
| Total industries | 455,980 |  |

1. With the exception of the 'Investment income recipients' category, the industry groups are classified based on the Australian and New Zealand Standard Industry Classification (ANZSIC) system. Fine industries included under these broad industry groupings are listed in trust tax detailed table 5 . There is a complete listing of all fine industries listed under each broad industry group and the corresponding code in our publication, Business industry codes 2002
2. A share of $0.0 \%$ indicates a share of less than $0.05 \%$.
3. This category refers to trust taxpayers who reported direct income from investment (for example, rental income, interest and dividends) and did not report income or loss from a business or another trust or partnership on their returns. In past editions of Taxation statistics this category was referred to as 'Property' or 'Property income recipients'.
4. This industry group includes services such as property operators and developers, real estate, non-financial asset investors, machinery and equipment hiring and leasing, technical, computer, scientific research, legal and accounting, marketing and business management and other business services listed in our publication, Business industry codes 2002. This industry group should not be confused with the 'Property' or 'Property income recipients' category that appeared in the tables of past editions of Taxation statistics.
5. Includes trusts that lodged a subsidiary return with income from primary production partnerships and trusts.
6. Includes sports.
7. Includes trusts that lodged a subsidiary return with income from non-primary production partnerships and trusts, those registered under the government administration and defence code and those that did not state their industry.

## TRUST INCOME

BOX 6.2: Trust size, by total business income
For the purposes of this chapter:
loss/nil trusts have a total business income equal to or less than \$0
micro trusts have a total business income equal to or greater than $\$ 1$ but less than $\$ 2$ million

- small trusts have a total business income equal to or greater than $\$ 2$ million but less than $\$ 10$ million
medium trusts have a total business income between $\$ 10$ million and $\$ 100$ million (inclusive), and
large trusts have a total business income greater than $\$ 100$ million.

In 2001-02 more than half $(58 \%$ or 264,915$)$ of the total number of trusts had a total business income equal to or less than $\$ 0$ (table 6.2). Micro trusts accounted for $39 \%$ of the total number of trusts, small trusts accounted for $3 \%$, while medium and large trusts each accounted for less than 1\% of total trusts.

Micro trusts accounted for the largest share (32\% or $\$ 55.6$ billion) of total business income. Despite their small shares in the total number of trusts, small, medium and large trusts accounted for a significant share of total business income. Small trusts accounted for 28\% (\$48.8 billion), medium trusts accounted for $30 \%$ ( $\$ 51.4$ billion), while large trusts accounted for 10\% (\$17.8 billion) of total business income (table 6.2)
Overall, trusts had a total business income of $\$ 173.7$ billion

TABLE 6.2: Number of trusts and selected income items, by trust size, 2001-02 income year

| Items ${ }^{1}$ |  | Loss/nil | Micro | Small | Medium | Large | Total |
| :--- | ---: | ---: | ---: | ---: | ---: | ---: | ---: |
| Number of trusts | No. | 264,915 | 176,625 | 12,191 | 2,165 | 84 | 455,980 |
| Net rent | $\$ m$ | 4,117 | 359 | 49 | 40 | 7 | 4,573 |
| Gross interest | $\$ m$ | 9,361 | 524 | 204 | 126 | 23 | 10,237 |
| Gross (or total) dividends | $\$ m$ | 5,495 | 586 | 138 | 28 | 1 | 6,248 |
| Net business income | $\$ m$ | -402 | 5,623 | 3,418 | 3,267 | 1,357 | 13,263 |
| Total business income | $\$ m$ | -49 | 55,657 | 48,853 | 51,401 | 17,870 | 173,732 |

1. Definitions of items are in the trust tax glossary on the attached CD-ROM.

## TRUST EXPENSES

In 2001-02 total expenses for trusts equalled $\$ 159.8$ billion. Over half ( $\$ 83.2$ billion) of all trust expenses were related to cost of sales. This was followed by interest paid (3\%) and external labour (3\%) (table 6.3).

Micro trusts accounted for 31\% (\$49.8 billion) of total expenses, small trusts accounted for 28\% (\$45.2 billion),
medium trusts accounted for 30\% (\$47.8 billion), while large trusts accounted for $10 \%$ ( $\$ 16.5$ billion) of total expenses.

Cost of sales accounted for the largest share of the expenses of micro (32\%), small (54\%), medium (65\%) and large (71\%) trusts.

TABLE 6.3: Trust expenses, by expense and trust size, 2001-02 income year

| Expense $^{\mathbf{1}}$ | Loss/nil <br> $\mathbf{\$ \mathbf { m } ^ { 2 }}$ | Micro <br> $\mathbf{\$ m}$ | Small <br> $\mathbf{\$ m}$ | Medium <br> $\mathbf{\$ m}$ | Large <br> $\mathbf{\$ m}$ | Total <br> $\mathbf{\$ m}$ |
| :--- | ---: | ---: | ---: | ---: | ---: | ---: |
| Cost of sales | 5 | 16,014 | 24,378 | 31,175 | 11,646 | 83,217 |
| Interest | 145 | 1,747 | 970 | 1,887 | 527 | 5,274 |
| External labour $^{\mathbf{3}}$ | 12 | 1,710 | 1,463 | 1,184 | 273 | 4,642 |
| Rent | 6 | 1,854 | 1,130 | 868 | 286 | 4,143 |
| Depreciation | 17 | 1,927 | 839 | 538 | 262 | 3,582 |
| Superannuation | 14 | 1,808 | 775 | 405 | 107 | 3,109 |
| Repairs \& maintenance | 3 | 904 | 474 | 321 | 132 | 1,835 |
| Motor vehicle | 4 | 1,052 | 368 | 217 | 33 | 1,674 |
| Lease expenses | 1 | 409 | 251 | 171 | 60 | 892 |
| Bad debts | 0 | 56 | 74 | 100 | 57 | 288 |
| Royalty expenses | 2 | 89 | 86 | 47 | 28 | 252 |
| Other expenses | 270 | 22,221 | 14,418 | 10,853 | 3,094 | 50,856 |
| Total ${ }^{4}$ | 478 | 49,791 | 45,225 | 47,766 | $\mathbf{1 6 , 5 0 4}$ | $\mathbf{1 5 9 , 7 6 4}$ |

1. Definitions of items are in the trust tax glossary on the attached CD-ROM.
2. An expense amount equal to $\$ 0$ may refer to an amount less than $\$ 500,000$.
3. Also referred to as 'Contractor/subcontractor and commission expenses'
4. Total amount may differ slightly from the sum of components due to rounding.

## DETAILED TABLES

The following trust tax detailed tables are on the attached CDROM and included in the online version of this publication on our website at www.ato.gov.au The tables may be viewed or downloaded in Adobe Acrobat (PDF), Microsoft Excel (XLS) or Comma Separated Values (CSV) file format.

The 'items' referred to in the detailed tables are items declared in the 2002 trust return. A copy of the return is in the appendix.

To find out whether a particular item is included in a detailed table refer to the trust tax detailed tables index included on the attached CD-ROM and in the online version of this publication. (The index can be viewed or downloaded only in Adobe Acrobat (PDF) and Microsoft Excel (XLS) file formats.) The table index lists the different items shown in the detailed tables and specifies in which tables they appear.

## Table 1: All items, by net Australian income,

 2001-02 income yearThis table shows number of records and amounts for all items from the trust return form, ranged by net Australian income

- Part A: Business income, expense and reconciliation items - contains business income, expense and reconciliation labels from item 5 'Business income and expenses' on page 2 of the trust tax return.
- Part B: Other income and expense items - contains labels from items 6 to 12 on page 3 of the trust return.
- Part C: Other deductions, foreign income, capital gains, tax offsets and total net income - contains labels from items 14 to 25 relating to the 'Deductions', 'Capital gains', 'Foreign income' and 'Tax offsets' sections on page 4 of the trust tax return.
- Part D: Key financial information and business and professional items - contains items 28 to 32 from the 'Key financial information' section and items 35 to 55 from the 'Business and professional items' section on page 5 of the trust tax return.

Table 2: All items, by broad industry, 2001-02 income year
This table shows number of records and amounts for all items from the trust tax return. Trust taxpayers (and the data) are classified into broad industry groupings (determined by the taxpayer's main source of business income) based on the Australian and New Zealand Standard Industry Classification (ANZSIC) system.

- Part A: Business income, expense and reconciliation items - contains business income, expense and reconciliation labels from item 5 'Business income and expenses' on page 2 of the trust tax return.
- Part B: Other income and expense items - contains labels from items 6 to 12 on page 3 of the trust return.
- Part C: Other deductions, foreign income, capital gains, tax offsets and total net income - contains labels from items 14 to 25 relating to the 'Deductions', 'Capital gains', 'Foreign income' and 'Tax offsets' sections on page 4 of the trust tax return.
- Part D: Key financial information and business and professional items - contains items 28 to 32 from the 'Key financial information' section and items 35 to 55 from the 'Business and professional items' section on page 5 of the trust tax return.

Table 3: Selected items for income years 1993-94 to 2001-02
This table shows selected items from the trust tax return for all income years between 1993-94 and 2001-02. Most items display number and amount indicators.

This table is also available at the back of this chapter (see table 6.4).

Table 4: Total business income, by broad industry and state/territory, 2001-02 income year
This table shows the number of trusts and number of records and amounts for trusts with total business income, by state and territory. Trust taxpayers (and the data) are classified into broad industry groupings based on the ANZSIC system.

## Table 5: Selected items, by fine industry

 (amounts only), 2001-02 income yearThis table shows the number of trust taxpayers and amounts for most items from the trust tax return. Trust taxpayers and the amounts are classified into fine industry groupings (determined by the taxpayer's main source of business income) based on the Australian and New Zealand Standard Industry Classification (ANZSIC) system.

- Part A: Business income, expense and reconciliation items - contains business income, expense and reconciliation labels from item 5 'Business income and expenses' on page 2 of the trust tax return.
- Part B: Other income and expense items - contains labels from items 6 to 12 on page 3 of the trust return.
- Part C: Other deductions, foreign income, capital gains, tax offsets and total net income - contains labels from items 14 to 25 relating to the 'Deductions', 'Capital gains', 'Foreign income', 'Tax offsets' sections on page 4 of the trust tax return.
- Part D: Key financial information and business and professional items - contains items 28 to 32 from the 'Key financial information' section and items 35 to 55 from the 'Business and professional items' section on page 5 of the trust tax return.

Note: In order to meet privacy regulations, statistics for some items may not be included in the tables.

## TIME SERIES TABLE

Table 6.4 shows selected items from trust returns for income years 1993-94 to 2001-02. This table is also available on the attached CD-ROM and in the online version of this publication on our website at www.ato.gov.au as trust tax detailed table 4. It may be viewed or downloaded in Adobe Acrobat (PDF), Microsoft Excel (XLS) or Comma Separated Values (CSV) file format.

|  |  |  |  |  |  |  |  | continue | page, tab | s on page 103 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| TABLE 6.4¹: Selected items for income years 1993-94 to 2001-02 |  |  |  |  |  |  |  |  |  |  |
| Selected items |  | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{2}$ | 2000-01 ${ }^{2}$ | 2001-02 ${ }^{3}$ |
| Number of trusts | no. | 372,904 | 396,656 | 425,136 | 450,403 | 464,557 | 489,973 | 494,161 | 479,800 | 455,980 |
| Total business income - PP | no. | 16,237 | 16,990 | 17,690 | 19,634 | 20,786 | 21,361 | 21,587 | 20,978 | 20,354 |
|  | \$ | 4,260,746,448 | 4,668,754,188 | 5,573,748,797 | 6,063,299,488 | 6,818,390,294 | 7,194,635,349 | 7,760,025,477 | 8,780,389,990 | 9,914,947,528 |
| Total business income - NPP | no. | 147,421 | 153,974 | 156,534 | 175,119 | 181,238 | 193,008 | 195,128 | 189,071 | 176,537 |
|  | \$ | 102,396,331,029 | 111,098,788,318 | 122,514,729,446 | 131,449,217,655 | 140,653,720,628 | 156,310,170,487 | 170,468,950,864 | 163,392,798,344 | 163,817,284,741 |
| Total business income | no. | n.a. | 166,347 | 169,028 | 189,472 | 196,297 | 208,662 | 210,854 | 204,245 | 191,498 |
|  | \$ | 106,657,077,477 | 115,767,542,506 | 128,086,755,423 | 137,512,517,143 | 147,472,110,922 | 163,504,805,836 | 178,228,976,341 | 172,173,188,334 | 173,732,232,269 |
| Contractor/ subcontractor \& commission expenses | no. | 38,077 | 38,363 | 37,270 | 38,486 | 40,736 | 45,840 | 47,825 | 45,269 | 43,152 |
|  | \$ | 3,783,915,492 | 3,971,504,322 | 4,141,801,406 | 3,557,288,986 | 4,308,413,080 | 5,132,524,706 | 5,494,752,149 | 4,784,719,425 | 4,641,904,748 |
| Superannuation expenses | no. | 89,721 | 95,166 | 98,055 | 107,386 | 113,336 | 119,033 | 119,170 | 112,219 | 105,833 |
|  | \$ | 1,418,246,589 | 1,601,618,606 | 2,186,818,139 | 2,176,249,690 | 2,399,889,012 | 2,850,316,596 | 3,052,553,523 | 3,114,846,109 | 3,109,082,651 |
| Cost of sales | no. | 73,818 | 77,451 | 82,446 | 85,984 | 88,325 | 91,916 | 92,442 | 87,769 | 82,398 |
|  | \$ | 55,490,480,523 | 60,269,356,110 | 64,146,850,662 | 66,537,443,793 | 73,034,412,254 | 78,532,862,625 | 86,223,296,326 | 79,618,763,673 | 83,217,249,937 |
| Bad debts | no. | 9,072 | 9,664 | 9,847 | 11,063 | 11,973 | 12,841 | 13,485 | 13,587 | 12,983 |
|  | \$ | 168,523,864 | 176,490,929 | 175,551,033 | 206,156,744 | 177,958,572 | 193,230,068 | 218,570,978 | 266,606,914 | 251,966,649 |
| Lease expenses | no. | 34,223 | 33,622 | 33,112 | 36,888 | 39,117 | 41,833 | 40,677 | 36,733 | 32,124 |
|  | \$ | 809,725,428 | 814,721,332 | 805,632,915 | 900,180,930 | 954,591,273 | 1,111,687,886 | 1,136,530,694 | 1,080,838,988 | 892,272,483 |
| Rent expenses | no. | 64,622 | 68,180 | 69,699 | 77,281 | 79,963 | 83,489 | 83,053 | 77,926 | 72,657 |
|  | \$ | 2,600,209,522 | 2,766,091,101 | 3,102,884,642 | 3,274,079,793 | 3,597,028,977 | 3,974,486,091 | 4,151,238,426 | 4,271,831,582 | 4,143,317,708 |
| Total interest expenses | no. | 102,264 | 107,191 | 108,288 | 119,759 | 123,864 | 129,419 | 129,935 | 128,115 | 119,364 |
|  | \$ | 2,678,666,347 | 2,838,922,790 | 3,336,769,569 | 3,785,028,440 | 3,560,964,855 | 4,603,690,171 | 5,177,814,493 | 6,166,884,389 | 5,274,348,078 |
| Total royalty expenses | no. | 1,738 | 1,888 | 1,998 | 2,354 | 2,402 | 2,512 | 2,532 | 2,440 | 2,200 |
|  | \$ | 104,366,346 | 103,906,676 | 148,115,212 | 187,291,225 | 217,786,161 | 286,090,024 | 303,994,370 | 281,692,249 | 287,596,538 |
| Depreciation expenses | no. | 129,142 | 137,398 | 140,121 | 155,773 | 163,235 | 172,501 | 174,358 | 167,240 | 155,526 |
|  | \$ | 1,792,746,539 | 2,158,493,968 | 2,471,693,433 | 2,737,383,478 | 3,049,665,777 | 3,377,618,261 | 3,951,858,057 | 3,728,745,073 | 3,582,492,943 |
| Motor vehicle expenses | no. | 97,632 | 101,361 | 101,796 | 109,270 | 116,148 | 122,648 | 124,688 | 120,610 | 114,150 |
|  | \$ | 1,238,344,813 | 1,310,059,792 | 1,394,563,065 | 1,444,804,025 | 1,523,279,854 | 1,644,070,017 | 1,804,366,639 | 1,787,684,013 | 1,673,631,983 |
| Repairs \& maintenance | no. | 102,238 | 108,311 | 110,176 | 121,432 | 126,520 | 132,709 | 132,571 | 128,000 | 120,398 |
|  | \$ | 1,071,987,774 | 1,199,401,849 | 1,309,447,495 | 1,413,321,609 | 1,522,508,774 | 1,727,071,844 | 1,796,035,842 | 1,794,989,411 | 1,834,670,494 |
| Other expenses | no. | 160,613 | 170,123 | 184,110 | 196,087 | 202,783 | 215,290 | 217,132 | 210,126 | 197,821 |
|  | \$ | 28,099,995,685 | 30,511,538,818 | 36,547,222,747 | 42,436,430,197 | 42,500,468,399 | 48,352,601,643 | 51,853,501,930 | 53,247,183,806 | 50,855,582,470 |
| Total expenses | no. | 163,640 | 173,219 | 187,532 | 199,793 | 206,530 | 219,355 | 221,335 | 214,594 | 201,931 |
|  | \$ | 99,257,208,922 | 107,722,106,293 | 119,767,350,318 | 128,655,658,910 | 136,846,966,988 | 151,786,249,932 | 165,164,512,070 | 160,144,785,704 | 159,764,116,744 |


| Selected items |  | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{2}$ | 2000-01 ${ }^{2}$ | 2001-02 ${ }^{3}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Drought investment allowance ${ }^{4}$ | no. | 16,527 | 2,582 | 735 | 847 | 797 | 602 | 320 | 69 | 35 |
|  | \$ | 125,055,234 | 75,370,380 | 21,971,214 | 23,166,494 | 20,762,283 | 16,266,007 | 4,865,877 | 2,305,445 | 8,882,634 |
| Income reconciliation adjustments | no. | n.a. | n.a. | n.a. | n.a. | n.a. | 16,543 | 16,164 | 14,494 | 14,930 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | -146,973,859 | -485,055,405 | -1,160,416,066 | -223,678,891 |
| Expense reconciliation adjustments | no. | n.a. | n.a. | n.a. | n.a. | n.a. | 39,872 | 41,942 | 39,666 | 41,194 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | -436,954,884 | -409,802,316 | -335,100,358 | -472,803,989 |
| Net business income - PP - profit | no. | 10,076 | 10,290 | 11,429 | 12,126 | 12,798 | 12,799 | 12,208 | 13,531 | 14,187 |
|  | \$ | 588,467,110 | 673,279,597 | 840,673,848 | 808,977,813 | 921,899,686 | 864,329,166 | 924,451,402 | 1,320,279,233 | 1,737,309,073 |
| Net business income - PP - loss | no. | 6,956 | 7,640 | 8,082 | 8,699 | 9,364 | 10,161 | 11,012 | 8,783 | 7,509 |
|  | \$ | -274,573,991 | -302,981,416 | -335,536,740 | -373,534,782 | -435,456,129 | -536,878,659 | -681,131,448 | -540,973,794 | -422,942,402 |
| Net business income - PP | no. | 17,032 | 17,930 | 19,649 | 20,825 | 22,162 | 22,960 | 23,220 | 22,314 | 21,696 |
|  | \$ | 313,893,118 | 370,298,180 | 505,137,107 | 435,443,030 | 486,443,556 | 327,450,507 | 243,319,954 | 779,305,439 | 1,314,366,671 |
| Net business income - NPP - profit | no. | 107,553 | 112,166 | 118,819 | 127,338 | 133,149 | 142,122 | 145,357 | 133,151 | 129,206 |
|  | \$ | 8,388,611,463 | 9,242,710,487 | 9,664,367,240 | 10,917,873,033 | 12,065,958,943 | 13,850,533,822 | 14,984,002,370 | 13,630,537,447 | 14,705,410,080 |
| Net business income - NPP - loss | no. | 44,944 | 49,539 | 55,472 | 58,092 | 58,187 | 61,496 | 60,034 | 65,374 | 57,120 |
|  | \$ | -2,390,760,758 | -1,990,781,565 | -2,328,706,128 | -2,622,890,230 | -2,729,783,634 | -3,052,929,267 | -2,949,419,631 | -3,879,257,675 | -2,757,026,752 |
| Net business income - NPP | no. | 152,497 | 161,705 | 164,240 | 185,430 | 191,336 | 203,618 | 205,391 | 198,525 | 186,326 |
|  | \$ | 5,997,850,704 | 7,251,928,921 | 7,335,661,111 | 8,294,982,802 | 9,336,175,308 | 10,797,604,555 | 12,034,582,739 | 9,751,279,772 | 11,948,383,328 |
| Net business income or loss | no. | n.a. | 174,475 | 201,559 | 200,316 | 207,032 | 219,959 | 221,831 | 214,306 | 201,898 |
|  | \$ | n.a. | 7,621,510,226 | 11,472,982,136 | 8,730,425,832 | 9,822,618,864 | 11,125,055,062 | 12,277,883,333 | 10,530,580,771 | 13,262,749,999 |
| Distribution from partnerships - PP - profit | no. | n.a. | n.a. | n.a. | 4,000 | 4,291 | 3,906 | 3,400 | 3,844 | 4,146 |
|  | \$ | n.a. | n.a. | n.a. | 191,723,159 | 227,349,382 | 175,247,676 | 168,435,571 | 248,772,207 | 329,261,836 |
| Distribution from partnerships - PP - loss | no. | n.a. | n.a. | n.a. | 1,771 | 1,964 | 2,342 | 2,716 | 1,962 | 1,607 |
|  | \$ | n.a. | n.a. | n.a. | -48,866,934 | -55,395,496 | -78,865,737 | -131,817,209 | -83,614,647 | -75,886,503 |
| Distribution from partnerships - PP | no. | n.a. | n.a. | n.a. | 5,771 | 6,255 | 6,248 | 6,116 | 5,806 | 5,753 |
|  | \$ | n.a. | n.a. | n.a. | 142,856,224 | 171,953,885 | 96,381,939 | 36,618,362 | 165,157,560 | 253,375,333 |
| Distribution from trusts - PP - profit | no. | n.a. | n.a. | n.a. | 3,281 | 4,115 | 2,914 | 2,735 | 2,921 | 3,064 |
|  | \$ | n.a. | n.a. | n.a. | 269,911,324 | 378,865,664 | 340,015,724 | 367,474,876 | 289,579,455 | 353,460,167 |
| Distribution from trusts - PP - loss | no. | n.a. | n.a. | n.a. | 290 | 318 | 341 | 327 | 285 | 261 |
|  | \$ | n.a. | n.a. | n.a. | -9,315,199 | -8,920,609 | -12,246,919 | -14,727,244 | -15,950,892 | -9,614,081 |
| Distribution from trusts - PP | no. | n.a. | n.a. | n.a. | 3,571 | 4,433 | 3,255 | 3,062 | 3,206 | 3,325 |
|  | \$ | n.a. | n.a. | n.a. | 260,596,124 | 369,945,054 | 327,768,805 | 352,747,632 | 273,628,563 | 343,846,086 |


| continued on next page, table notes on page 103 |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| TABLE 6.4' Selected items for income years 1993-94 to 2001-02 |  |  |  |  |  |  |  |  |  |  |
| Selected items |  | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{2}$ | 2000-01 ${ }^{2}$ | 2001-02 ${ }^{3}$ |
| Distribution from partnerships - NPP - profit | no. | n.a. | n.a. | n.a. | 20,470 | 21,026 | 22,647 | 23,540 | 23,311 | 23,842 |
|  | \$ | n.a. | n.a. | n.a. | 1,734,802 | 1,102,419,751 | 1,250,831,617 | 1,707,266,570 | 1,329,783,733 | 1,664,728,813 |
| Distribution from partnerships - NPP - loss | no. | n.a. | n.a. | n.a. | 5,122 | 5,294 | 5,859 | 5,907 | 5,876 | 5,701 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | -284,602,016 | -444,337,712 | -314,147,138 | -493,019,367 | -309,158,244 |
| Distribution from partnerships - NPP | no. | n.a. | n.a. | n.a. | 25,592 | 26,320 | 28,506 | 29,447 | 29,187 | 29,543 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 817,817,734 | 806,493,905 | 1,393,119,432 | 836,764,366 | 1,355,570,569 |
| Distribution from trusts - NPP - profit | no. | n.a. | n.a. | n.a. | 84,596 | 93,044 | 101,664 | 105,736 | 107,830 | 105,578 |
|  | \$ | n.a. | n.a. | n.a. | 6,936,973,988 | 7,134,430,089 | 9,287,263,250 | 10,954,881,254 | 12,103,798,385 | 13,419,643,840 |
| Distribution from trusts - NPP - loss | no. | n.a. | n.a. | n.a. | 197 | 266 | 315 | 335 | 352 | 386 |
|  | \$ | n.a. | n.a. | n.a. | -9,357,955 | -6,399,095 | -20,828,990 | -27,855,208 | -18,760,473 | -17,097,907 |
| Distribution from trusts - NPP | no. | n.a. | n.a. | n.a. | 84,793 | 93,310 | 101,979 | 106,071 | 108,182 | 105,964 |
|  | \$ | n.a. | n.a. | n.a. | 6,927,616,032 | 7,128,030,993 | 9,266,434,260 | 10,927,026,046 | 12,085,037,912 | 13,402,545,933 |
| P\&T deductions relating to distribution - PP | no. | n.a. | 1,377 | 1,671 | 1,949 | 2,349 | 2,136 | 2,081 | 1,869 | 1,859 |
|  | \$ | n.a. | 15,003,737 | 21,483,862 | 33,129,526 | 42,870,516 | 28,530,247 | 34,329,127 | 28,420,399 | 28,804,878 |
| P\&T deductions relating to distribution - NPP | no. | n.a. | 11,827 | 14,662 | 19,312 | 22,894 | 26,343 | 28,313 | 30,826 | 30,916 |
|  | \$ | n.a. | 216,312,659 | 303,953,786 | 343,509,443 | 378,430,426 | 450,244,597 | 535,108,617 | 531,342,051 | 526,247,461 |
| Total P\&T deductions relating to distribution | no. | n.a. | 12,310 | 16,969 | 21,121 | 25,092 | 28,331 | 30,394 | 32,695 | 32,775 |
|  | \$ | n.a. | 231,316,396 | 325,437,648 | 376,638,969 | 421,300,942 | 478,774,844 | 569,437,744 | 559,762,450 | 555,052,339 |
| Gross rent | no. | 70,196 | 77,076 | 82,117 | 95,690 | 102,545 | 110,652 | 112,122 | 96,006 | 92,296 |
|  | \$ | 4,735,267,376 | 5,471,663,361 | 6,290,602,084 | 6,946,249,201 | 7,365,911,692 | 9,408,480,481 | 10,829,786,156 | 10,986,397,228 | 11,061,340,467 |
| Net rent - profit | no. | 54,533 | 58,551 | 64,193 | 72,014 | 78,269 | 84,511 | 84,707 | 71,349 | 70,601 |
|  | \$ | 2,201,856,087 | 2,513,443,614 | 2,769,985,919 | 3,182,045,061 | 3,436,155,838 | 4,188,409,113 | 4,760,301,032 | 4,789,622,419 | 5,011,191,651 |
| Net rent - loss | no. | 16,226 | 19,024 | 22,672 | 24,205 | 24,944 | 26,813 | 27,880 | 24,833 | 22,313 |
|  | \$ | -428,950,586 | -345,431,206 | -464,839,069 | -398,939,471 | -385,563,455 | -491,914,191 | -519,189,645 | -502,395,262 | -438,271,112 |
| Net rent | no. | 70,759 | 77,575 | 86,865 | 96,219 | 103,213 | 111,324 | 112,587 | 96,182 | 92,914 |
|  | \$ | 1,772,905,501 | 2,168,012,407 | 2,305,146,849 | 2,783,105,589 | 3,050,592,382 | 3,696,494,922 | 4,241,111,387 | 4,287,227,157 | 4,572,920,539 |
| Rental interest deductions | no. | 29,595 | 33,003 | 36,489 | 43,845 | 48,224 | 53,244 | 54,332 | 48,370 | 46,227 |
|  | \$ | 1,227,920,230 | 1,289,628,632 | 1,553,479,877 | 1,565,190,332 | 1,539,713,238 | 1,836,644,347 | 2,014,454,507 | 2,081,874,479 | 1,832,846,232 |
| Other rental deductions | no. | 60,548 | 66,442 | 71,841 | 84,567 | 90,989 | 98,463 | 100,119 | 90,987 | 87,931 |
|  | \$ | 1,734,956,005 | 2,013,128,924 | 2,421,032,272 | 2,591,909,555 | 2,497,383,396 | 3,395,229,034 | 3,994,459,305 | 3,938,745,639 | 3,929,089,877 |
| Dividends franked | no. | 46,363 | 51,650 | 55,075 | 63,789 | 83,686 | 92,494 | 100,718 | 106,079 | 102,081 |
|  | \$ | 1,158,319,600 | 1,893,896,102 | 2,442,229,475 | 2,463,300,971 | 2,810,409,613 | 3,475,845,375 | 5,008,378,541 | 6,035,314,020 | 5,558,191,266 |

TABLE 6．4＇：Selected items for income years 1993－94 to 2001－02

Selected items 1993－94 1994－95 1995－96 | Dividends unfranked no． | 29,726 | 31,650 | 31,933 |
| :--- | :--- | :--- | :--- | 190，656，414 253，445，035 267，710，647 56，651 62，624 2，709，940，122 224，818 4，675，298，340 54，833

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| 0 | 0 |  |
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## TABLE 6.4': Selected items for income years 1993-94 to 2001-02

| Selected items |  | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{2}$ | 2000-01 ${ }^{2}$ | 2001-02 ${ }^{3}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Payments to related entities | no. | 64,000 | 67,743 | 69,374 | 75,618 | 79,467 | 66,727 | 65,214 | 57,233 | 55,732 |
|  | \$ | 2,904,416,582 | 3,138,315,981 | 3,442,267,833 | 3,621,964,184 | 3,862,281,750 | 3,887,106,806 | 4,584,444,250 | 5,544,130,413 | 3,466,634,380 |
| Depreciable assets purchased ${ }^{5}$ | no. | 80,623 | 85,427 | 84,935 | 91,821 | 95,057 | 94,342 | 92,501 | 83,181 | n.a. |
|  | \$ | 3,451,683,986 | 4,097,198,121 | 4,638,768,433 | 5,067,799,115 | 5,393,059,959 | 6,733,520,159 | 6,766,401,554 | 6,337,113,592 | n.a. |
| Intangible depreciating assets 1 st deducted ${ }^{5}$ | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 1,480 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 64,377,900 |
| Other depreciating assets 1st deducted ${ }^{5}$ | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 60,899 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 4,791,406,683 |
| Depreciable assets sold ${ }^{6}$ | no. | 31,133 | 31,207 | 29,857 | 31,413 | 32,144 | 31,398 | 31,804 | 27,733 | n.a. |
|  | \$ | 932,690,849 | 1,064,103,334 | 1,173,075,070 | 1,229,515,175 | 1,431,388,959 | 2,733,873,656 | 2,220,421,194 | 1,782,906,628 | n.a. |
| Termination valueintangible dep assets ${ }^{6}$ | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 1,127 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 76,398,800 |
| Termination valueother dep assets ${ }^{6}$ | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 37,982 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 4,090,221,869 |
| Gross PPS income | no. | n.a. | n.a. | 14,103 | 15,382 | 18,622 | 18,733 | 18,230 | n.a. | n.a. |
|  | \$ | n.a. | n.a. | 2,865,885,351 | 3,039,987,049 | 5,390,499,381 | 4,406,484,401 | 4,556,492,788 | n.a. | n.a. |
| Total gross RPS income | no. | n.a. | n.a. | 325 | 510 | n.a. | 1,697 | 1,567 | n.a. | n.a. |
|  | \$ | n.a. | n.a. | 140,996,476 | 233,967,263 | n.a. | 1,121,720,597 | 1,007,704,455 | n.a. | n.a. |
| Gross payments where ABN not quoted - PP | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 21 | 7 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 3,297,598 | 435,167 |
| Gross payments where ABN not quoted - NPP | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 295 | 122 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 32,961,334 | 20,309,076 |
| Assessable government industry payments - PP ${ }^{7}$ | no. | n.a. | n.a. | n.a. | n.a. | 4,416 | 5,048 | 5,612 | 6,511 | 6,596 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 53,388,049 | 59,674,743 | 74,802,507 | 144,263,821 | 137,699,514 |
| Assessable government industry payments - NPP ${ }^{7}$ | no. | n.a. | n.a. | n.a. | n.a. | 2,911 | 2,648 | 2,625 | 6,063 | 6,133 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 143,633,987 | 199,792,340 | 236,056,415 | 944,334,062 | 932,166,300 |
| Interest expenses overseas | no. | 380 | 416 | 437 | 478 | 565 | 511 | 501 | 538 | 491 |
|  | \$ | 41,456,663 | 52,576,190 | 69,005,504 | 35,640,782 | 45,726,908 | 116,988,743 | 102,153,499 | 51,745,741 | 48,635,520 |
| Royalty expenses overseas | no. | 63 | 63 | 53 | 51 | 64 | 63 | 59 | 77 | 70 |
|  | \$ | 10,466,237 | 11,754,133 | 11,385,062 | 12,579,014 | 10,709,209 | 14,196,335 | 20,231,625 | 20,929,799 | 21,607,467 |

## TABLE 6.4': Selected items for income years 1993-94 to 2001-02

| Selected items |  | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{\text {² }}$ | 2000-01 ${ }^{2}$ | 2001-02 ${ }^{3}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Environment protection expenses | no. | n.a. | n.a. | n.a. | 133 | 165 | 180 | 136 | 123 | 112 |
|  | \$ | n.a. | n.a. | n.a. | 596,294 | 768,310 | 1,030,348 | 1,140,268 | 1,703,322 | 1,064,536 |
| Credit for interest on early payments | no. | n.a. | n.a. | n.a. | 27 | 27 | 26 | 24 | 45 | 27 |
|  | \$ | n.a. | n.a. | n.a. | 22,190 | 12,660 | 1,100 | 9,743 | 15,364 | 77,519 |
| Total prior year losses - PP | no. | n.a. | 4,937 | 6,110 | 6,555 | 6,904 | 6,882 | 6,911 | n.a. | n.a. |
|  | \$ | n.a. | 574,817,278 | 739,715,869 | 798,604,765 | 793,369,240 | 682,267,991 | 582,711,601 | n.a. | n.a. |
| Total prior year losses - NPP | no. | n.a. | 44,328 | 54,065 | 63,556 | 64,172 | 60,020 | 57,838 | n.a. | n.a. |
|  | \$ | n.a. | 6,032,053,685 | 7,984,765,976 | 7,698,066,087 | 6,314,119,880 | 4,386,605,369 | 3,384,918,371 | n.a. | n.a. |
| Capital losses applied | no. | 7,326 | 8,030 | 11,035 | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
|  | \$ | 247,030,195 | 279,442,184 | 316,179,677 | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| Net capital losses carried forward | no. | n.a. | 8,620 | 15,424 | 21,515 | 25,966 | 32,014 | 30,977 | 35,364 | 40,527 |
|  | \$ | n.a. | 1,105,647,725 | 2,107,846,524 | 3,425,591,804 | 3,954,083,376 | 5,368,887,848 | 5,569,861,467 | 6,194,181,308 | 12,741,239,975 |
| Net capital gains | no. | 25,488 | 23,507 | 31,591 | 41,411 | 50,807 | 53,009 | 62,074 | 64,329 | 59,349 |
|  | \$ | 1,664,667,672 | 1,222,528,652 | 2,646,872,194 | 3,408,579,841 | 6,757,953,617 | 5,463,290,302 | 11,005,468,065 | 7,103,797,559 | 5,234,607,274 |
| Tax losses deducted | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 41,896 | 44,953 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 1,863,753,487 | 1,960,164,777 |
| Tax losses carried forward | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 69,818 | 72,154 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 10,714,047,727 | 9,907,799,780 |
| Land degradation expenses | no. | 489 | 447 | 470 | 555 | 1,194 | 1,106 | 832 | 763 | 716 |
|  | \$ | 4,825,077 | 4,739,087 | 7,027,655 | 5,177,952 | 20,531,827 | 24,090,369 | 18,207,468 | 21,040,950 | 15,450,736 |
| SCHEDULE ITEMS ${ }^{\text {8 }}$ |  |  |  |  |  |  |  |  |  |  |
| Total capital gains | no. | n.a. | n.a. | n.a. | 49,057 | 61,978 | 67,118 | 74,576 | 30,550 | 32,218 |
|  | \$ | n.a. | n.a. | n.a. | 4,148,018,962 | 9,695,822,408 | 10,783,961,367 | 18,177,054,894 | 20,923,619,316 | 22,042,241,456 |
| Total capital losses of current year applied | no. | n.a. | n.a. | n.a. | 11,936 | 14,575 | 18,466 | 23,537 | 13,327 | 12,926 |
|  | \$ | n.a. | n.a. | n.a. | 474,573,824 | 642,319,469 | 2,220,719,402 | 3,384,621,185 | 8,230,109,920 | 10,208,542,166 |
| Net capital losses of prior years applied | no. | n.a. | n.a. | n.a. | 7,289 | 7,659 | 8,529 | 11,160 | 4,733 | 5,694 |
|  | \$ | n.a. | n.a. | n.a. | 254,498,030 | 224,420,265 | 267,067,756 | 661,437,713 | 371,350,505 | 436,307,120 |

continued from previous page

[^6]FUND TAX

## HIGHLIGHTS

- In 2001-02, 210,608 funds lodged tax returns and reported total income of $\$ 48.8$ billion.
- Funds were liable for $\$ 4.4$ billion in net tax.
- Self-managed superannuation funds accounted for $94 \%$ of the total number of funds.

The superannuation and life insurance industries play an important part in the Australian Government's retirement income policy. Superannuation funds hold contributions in trust for members and invest these contributions to provide retirement benefits for members.

Funds are run by trustees who act on behalf of fund members. Trustees are authorised to deposit accumulated members' funds into a broad range of investments such as shares, property, government bonds and cash deposits. While trustees can use the services of professional fund managers, they remain fully responsible for a fund's operations and ensuring that it follows government rules.

The funds industry is regulated through numerous Acts, and supervision by such bodies as the Australian Prudential Regulation Authority (APRA), the Australian Securities and Investments Commission (ASIC) and the Tax Office. Superannuation funds that comply with conditions specified in the Superannuation Industry (Supervision) Act 1993 (SISA) and its regulations are eligible for concessional tax treatment. Non-regulated or otherwise non-complying funds are not eligible for these tax concessions.
Funds self-assess their final tax liability for an income year and specify their taxable income and the amount of tax payable on the annual fund income tax return.

Under the pay as you go (PAYG) instalments system, funds are also required to lodge activity statements (Business activity statement or Instalment activity statement) to report their PAYG instalment obligations and pay instalments of their tax liability based on either a rate or amount determined from the last return lodged. PAYG instalments for the year are credited against the calculated tax payable on a fund's annual income tax return to determine whether the fund owes more tax or is owed a refund. This is the final balance for the income year.

## BOX 7.1: PAYG instalments for superannuation funds

The PAYG instalments system is a system for paying instalments towards the expected tax liability on a fund's business and investment income for the current income year. This system became effective for most taxpayers from the 2000-01 income year. For funds, the PAYG instalments system replaced the superannuation fund tax instalment system.
For the 2001-02 income year, 104,247 (nearly 50\% of the total number of funds) paid $\$ 3.6$ billion in instalment payments (which included paid or payable PAYG instalments and other interim payments). Statistics on instalments paid by funds for the 2001-02 income year are reported in funds detailed table 2, part A, table 4, part A and table 6, part A.

## SOURCE OF FUND STATISTICS

The data for Taxation statistics 2001-02 was compiled before all processing for the 2001-02 income year was completed. Statistics in this chapter are sourced from the 2002 fund income tax returns processed by 31 October 2003. The statistics are not necessarily complete and will continue to change as data from 2002 tax returns processed after 31 October 2003 is included. The usual practice each year is to update the statistics for the two years before the current year in the fund tax time series table (chapter table 7.8 and fund tax detailed table 3) included at the end of the chapter. The proportion of tax returns processed each year by 31 October can vary. Caution should be exercised in comparing the statistics for the current year and previous years. Better comparisons between the 2001-02 income year statistics and the statistics from previous years will be possible when Taxation statistics 2002-03 is published. In that edition, the 2001-02 income year statistics will include data from returns and amendments processed up to 31 October 2004.
Superannuation fund tax returns were lodged either electronically or in paper form. A copy of the return is in the appendix. It may be viewed or downloaded in PDF file format from the attached CD-ROM or from the online version of this publication on our website at www.ato.gov.au

Statistics for most of the items shown on the return are included in the detailed tables on the attached CD-ROM. The detailed tables are also included in the online version of this publication, which can be viewed on our website.

## NEW FEATURES AND INFORMATION

Several tax reforms and laws implemented during the 200102 income year affected the statistics for certain fund items reported in this chapter and in the detailed tables. Some of these reforms and laws are listed below.

- The uniform capital allowance system consolidates a range of former capital allowance provisions from 1 July 2001.
- Thin capitalisation provisions, effective from 1 July 2001, apply to reduce debt deductions and ensure that taxpayers fund their Australian operations with an appropriate amount of equity.

Several new labels were introduced in the 2002 fund income tax return and some are included in the fund tax detailed tables. Definitions of these labels are in the fund tax glossary on the attached CD-ROM. The glossary is also available on our website at www.ato.gov.au

- Intangible depreciating assets first deducted (item 11 label A)

■ Other depreciating assets first deducted (item 11, label U)

- Termination value of intangible depreciating assets (item 11, label B)
- Termination value of other depreciating assets (item 11, label W)

Two labels were also removed from the 2002 fund return:
■ Depreciable assets purchased.

- Depreciable assets sold.

A new terminology box (box 7.2) has also been included in this chapter.

## BOX 7.2: Uniform capital allowance system ${ }^{1}$

Uniform capital allowance system (UCA): introduced 1 July 2001, the UCA system applies to most depreciating assets, including those acquired before that date. The UCA provisions in Division 40 of the Income Tax Assessment Act 1997 (ITAA 1997) consolidate a range of former capital allowance provisions, including those relating to plant and equipment. The UCA system does this by providing a set of general rules that apply across a variety of depreciating assets and certain other capital expenditure. It maintains some concessional tax treatments, such as those applying to primary production depreciating assets. It also introduces new deductions for depreciating assets. It also introduces new deductions for
some business-related capital expenditure and for certain project costs that did not previously attract a deduction.

Taxpayers now calculate deductions for the decline in value of their depreciating assets using these new rules.

1. This box presents only general descriptions of the above terms. It does not provide full technical or legal definitions. across a variety of depreciating assets and certain other
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Fund tax rates applying for the 2001-02 income year are shown in table 7.1.

TABLE 7.1: Superannuation fund tax rates, 2001-02 income year

Type of fund
Complying superannuation fund
Assessed on income, including realised capital gains and taxable contributions 15\%
Assessed on non-arm's length income, private company dividends and certain trust distributions 47\%
Non-complying superannuation fund
Assessed on income, including realised capital gains and taxable contributions
Complying approved deposit fund
Assessed on income, including realised capital gains and taxable contributions
Assessed on non-arm's length income, private company dividends and certain trust distributions

| Non-complying approved deposit fund |  |
| :--- | :--- |
| Assessed on income, including realised <br> capital gains and taxable contributions | $47 \%$ |

Pooled superannuation trust
Assessed on income, including realised capital gains and any taxable contributions transferred from investing funds 15\%
Assessed on non-arm's length income, private company dividends and certain trust distributions47\%路

## BOX 7.3: Fund types/status ${ }^{1}$

Superannuation fund: generally, a trust fund established primarily to provide benefits to members or their dependants on retirement, resignation, death or disablement. A superannuation fund is usually governed by a trust deed and administered by trustees. A fund that complies with SISA legislative requirements is said to be complying and is eligible for tax concessions.

Approved deposit fund: created as a rollover vehicle into which a member can roll over superannuation benefits to retain them in the superannuation system. An approved deposit fund can accept rollovers of eligible termination payments, the shortfall component of a superannuation guarantee charge redistributed by the Tax Office, or rollovers of benefits (other than a pension) of 'lost’ superannuation fund members. An approved deposit fund cannot accept employer or member superannuation contributions and is taxed basically the same as a complying superannuation fund.

Complying superannuation fund: for a fund to be considered a complying superannuation fund for the purposes of the Income Tax Assessment Act 1936 and receive concessional tax treatment, it must obtain a notice from either APRA or the Tax Office under SISA that it is a complying fund. To obtain a compliance notice under SISA, a fund must be a 'resident regulated superannuation fund' as defined during the income year it was in existence (or be a resident approved deposit fund for part of the year) and comply with the relevant regulatory provisions. To be a 'regulated superannuation fund', the fund trustee must elect for SISA to apply to the fund and provide the election in the approved form to the Tax Office. Further, the governing rules of the fund must require either an Australian corporate trustee or provide that the sole or primary purpose of the fund is to provide old age pensions.

A superannuation fund is taxed as a 'complying superannuation fund' if it has received a notice of compliance from APRA or the Tax Office. A complying fund's assessable income is determined as though the trustee were a taxpayer and a resident. Taxable income is divided into a standard component and a special component. The standard component is taxed at the concessional rate of $15 \%$, while the special component, comprising the 'special income' of the fund (usually private company dividends, non-arm's length income and certain distributions from trusts), is taxed at 47\%.

Life insurance companies: companies that are registered under the Life Insurance Act 1995. Life companies (except for friendly societies) cannot offer superannuation directly, but can issue life insurance policies to the trustee of a complying superannuation fund, the trustee of a complying approved deposit fund, or the trustee of a pooled superannuation trust.

Pooled superannuation trust: a resident unit trust that operates as an investment vehicle for superannuation funds or approved deposit funds or other pooled superannuation trusts. A pooled superannuation trust can accept deposits only from a regulated superannuation fund, approved deposit fund or another pooled superannuation trust. The investment income of this trust is taxed at concessional rates.

[^7]
## FUND TAXPAYERS

Broadly, the fund taxpayer population is divided into two categories: non-regulated funds and regulated funds. Only regulated funds (as defined under SISA) qualify as complying superannuation funds for tax purposes and receive tax concessions. Regulated funds can be one of six types: selfmanaged superannuation funds, small APRA funds, corporate or employer-sponsored funds, or industry, retail or public sector funds.

Most funds with fewer than five members are self-managed superannuation funds. Small APRA funds are those small funds (with less than five members) regulated by APRA. Corporate, industry, retail and public sector funds are superannuation funds with more than four members, and may be either public offer or non-public offer. They are generally established for the benefit of employees of a sponsoring employer. In this chapter they have been aggregated into a category called 'large fund types'.

There is little distinction between the different types of funds for tax purposes, although special tax rules may apply to public sector funds.

In 2001-02 a total of 210,608 funds lodged returns in Australia (table 7.2).

Self-managed superannuation funds were the most common type of fund in 2001-02, accounting for $94 \%(198,137)$ of total funds at 31 October 2003. The next most common type of funds were small APRA funds, accounting for $4 \%$, with large fund types accounting for only $1 \%$ of funds.

TABLE 7.2: Funds ${ }^{1}$, by type, 2001-02 income year

| Fund type | Funds |  |
| :--- | ---: | ---: |
|  | No. | $\%$ |
| Self-managed fund | 198,137 | 94.1 |
| Small APRA fund | 8,614 | 4.1 |
| Large fund types $^{2}$ | 2,372 | 1.1 |
| Non-regulated fund | 1,062 | 0.5 |
| Other | 423 | 0.2 |
| Total | $\mathbf{2 1 0 , 6 0 8}$ | $\mathbf{1 0 0 . 0}$ |

1. Includes superannuation funds, approved deposit funds and pooled superannuation trusts.
2. The term 'large fund types' refers to the aggregated category of funds which include corporate, industry, retail and public sector superannuation funds with more than four members generally established for the benefit of employees of a sponsoring employer. This term should not be confused with 'large funds' (discussed in a later section) which refers to funds with income greater than $\$ 100$ million.

## FUNDS, BY INDUSTRY CLASSIFICATION

The industry in which most members of a fund are employed determines the industry classification of the fund. Funds selfclassify their industry each year on the fund tax return.

In 2001-02, 55\% of funds classified themselves in the finance, insurance, real estate and business services industry, followed by $10 \%$ of funds in the wholesale and retail trade industry (table 7.3).

TABLE 7.3: Funds ${ }^{1}$, by industry classification, 2001-02 income year

| Industry ${ }^{2}$ | Funds |  |
| :---: | :---: | :---: |
|  | No. | \% |
| Finance, insurance, real estate \& business services | 116,314 | 55.2 |
| Wholesale \& retail trade | 21,131 | 10.0 |
| Health \& education \& welfare \& community services | 17,234 | 8.2 |
| Building \& construction | 17,018 | 8.1 |
| Primary production | 13,380 | 6.4 |
| Manufacturing | 8,079 | 3.8 |
| Entertainment, recreation, hotels, personal services \& restaurants | 7,509 | 3.6 |
| Transport storage \& communications | 6,398 | 3.0 |
| Mining | 1,470 | 0.7 |
| Electricity, gas \& water | 1,143 | 0.5 |
| Government | 624 | 0.3 |
| Other ${ }^{3}$ | 308 | 0.1 |
| Total | 210,608 | 100.0 |
| 1. Includes superannuation funds, approved deposit funds and pooled superannuation trusts. |  |  |
| 2. Fund industry groupings are different from the Australian and New Zealand Standard Industry Classification (ANZSIC) industry groupings used by other entities. Only superannuation funds need to specify their industry classification on the fund income tax return. |  |  |
| 3. Includes those funds that nominate 'other' on their tax return, approved deposit funds and pooled superannuation trusts. |  |  |

## FUND INCOME

## BOX 7.4: Fund size by total income

For the purposes of this chapter:

- loss/nil funds have a total income equal to or less than \$0
micro funds have a total income equal to or greater than $\$ 1$ but less than $\$ 2$ million
- small funds have a total income equal to or greater than $\$ 2$ million but less than $\$ 10$ million
- medium funds have a total income between $\$ 10$ million and $\$ 100$ million (inclusive), and
- large funds ${ }^{1}$ have a total income greater than $\$ 100$ million.

1. The term 'large funds' should not be confused with the term 'large fund types' used in other parts of this chapter. 'Large fund types' refer to an aggregated category of superannuation funds that include corporate, industry, retail and public sector superannuation funds with more than four members generally established for the benefit of employees of a sponsoring employer. 'Large fund types' may be classified as 'loss/nil', 'micro', 'small', 'medium' or 'large' funds depending on their total income for the income year.

In 2001-02, 97\% of funds were micro funds (table 7.4).
Small, medium and large funds accounted for less than 1\% of the total number of funds, while less than $3 \%$ were funds with total income equal to or less than $\$ 0$.

TABLE 7.4: Funds ${ }^{1}$, by size, 2001-02 income year

| Fund size | Funds $^{1}$ |  |
| :--- | ---: | ---: |
|  | No. | $\%^{2}$ |
| Loss/nil | 5,315 | 2.5 |
| Micro | 204,532 | 97.1 |
| Small | 414 | 0.2 |
| Medium | 266 | 0.1 |
| Large | 81 | 0.0 |
| Total | $\mathbf{2 1 0 , 6 0 8}$ | $\mathbf{1 0 0 . 0}$ |

1. Includes superannuation funds, approved deposit funds and pooled superannuation trusts.
2. A share of $0.0 \%$ indicates a share of less than $0.05 \%$

Funds reported a total income of $\$ 48.8$ billion. Although medium and large funds accounted for less than $1 \%$ of funds, they accounted for $17 \%$ ( $\$ 8.4$ billion) and 59\% ( $\$ 28.7$ billion) of total fund income respectively (table 7.5). Micro funds, which accounted for the majority of funds, accounted for 20\% of total fund income.

Employer contributions were the main source of income for funds, accounting for 56\% of total fund income. It was also the main source of income for micro, small, medium and large funds.

Distributions from trusts were the second main source of income, accounting for $9 \%$ of total fund income. It was also the second main source of income for micro, small, medium and large funds.

TABLE 7.5: Fund income, by source and fund size, 2001-02 income year

| Source of income ${ }^{1}$ | Loss/Nil $\$ \mathrm{~m}^{2}$ | Micro \$m ${ }^{2}$ | Small \$m ${ }^{2}$ | Medium $\$ \mathrm{~m}^{2}$ | Large \$m ${ }^{2}$ | Total \$m ${ }^{2}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Employer contributions | 0 | 4,221 | 1,200 | 4,705 | 17,393 | 27,519 |
| Distribution from trusts | 0 | 1,037 | 193 | 978 | 2,030 | 4,237 |
| Gross interest | 0 | 871 | 100 | 426 | 1,526 | 2,923 |
| Net capital gains | 0 | 854 | 109 | 567 | 1,355 | 2,885 |
| Dividends franked | 0 | 798 | 45 | 340 | 1,274 | 2,457 |
| Employee contributions | 0 | 594 | 83 | 324 | 1,055 | 2,056 |
| Net foreign income | 0 | 99 | 55 | 454 | 1,037 | 1,646 |
| Imputation credits | 0 | 340 | 19 | 147 | 521 | 1,027 |
| Gross rents | 0 | 624 | 11 | 34 | 322 | 991 |
| Dividends unfranked | 0 | 92 | 8 | 82 | 227 | 408 |
| Distribution from partnerships | 0 | 22 | 0 | 39 | 53 | 114 |
| Net non-arms length income | 0 | 1 | 0 | 0 | 4 | 5 |
| Gross payments where ABN not quoted | 0 | 1 | 0 | 0 | 0 | 1 |
| Net previous income | 0 | 0 | 0 | 0 | 0 | 0 |
| Other income | 0 | 259 | 70 | 310 | 1,883 | 2,523 |
| Total ${ }^{3}$ | 0 | 9,812 | 1,892 | 8,405 | 28,681 | 48,790 |

1. Definitions of items are in the fund tax glossary on the attached CD-ROM.
2. Zero amounts may indicate an amount of $\$ 0$ or amounts less than $\$ 500,000$.
3. Total amount may not equal the sum of components due to rounding

## FUND DEDUCTIONS

In 2001-02 funds claimed total deductions of $\$ 15.7$ billion. Large funds accounted for $73 \%$ ( $\$ 11.4$ billion) of total deductions, followed by medium (14\%) and micro funds (11\%).

Table 7.6 shows that $42 \%$ ( $\$ 6.6$ billion) of deductions were related to the transfer of taxable contributions. (These amounts are included in the assessable income of life insurance companies.) A further 16\% (\$2.6 billion) related to exempt current pension income.

For medium and large funds, deductions relating to the transfer of taxable contributions accounted for the largest share of their respective total expenses. This type of deduction accounted for $51 \%$ ( $\$ 5.9$ billion) of total large fund deductions and $30 \%$ ( $\$ 644$ million) of total medium fund deductions. For small funds, management/administration expenses accounted for the largest share ( $23 \%$ or $\$ 78$ million) of total small fund deductions, while for micro funds exempt current pension income accounted for the largest share ( $42 \%$ or $\$ 746$ million) of total micro fund deductions.

TABLE 7.6: Fund deductions, by deduction and fund size, 2001-02 income year

| Deductions ${ }^{1}$ | Loss/nil $\$ \mathrm{~m}^{2}$ | Micro $\$ \mathrm{~m}^{2}$ | Small $\$ \mathrm{~m}^{2}$ | Medium $\$ m^{2}$ | $\begin{aligned} & \text { Large } \\ & \$ \mathrm{~m}^{2} \end{aligned}$ | Total $\$ \mathrm{~m}^{2}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Transfer of taxable contributions | 0 | 7 | 50 | 644 | 5,880 | 6,581 |
| Exempt current pension income | 0 | 746 | 35 | 279 | 1,519 | 2,580 |
| Group life \& disability premiums | 0 | 74 | 60 | 289 | 1,363 | 1,787 |
| Management/administration expenses | 1 | 343 | 78 | 369 | 674 | 1,465 |
| Investment expenses | 0 | 122 | 24 | 97 | 630 | 874 |
| Depreciation deducted | 0 | 51 | 1 | 2 | 40 | 93 |
| Losses recouped ${ }^{3}$ | 0 | 29 | 17 | 6 | 0 | 52 |
| Salary \& wage expenses | 0 | 3 | 0 | 8 | 36 | 47 |
| Capital works deduction | 0 | 16 | 0 | 1 | 10 | 27 |
| Interest expenses - Australia | 0 | 9 | 0 | 0 | 1 | 11 |
| Exempt section S290A income | 0 | 2 | 0 | 0 | 0 | 2 |
| Interest expenses - overseas | 0 | 0 | 0 | 0 | 0 | 0 |
| Other deductions | 1 | 383 | 77 | 439 | 1,283 | 2,182 |
| Total ${ }^{4}$ | 2 | 1,785 | 342 | 2,135 | 11,436 | 15,700 |

1. Definitions of items are in the fund tax glossary on the attached CD-ROM.
2. Zero amounts may indicate an amount of $\$ 0$ or amounts less than $\$ 500,000$.
3. Also referred to as 'tax losses deducted'.
4. Total amount may not equal the sum of components due to rounding

## FUND NET TAX (OR TAX PAYABLE)

## BOX 7.5: Calculating fund net tax payable ${ }^{1}$

For funds, net tax payable is calculated by subtracting foreign tax credits and rebates/tax offsets from gross tax.

Other credits (credit for interest on early payments amount of interest, credit for tax withheld where ABN not quoted and other credits) and fund instalments paid are subtracted from the sum of net tax payable and Section 102AAM interest to work out the balance payable or refundable ${ }^{2}$.

1. This box presents only general descriptions of the above terms. It does not provide full technical or legal definitions. More information on the items mentioned in this box is available in the glossary or the Fund income tax and regulatory return instructions 2002 booklet on the attached CD-ROM. There is more information on how net tax payable is calculated in the instructions booklet.
2. Refers to the 'total amount of tax payable or refundable' item (label S) on the 'Calculation statement' section on page 2 of the 2002 fund tax return form. There is more information on how the balance payable or refundable is calculated in the fund return form (page 2) and the instructions booklet

In 2001-02, 86\% $(181,101)$ of funds were liable for $\$ 4.4$ billion in net tax (table 7.7).

Large fund types (corporate, industry, retail and public sector funds) accounted for 66\% (\$2.9 billion) of net tax payable by funds with a tax liability, despite accounting for only $1 \%$ of such funds. Self-managed funds accounted for $95 \%(172,094)$ of these funds but were liable for only $25 \%$ ( $\$ 1.1$ billion) of net tax.

TABLE 7.7: Net tax, by type of fund ${ }^{1}$, 2001-02 income year

| Type of fund | Funds ${ }^{1}$ liable for net tax |  | Net tax |  |
| :---: | :---: | :---: | :---: | :---: |
|  | No. | \% | \$m | \% |
| Large fund types ${ }^{2}$ | 2,060 | 1.1 | 2,867 | 65.9 |
| Self-managed superannuation fund | 172,094 | 95.0 | 1,069 | 24.6 |
| Small APRA fund | 6,006 | 3.3 | 155 | 3.6 |
| Non-regulated fund | 610 | 0.3 | 12 | 0.3 |
| Other | 331 | 0.2 | 250 | 5.7 |
| Total ${ }^{3}$ | 181,101 | 100.0 | 4,353 | 100.0 |

1. Includes superannuation funds, approved deposit funds and pooled superannuation trusts.
2. 'Large fund types' in this table refers to the aggregated category that includes corporate, industry, retail and public sector funds. In this table it does not refer to funds with total income greater than $\$ 100$ million as referred to in table 7.4, table 7.5 and table 7.6 in the previous two sections.
3. Total amount may not equal the sum of components due to rounding.

## DETAILED TABLES

The following fund tax detailed tables are on the attached CDROM and included in the online version of this publication on our website at www.ato.gov.au The tables may be viewed or downloaded in Adobe Acrobat (PDF), Microsoft Excel (XLS) or Comma Separated Values (CSV) file format.

The 'items' referred to in the detailed tables are items declared on the 2002 fund tax return. A copy of the return is in the appendix.

To find out whether a particular item is included in a detailed table refer to the fund tax detailed tables index included on the attached CD-ROM and in the online version of this publication. (The index can be viewed or downloaded only in Adobe Acrobat (PDF) and Microsoft Excel (XLS) file formats.) The table index lists the different items shown in the detailed tables and specifies in which tables they appear.

Table 1: Selected items, by net tax and fund status, 2001-02 income year
This table shows the number, taxable income and net tax of different types of funds (superannuation fund, approved deposit fund and pooled superannuation trust) ranged by different grades of net tax. The number, taxable income and net tax of taxable and non-taxable funds are also reported.

Table 2: Selected items, by fund status and membership industry classification, 2001-02 income year
This table shows the number of records and amounts for items funds declare on their fund tax return. Funds (and the data) are classified by status (superannuation fund, approved deposit fund and pooled superannuation trust). Superannuation funds (and the data referring to superannuation funds) are further classified by membership industry classification.

- Part A: Calculation statement items
- contains labels from item 8 'Calculation statement' on page 2 of the fund tax return.
- Part B: Income items - contains income labels from item 9 on page 3 of the fund tax return.
- Part C: Expense items and losses information - contains expense labels from item 9 and labels from item 10 'Losses information' on page 4 of the fund tax return.
- Part D: Other information - contains labels from item 11 'Other information' on page 4 of the fund tax return.

Note: In order to meet privacy regulations, statistics for some items may not be included in the tables.

Table 3: Selected items for income years 1993-94 to 2001-02
This table shows selected items from the fund tax return for all income years between 1993-94 and 2001-02. The number of records and amounts for most items are shown.

This table is also available at the back of this chapter (see table 7.8).

Table 4: Selected items, by taxable income, 2001-02 income year
This table shows the number of records and amounts for items funds declare on their fund tax return. Funds (and the data) are ranged by different grades of taxable income.

- Part A: Calculation statement items
- contains labels from item 8 'Calculation statement' on page 2 of the fund tax return.
- Part B: Income items - contains income labels from item 9 on page 3 of the fund tax return.
- Part C: Expense items and losses information - contains expense labels from item 9 and labels from item 10 'Losses information' on page 4 of the fund tax return.
- Part D: Other information - contains labels from item 11 'Other information' on page 4 of the fund tax return.

Note: In order to meet privacy regulations, statistics for some items may not be included in the tables.

Table 5: Number of funds and net tax, by balance date, 2001-02 income year
This table shows the number of funds, the number of funds with net tax payable and the amounts of their respective net tax by different balance dates.

Table 6: Selected items, by total income, 2001-02 income year
This table shows the number of records and amounts for items funds declare on their fund tax return. Funds (and the data) are ranged by different grades of total income.

- Part A: Calculation statement items
- contains labels from item 8 'Calculation statement' on page 2 of the fund tax return.
- Part B: Income items - contains income labels from item 9 on page 3 of the fund tax return.
- Part C: Expense items and losses information - contains expense labels from item 9 and labels from item 10 'Losses information' on page 4 of the fund tax return.
- Part D: Other information - contains labels from item 11 'Other information' on page 4 of the fund tax return.

Note: In order to meet privacy regulations, statistics for some items may not be included in the tables.

## TIME SERIES TABLE

Table 7.8 shows selected items from fund returns for income years 1993-94 to 2001-02. This table is also available on the attached CD-ROM and in the online version of this publication on our website at www.ato.gov.au as fund tax detailed table 3. It may be viewed or downloaded in Adobe Acrobat (PDF), Microsoft Excel (XLS) or Comma Separated Values (CSV) file format.
TABLE 7.8': Selected items for income years 1993-94 to 2001-02

| Selected items |  | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{2}$ | 2000-01 ${ }^{2}$ | 2001-02 ${ }^{3}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Number of funds | no. | 98,392 | 110,166 | 127,537 | 147,481 | 162,935 | 186,102 | 203,245 | 211,907 | 210,608 |
| Net capital gains | no. | 16,860 | 14,359 | 24,138 | 37,940 | 48,461 | 57,812 | 69,407 | 83,836 | 75,628 |
|  | \$ | 3,494,117,988 | 1,335,975,161 | 2,266,293,593 | 4,131,185,851 | 8,711,033,830 | 7,065,802,679 | 7,880,116,516 | 5,704,004,859 | 2,884,565,321 |
| Gross rents | no. | 13,069 | 14,741 | 16,390 | 19,069 | 23,515 | 27,243 | 29,567 | 30,581 | 30,144 |
|  | \$ | 500,123,817 | 696,610,559 | 770,734,226 | 855,500,595 | 829,439,906 | 815,605,102 | 859,158,981 | 914,838,327 | 991,402,179 |
| Gross interest | no. | 76,988 | 87,342 | 113,547 | 124,810 | 136,620 | 156,148 | 172,981 | 181,364 | 179,556 |
|  | \$ | 2,209,458,482 | 2,638,267,023 | 3,262,590,716 | 3,295,416,794 | 2,805,888,085 | 3,058,974,328 | 3,294,888,248 | 3,818,368,762 | 2,922,557,878 |
| Dividends unfranked | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 90,319 | 85,626 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 738,428,682 | 408,310,279 |
| Dividends franked | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 134,896 | 135,414 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 2,889,427,742 | 2,456,755,178 |
| Gross dividends | no. | 34,401 | 42,136 | 71,152 | 68,731 | 89,839 | 106,801 | 128,756 | n.a. | n.a. |
|  | \$ | 1,702,275,857 | 2,235,629,768 | 2,911,312,068 | 3,166,732,173 | 3,421,504,995 | 3,781,919,138 | 3,990,022,904 | n.a. | n.a. |
| Imputation credit | no. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 134,962 | 135,458 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 1,437,172,786 | 1,026,575,624 |
| Net foreign income | no. | 9,170 | 9,607 | 14,503 | 19,693 | 24,632 | 32,106 | 43,746 | 60,417 | 71,021 |
|  | \$ | 657,002,568 | 505,185,420 | 737,783,117 | 957,638,601 | 1,973,904,009 | 1,425,522,373 | 1,059,493,643 | 1,257,326,668 | 1,646,125,345 |
| Gross taxable employer contributions | no. | 70,338 | 80,152 | 101,226 | 106,733 | 116,296 | 128,006 | 134,466 | 133,477 | 129,208 |
|  | \$ | 10,762,562,439 | 11,480,951,606 | 15,156,537,391 | 16,412,194,771 | 17,197,950,497 | 20,072,459,660 | 22,955,354,124 | 24,942,431,317 | 27,518,511,952 |
| Gross taxable employee contributions | no. | 7,108 | 8,828 | 11,904 | 13,491 | 15,494 | 17,506 | 18,040 | 17,930 | 18,690 |
|  | \$ | 1,109,500,577 | 970,024,824 | 1,209,024,050 | 1,214,466,692 | 1,449,130,230 | 1,898,720,136 | 1,727,081,000 | 1,804,110,178 | 2,056,015,940 |
| Net non-arm's length income | no. | n.a. | n.a. | 77 | 32 | 67 | 79 | 61 | 48 | 51 |
|  | \$ | n.a. | n.a. | 1,394,922 | 298,809 | 1,022,241 | 1,412,518 | 2,366,641 | 2,507,823 | 4,626,012 |
| S288A \& 288B net previous income | no. | n.a. | n.a. | 164 | 16 | 9 | 39 | 12 | 6 | 10 |
|  | \$ | n.a. | n.a. | 1,235,803 | 153,303 | 14,356 | 6,881,308 | 78,146 | 45,702 | 132,770 |
| Gross distributions from partnerships | no. | n.a. | n.a. | n.a. | 1,337 | 1,229 | 1,446 | 1,695 | 1,849 | 1,997 |
|  | \$ | n.a. | n.a. | n.a. | 27,417,646 | 29,603,684 | 51,152,006 | 72,300,693 | 68,186,743 | 113,697,542 |
| Gross distributions from trusts | no. | n.a. | n.a. | n.a. | 38,229 | 57,332 | 74,182 | 89,153 | 102,993 | 106,302 |
|  | \$ | n.a. | n.a. | n.a. | 1,281,455,846 | 2,030,223,175 | 2,441,877,434 | 2,958,172,071 | 3,727,344,407 | 4,237,189,053 |
| Other income | no. | 11,615 | 9,120 | 18,835 | 21,916 | 19,206 | 22,987 | 28,023 | 29,300 | 35,407 |
|  | \$ | 1,027,067,830 | 793,017,500 | 1,923,540,655 | 1,747,027,667 | 1,462,286,270 | 8,088,160,822 | 1,296,660,330 | 2,061,035,188 | 2,522,583,890 |
| Total income | \$ | 21,551,361,747 | 20,852,992,058 | 28,580,955,386 | 33,945,895,490 | 41,689,037,779 | 50,944,759,054 | 49,944,575,425 | 49,365,852,526 | 48,789,631,969 |

TABLE 7.8': Selected items for income years 1993-94 to 2001-02

| Selected items |  | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{2}$ | 2000-01 ${ }^{2}$ | 2001-02 ${ }^{3}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Interest expenses within Australia | no. | 3,702 | 3,771 | 4,785 | 5,340 | 6,100 | 5,539 | 5,497 | 6,927 | 7,923 |
|  | \$ | 9,693,180 | 2,681,017 | 7,163,745 | 4,598,713 | 5,535,213 | 4,546,465 | 6,853,435 | 6,789,767 | 10,868,482 |
| Interest expenses overseas | no. | 111 | 119 | 77 | 35 | 81 | 103 | 168 | 98 | 81 |
|  | \$ | 703,505 | 31,226,813 | 1,560,483 | 52,111 | 63,553 | 200,721 | 1,825,213 | 293,466 | 137,646 |
| Total salary \& wage expenses | no. | n.a. | n.a. | n.a. | 362 | 156 | 150 | 163 | 154 | 155 |
|  | \$ | n.a. | n.a. | n.a. | 20,453,562 | 17,050,821 | 18,877,438 | 24,858,632 | 25,411,867 | 46,609,868 |
| Other deductions | no. | 80,543 | 93,985 | 109,031 | 134,134 | 150,538 | 173,030 | 190,476 | 122,417 | 99,160 |
|  | \$ | 2,575,346,446 | 3,911,420,282 | 3,625,870,999 | 3,530,907,212 | 3,961,916,100 | 10,942,588,509 | 4,991,593,844 | 3,009,762,596 | 2,182,354,865 |
| Transfers of taxable contributions | \$ | 2,357,326,179 | 2,079,133,365 | 2,687,042,420 | 3,850,412,000 | 4,299,299,200 | 5,286,979,839 | 5,582,747,778 | 5,742,337,302 | 6,581,266,338 |
| Tax losses deducted | no. | 1,261 | 1,536 | 1,861 | 1,997 | 2,012 | 3,141 | 3,970 | 4,107 | 4,210 |
|  | \$ | 71,934,262 | 201,934,807 | 123,089,227 | 97,704,744 | 148,255,570 | 82,061,438 | 98,085,011 | 79,436,920 | 51,899,833 |
| Exempt current pension income | no. | 1,204 | 2,181 | 3,050 | 4,561 | 6,544 | 8,775 | 12,624 | 16,662 | 19,539 |
|  | \$ | 867,688,780 | 1,321,319,121 | 1,797,053,810 | 1,931,242,621 | 2,543,290,715 | 2,292,900,765 | 2,766,840,642 | 3,181,519,183 | 2,579,512,488 |
| Exempt section 290A income | no. | 184 | 166 | 133 | 162 | 133 | 144 | 157 | 195 | 141 |
|  | \$ | 24,175,299 | 11,235,936 | 9,492,659 | 7,996,781 | 2,022,640 | 2,443,199 | 3,505,923 | 4,615,792 | 1,998,519 |
| Total deductions | \$ | 5,906,867,651 | 7,558,951,341 | 8,275,440,406 | 10,494,954,395 | 12,892,673,574 | 18,769,844,331 | 13,611,552,052 | 15,551,922,849 | 15,699,930,290 |
| Taxable income ${ }^{4}$ | \$ | 16,656,225,169 | 13,724,435,404 | 20,383,944,748 | 23,554,407,818 | 28,841,795,370 | 29,982,392,688 | 32,835,484,155 | 33,813,929,629 | 33,089,700,837 |
| Tax losses carried forward | no. | n.a. | n.a. | 8,417 | 5,211 | 6,585 | 8,835 | 9,744 | 11,198 | 13,423 |
|  | \$ | n.a. | n.a. | n.a. | 483,420,490 | 413,173,051 | 468,792,548 | 383,681,708 | 419,899,085 | 440,450,860 |
| Total investments | no. | n.a. | n.a. | 117,819 | 137,139 | 158,400 | 179,044 | 191,621 | 196,538 | 196,904 |
|  | \$ | n.a. | n.a. | 207,218,676,647 | 270,261,045,082 | 294,599,680,411 | 341,760,743,736 | 423,480,014,117 | 500,145,700,339 | 452,085,285,878 |
| Exempt section 274(7) contributions | no. | n.a. | n.a. | 717 | 694 | 569 | 590 | 607 | 718 | 638 |
|  | \$ | n.a. | n.a. | 326,316,913 | 301,414,046 | 289,855,315 | 278,057,036 | 267,778,002 | 239,774,007 | 256,467,812 |
| Exempt section 275B contributions | no. | n.a. | n.a. | 117 | 107 | 78 | 89 | 89 | 83 | 57 |
|  | \$ | n.a. | n.a. | 1,619,603,076 | 1,672,712,345 | 1,992,798,066 | 7,922,332,125 | 698,397,479 | 1,206,521,899 | 14,746,366 |
| AFI - Listed country | no. | n.a. | n.a. | 123 | 196 | n.a. | n.a. | n.a. | n.a. | n.a. |
|  | \$ | n.a. | n.a. | 166,684 | 8,488,858 | n.a. | n.a. | n.a. | n.a. | n.a. |
| AFI - Broad-exemption listed country | no. | n.a. | n.a. | n.a. | n.a. | 59 | 44 | 66 | 78 | 5 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 5,826,239 | 501,504 | 21,899,981 | 1,185,672 | 162,626 |
| AFI - Limited-exemption listed country | no. | n.a. | n.a. | n.a. | n.a. | 6 | 9 | 9 | 7 | 5 |
|  | \$ | n.a. | n.a. | n.a. | n.a. | 3,555 | 1,333 | 48,267 | 2,583 | 601 |
| AFI - Unlisted country | no. | n.a. | n.a. | n.a. | 9 | 5 | 19 | 34 | 13 | 5 |
|  | \$ | n.a. | n.a. | n.a. | 149,744 | 14,892 | 82,663 | 1,048,655 | 13,945 | 41,508 |

continued from previous page
TABLE 7.8': Selected items for income years 1993-94 to 2001-02

| Selected items |  | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{2}$ | 2000-01² | 2001-02 ${ }^{3}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| AFI - FIF/FLP income | no. | n.a. | n.a. | 56 | 34 | 48 | 73 | 65 | 93 | 159 |
|  | \$ | n.a. | n.a. | 31,837,132 | 73,985,223 | 39,817,994 | 17,460,766 | 36,903,505 | 44,325,634 | 50,165,583 |
| Tax spared foreign tax credits | no. | n.a. | n.a. | n.a. | 177 | 215 | 583 | 1,065 | 1,750 | 2,260 |
|  | \$ | n.a. | n.a. | n.a. | 729,957 | 215 | 1,796,399 | 90,396 | 1,033,359 | 233,953 |
| Gross tax | \$ | 2,506,826,590 | 2,063,223,012 | 3,058,639,470 | 3,564,701,504 | 4,330,978,202 | 4,530,848,124 | 4,955,730,328 | 5,099,149,967 | 4,987,629,423 |
| Total rebates \& credits | no. | 1,541 | 33,967 | 51,263 | 64,568 | 83,050 | 101,013 | 120,492 | 69,706 | 69,463 |
|  | \$ | 134,023,913 | 594,755,190 | 839,775,291 | 1,006,643,020 | 1,089,782,920 | 1,221,285,296 | 1,256,715,900 | 941,680,308 | 634,510,059 |
| Net tax (or tax payable) ${ }^{5}$ | \$ | 2,239,964,134 | 1,468,460,901 | 2,217,920,889 | 2,561,836,951 | 3,241,179,659 | 3,309,539,853 | 3,699,255,310 | 4,157,443,268 | 4,353,093,381 |

 included on the Taxation statistics 2001-02 CD-ROM

* The symbol 'n.a.' used in this publication means not applicable or not available
In order to meet privacy regulations, the following measures have been applied.
 1 and 5 . Number (no.) totals are the sum of the indicated cell values in a table. Number indicators and totals may vary between tables.
(b) Amount totals are the sum of the indicated cell values in a table. Amounts and totals may vary between tables.
c) Statistics for some items may not be included in some tables.

1. This table is the same as fund tax detailed table 3 which can be viewed or downloaded from the CD-ROM or from the online version of this publication on the Tax Office website.


2. The 'Taxable income' referred to here refers to the 'Taxable income' item found in the 'Calculation statement' section of the fund annual income tax return. (In the 2002 fund annual incom
3. 'Net tax' is referred to as 'Tax payable' in the fund tax return. The net tax (or tax payable) amount cannot be less than $\$ 0$.

## (1) HIGHLIGHTS

- In August 2003, 90\% of employees had some form of superannuation coverage.
- Superannuation contributions to the end of June 2003 totalled $\$ 54.2$ billion.
- The balance of the Superannuation Holding Accounts Reserve at 2 July 2003 was $\$ 52$ million.

Superannuation is a specially designed long-term investment vehicle for individuals' retirement savings. The retirement incomes policy of the Australian Government involves:

- the age pension and associated social security arrangements that provide an income safety net in retirement
- a voluntary level of superannuation encouraged by tax concessions, and
- a compulsory element of superannuation, achieved by the superannuation guarantee scheme, that ensures a minimum level of employer contributions to superannuation funds so that employees accumulate savings for a more comfortable retirement.

A superannuation provider pools small amounts saved regularly by its members into a large fund of money. This money is then put into a broad range of investments, including shares, property, government bonds and cash deposits, and the accumulated benefits provide a source of income for individuals in retirement. A superannuation provider generally: - accepts contributions from members and/or their employers - invests this money on behalf of members, and

- pays benefits on the retirement, resignation or death of the member.

In Australia, superannuation is managed in the private sector by superannuation funds, ranging from small family-run funds through to large industry schemes run jointly by unions and employers. Most superannuation funds are run by a board of trustees that has legal responsibility for managing members' contributions. In many cases they hire specialist investment managers.
Banks, building societies, credit unions, life insurance companies and prescribed financial institutions can also offer superannuation products called retirement savings accounts. These accounts must be capital guaranteed and fully portable. Capital guaranteed means that only fees and charges (not negative earnings) can reduce contributions and earnings on the account. Full portability means that the balance of the account can be transferred to a different superannuation provider at an individual's request.
The Tax Office administers:

- the taxation of superannuation
- the superannuation guarantee
- the Superannuation Holding Accounts Reserve
- the Lost Members' Register
- reasonable benefit limits
- the superannuation contributions surcharge
- the termination payments surcharge
- the Departing Australia Superannuation payment - the co-contributions system, and - the regulation of self-managed superannuation funds.

The statistics for this chapter are mainly sourced from information provided by entities to the Tax Office. Other statistics are sourced from Australian Bureau of Statistics publications and the Australian Prudential Regulation Authority.

## BOX 8.1: Terminology ${ }^{1}$

Accumulation fund: where the benefit a member receives is the total of contributions to the fund, plus earnings on those contributions, less expenses and tax. In an accumulation fund, members carry the investment risk.
Defined benefit fund: where the retirement benefits paid out are calculated using a formula specified in terms of years of services with the employer and average salary level over the last few years before retirement. The employer-sponsor of a defined benefit fund carries the investment risk so the defined benefits the members receive do not depend on the investment performance of the fund.
Self-managed superannuation fund: a superannuation fund that also satisfies the following conditions:

- has two to four members
- if the trustees of the fund are individuals, each individual trustee is a member
- if the trustee of the fund is a body corporate, each director of the body corporate is a member
- each member is a trustee of the fund or a director of the corporate trustee of the fund
$\square$ no member is an employee of another member, unless the members concerned are relatives, and
- no trustee of the fund receives any remuneration from the fund, or from any person, for any duties or services performed by the trustee in relation to the fund.

A superannuation fund with only one member is a self-managed superannuation fund if it satisfies several other conditions.
Retirement savings account (RSA): an account offered by banks, building societies, credit unions, life insurance companies and prescribed financial institutions (RSA providers) as a simple, low-cost, low-risk savings product. Employers may use an RSA as an alternative to making contributions to superannuation funds for their employees, and individuals can use an RSA for their personal superannuation contributions. An RSA is used for retirement savings and is similar to a superannuation fund. It is capital guaranteed, so contributions and interest on the account can be reduced only by fees and charges. The individual owns and controls the RSA, which is fully portable, meaning that the account owner can transfer the balance of the account to another RSA or superannuation provider on request. An RSA is subject to the existing 15\% contributions tax, and the surcharge on contributions for higher income earners.
Eligible termination payment (ETP): is a lump sum superannuation benefit or similar payment made to a person because they, or another person, were a member of a superannuation fund, approved deposit fund (ADF) or a depositor with a RSA. ETPs also include payments made to an employee, in consequence of termination of employment. ETPs can be rolled over into another superannuation fund, ADF or RSA. (A more detailed description of an ETP is in the 'Personal taxpayer' section of the glossary).

1. This box presents only general descriptions of the above terms. It does not provide the full technical or legal definitions.

## NEW FEATURES AND INFORMATION

Several tax reforms and laws implemented during the 2002-03 financial year affected certain superannuation statistics reported in this chapter. Some of these reforms and laws are listed below.

- The eligible termination payment (ETP) low rate threshold increased from \$105,843 in 2001-02 to \$112,405 in 2002-03 (see table 8.6 for ETP statistics).
- The pension reasonable benefit limit increased from $\$ 1,058,742$ in 2001-02 to \$1,124,384 in 2002-03. The lump sum reasonable benefit limit increased from \$529,373 in 2001-02 to \$562,195 in 2002-03 (see the section on reasonable benefit limits towards the end of this chapter).
- The tax-free amount of a bona fide redundancy payment or an approved early retirement scheme payment for 2001-02 was $\$ 5,295$, plus $\$ 2,648$ for each year of service with the employer. For 2002-03, the tax-free amount of a bona fide redundancy payment or an approved early retirement scheme payment was $\$ 5,623$, plus $\$ 2,812$ for each year of service with the employer.
- The adjusted taxable income threshold for liability to the superannuation contributions surcharge or termination payments surcharge increased from $\$ 85,242$ in 2001-02 to $\$ 90,527$ in 2002-03 (see the 'Superannuation contributions surcharge' section of this chapter).
■ The thresholds and denominator amounts used to calculate the rate of superannuation contributions surcharge or rate of termination payments surcharge in 2001-02 and 2002-03 are listed in table 8.1. (The formula used to calculate the percentage surcharge rate is mentioned in the 'Superannuation contributions surcharge' section of this chapter.)
- The threshold for determining the superannuation contributions surcharge rate of certain fund members whose tax file number is not known increased from $\$ 3,248$ in 2001-02 to \$3,880 in 2002-03.
- The age-based limits for deductible superannuation guarantee contributions for employees that are made to complying superannuation funds or a retirement savings account in 2001-02 and 2002-03 are listed in table 8.2.

TABLE 8.1: Relevant amounts used to calculate the rate of superannuation contributions surcharge or rate of termination payments surcharge, 2001-02 and 2002-03

|  | Relevant amounts |  |
| :--- | ---: | ---: |
|  | $2001-02$ | 2002-03 |
|  | $\mathbf{\$}$ | $\mathbf{\$}$ |
| Minimum threshold | 85,242 | 90,527 |
| Maximum threshold | 103,507 | 109,924 |
| Denominator | $\mathbf{1 , 2 1 9}$ | $\mathbf{1 , 2 9 5}$ |

TABLE 8.2: Age-based limits for deductible superannuation contributions for employees, 2001-02 and 2002-03

| Age in years | Employee's deduction limits <br> 2001-02 | $\mathbf{2 0 0 2 - 0 3}$ |
| :--- | ---: | ---: |
|  | $\mathbf{\$}$ | $\mathbf{\$}$ |
| Under 35 | 11,912 | 12,651 |
| 35 to 49 | 33,087 | 35,138 |
| 50 \& over | $\mathbf{8 2 , 0 5 4}$ | $\mathbf{8 7 , 1 4 1}$ |

- In 2002-03 an employer's superannuation guarantee charge was increased to $9 \%$ of each employee's earnings from $8 \%$ in 2001-02. The maximum contribution base for each quarterly contribution period increased from \$27,510 in 2001-02 to \$29,220 in 2002-03.
- From 1 July 2002, regulated superannuation funds may accept superannuation contributions of up to \$3,000 per three-year period made on behalf of a child under 18 (not being employer contributions).
- Regulated superannuation funds may accept personal contributions from working people over 70 but less than 75 years of age.
- The rules on preservation and payment of benefits in the Superannuation Industry (Supervision) Regulations 1994 have been prescribed as standards. Any payments from a fund in breach of these standards are not ETPs and will be taxed at marginal rates.
- Various tax consequences arise when superannuation interest is split between spouses on a marriage breakdown pursuant to the Family Law Act 1975. These new rules are effective from 28 December 2002.
- Scheduled international social security agreements which prevent double superannuation coverage for Australian employees working in foreign countries commenced from 1 October 2002.
- Employers are entitled to an Income Tax Assessment Act 1936 (ITAA 1936) section 82AAC deduction for superannuation contributions for employees aged 70 years or more, but only where the contributions are made within 28 days of the end of the month in which the employee turned 70.
- Self-employed persons who are 70 years or more are not entitled to an ITAA 1936 section 82AAT deduction, except where the contributions are made within 28 days of the end of the month in which the person turned 70.

From 1 July 2002, the deductible limit for personal superannuation contributions made by eligible persons (mainly self-employed persons) has been increased to $\$ 5,000$, plus $75 \%$ of the amount over $\$ 5,000$ of the contributions made, subject to the contributor's age-based deduction limit.

## WHAT IS THE SUPERANNUATION GUARANTEE SCHEME?

The superannuation guarantee scheme was introduced on 1 July 1992 and is administered by the Tax Office. The scheme requires employers to provide a prescribed minimum level of superannuation support for each employee in each financial year to a complying superannuation fund or retirement savings account. Exemption from superannuation contributions applies only where an employee:

- earns less than \$450 a month
- is under 18 years and works less than 30 hours a week
- is aged between 65 and 70 and works less than 10 hours a week
- is aged 70 or older
- elects not to receive the superannuation guarantee support because their accumulated superannuation benefits exceed the pension reasonable benefit limit
■ is a non-resident employee paid for work done outside Australia
- is a resident employee employed by non-resident employers for work done outside Australia
- is a non-resident employee and received salary or wages in connection with services related to the Olympics or Goodwill Games
- is working temporarily in Australia and paid salary or wages where a scheduled international social security agreement provides that the employer is not subject to the superannuation guarantee scheme in respect of the work for which the payment was made
- is a foreign executive who holds certain visas or entry permits, or
- receives salary or wages under the Commonwealth Government Community Development Employment Program.

In 2002-03 the minimum level of superannuation support was increased to 9\% of each employee's earnings from 8\% in 2001-02.

The guarantee was introduced because voluntary superannuation provisions supported by tax incentives were not increasing the coverage, value or growth rate of superannuation savings. The guarantee reflects the government's retirement income policy objective by providing greater coverage to employees. It is an efficient means of encouraging employers to comply and an orderly mechanism by which the level of support can increase over time.

In 1988, 41\% of employees had superannuation. After the introduction of compulsory award-based superannuation in 1991, 79\% of employees had superannuation. In August 2003, $90 \%$ of employees had some form of superannuation coverage (figure 8.1).

FIGURE 8.1: Employee superannuation coverage, 1990 to 2003
$\qquad$

For the 2002-03 year, the Australian Prudential Regulation Authority reported that superannuation contributions up until the end of June 2003 were $\$ 54.2$ billion. Total superannuation assets were $\$ 531.4$ billion. This represents a decline of $4 \%$ for 2002-03 and overall growth of 245\% since the introduction of the superannuation guarantee scheme in July 1992.

## SUPERANNUATION GUARANTEE CHARGE

Employers who fail to provide a minimum level of superannuation support are liable to pay the superannuation guarantee charge. This charge is equal to:

- the employer's total superannuation guarantee shortfalls
- an interest component of 10\% per annum calculated from the beginning of the previous financial year (1 July) to 14 August or the date the superannuation guarantee statement is lodged (whichever is later), and
- an administrative fee of \$50, plus \$30 for each employee not fully covered.

Superannuation guarantee revenue totalled $\$ 163.6$ million in 2002-03, an increase of $62.5 \%$ from the previous financial year (figure 8.2). This substantial increase in revenue collections was attributed to the increase in the superannuation guarantee rate from $8 \%$ to $9 \%$ in 2002-03.

FIGURE 8.2: Superannuation guarantee revenue received, 1993-94 to 2002-03 financial years


## SUPERANNUATION GUARANTEE VOUCHERS

The Tax Office collects the superannuation guarantee charge from employers and issues relevant employees with vouchers equal to the value of the shortfall component and interest penalty. Individuals can present vouchers to any complying superannuation fund or retirement savings account to credit their account.

At 2 July 2003 a total of 1,230,184 vouchers had been issued and were valued at $\$ 503$ million (this includes vouchers worth $\$ 140$ million issued during the 2002-03 financial year). Table 8.3 shows that $58 \%$, valued at $\$ 335$ million, had been redeemed. In 2002-03 a total of \$99 million worth of vouchers were redeemed, compared to $\$ 55$ million in 2001-02.

TABLE 8.3: Total superannuation guarantee vouchers issued 2003 ${ }^{1}$

|  | Vouchers <br> No. | Value <br> \$m |
| :--- | ---: | ---: |
| Vouchers issued \& claimed | 710,286 | 335 |
|  <br> unclaimed | 519,898 | 168 |
| Total | $\mathbf{1 , 2 3 0 , 1 8 4}$ | 503 |

1. As at 2 July 2003.

At 2 July 2003 there were 519,898 unclaimed superannuation vouchers. Almost half of these (45\%) were valued between $\$ 21$ and $\$ 100$. Seven per cent of vouchers had a value of more than $\$ 1,000$, which represented $49 \%$ of the total value of unclaimed vouchers (table 8.4).

TABLE 8.4: Individual value of unclaimed superannuation guarantee vouchers, $2003{ }^{1}$

| Value of <br> voucher | Vouchers |  | Value |  |
| :--- | ---: | ---: | ---: | ---: |
|  | No. | $\%$ | $\mathbf{~ \$ m ~}^{2}$ | $\%^{3}$ |
| $\$ 0-\$ 20$ | 22,033 | 4.2 | 0 | 0.0 |
| $\$ 21-\$ 100$ | 232,640 | 44.7 | 12 | 6.8 |
| $\$ 101-\$ 500$ | 183,045 | 35.2 | 42 | 25.2 |
| $\$ 501-\$ 1,000$ | 44,477 | 8.6 | 31 | 18.6 |
| $\$ 1,001$ or more | 37,703 | 7.3 | 83 | 49.4 |
| Total | 519,898 | $\mathbf{1 0 0 . 0}$ | $\mathbf{1 6 8}$ | $\mathbf{1 0 0 . 0}$ |

1. As at 2 July 2003.
2. A value of $\$ 0$ million indicates an amount less than $\$ 500,000$.
3. A share of $0.0 \%$ indicates a share less than $0.05 \%$. Proportions are calculated from actual (not rounded) amounts.

## SUPERANNUATION HOLDING ACCOUNTS RESERVE

The Superannuation Holding Accounts Reserve was established in 1995 to collect the small superannuation contributions from employers (on behalf of employees) that superannuation funds were rejecting. The Superannuation Holding Accounts Reserve can also accept vouchers from the superannuation guarantee system.
The Superannuation Holding Accounts Reserve is not a superannuation fund but a holding mechanism that allows individuals to consolidate small superannuation contributions from employers. Individuals can transfer the account balance to a superannuation fund or retirement savings account once it is large enough to avoid being eroded by administration costs. Withdrawals can be made by the individual or their legal representative in cases of disability, death or non-residency, or the account balance can be claimed on turning age 65. Account balances of less than $\$ 200$ can be withdrawn on request when ceasing employment.

At 2 July 2003 the balance of the Superannuation Holding Accounts Reserve was $\$ 52$ million. Fifty-four per cent $(183,806)$ of individual accounts had balances greater than \$0 with an average value of $\$ 285$ per account. There were also 155,173 accounts with a $\$ 0$ balance, representing account balances transferred to a superannuation fund or paid to an individual (table 8.5).
Withdrawals from the Superannuation Holding Accounts Reserve in 2002-03 totalled $\$ 21.4$ million, consisting of account balances with a value of $\$ 2.1$ million paid to individuals, and account balances with a value of $\$ 19.3$ million paid to superannuation funds.

TABLE 8.5: Individual account balances held in Superannuation Holding Accounts Reserve, $2003{ }^{1}$

| Value of individual <br> account balance | Number | Value | Average <br> value $^{2}$ |
| :--- | ---: | ---: | ---: |
| $\$ 0$ | 155,173 | $\$ \mathbf{m}$ | $\mathbf{\$}$ |
| $\$ 1-\$ 100$ | 78,948 | 4 | 50 |
| $\$ 101-\$ 500$ | 77,867 | 18 | 231 |
| $\$ 501-\$ 1,000$ | 17,216 | 12 | 694 |
| $\$ 1,001$ or more | 9,775 | 18 | 1,864 |
| Total of account <br> balances greater <br> than $\$ 0$ | 183,806 | 52 | 285 |
| Total | $\mathbf{3 3 8 , 9 7 9}$ | 52 | $\mathbf{1 5 5}$ |
| 1. As at 2 July 2003. <br> 2. Average values calculated from actual (not rounded) amounts. |  |  |  |

## LOST MEMBERS REGISTER

The Lost Members Register is a central register of lost superannuation fund members and retirement savings account holders. When a member of a regulated superannuation fund (other than a self-managed superannuation fund), retirement savings account, approved deposit fund or other eligible rollover fund becomes 'lost', the fund must provide the details to the Tax Office. (Generally, a member is 'lost' when they cannot be contacted.) Superannuation funds report their lost members to the Tax Office every six months.

The register is a database with search facilities. We take enquiries from clients who think they may have a superannuation benefit, and search the database on the client's behalf. If we find a possible match, we provide the client with the account details and encourage them to contact the fund or retirement savings account provider directly.
During 2002-03 we answered 203,967 enquiries from individuals, with approximately $17 \%$ of these enquiries resulting in a possible match.

In addition, 4,075,211 record searches were undertaken using our SuperMatch database. SuperMatch is an electronic commerce interface designed to provide organisations with information from the Lost Members Register, unredeemed superannuation guarantee voucher data and the Superannuation Holding Accounts Reserve. Superannuation funds can search the database to determine whether individuals are lost members and to reunite them with any previous superannuation entitlements made on their behalf. As we do not conduct these searches, there is no reliable data on the number of possible matches returned.

## REASONABLE BENEFIT LIMITS

Reasonable benefit limits are the maximum amount of superannuation and similar benefits that a person can receive at concessional rates of tax. Benefits taken in excess of a person's reasonable benefit limit do not receive tax concessions.

There are two types of reasonable benefit limits - a lump sum limit and a pension limit. The limits are indexed annually according to movement in the average weekly ordinary time earnings published by the Australian Bureau of Statistics. For 2002-03, the lump sum limit was $\$ 562,195$ and the pension limit was $\$ 1,124,384$. Higher (transitional) limits may apply in some circumstances.

The reasonable benefit limits do not restrict the overall amount of benefits a taxpayer can receive. They ensure that superannuation pensions, annuities and eligible termination payments (ETPs) are taxed appropriately. If a lump sum benefit exceeds a person's limit, tax is payable on the amount of excess at the highest personal income tax rate ( $47 \%$ plus Medicare levy). If all or part of a superannuation pension or annuity exceeds the person's reasonable benefit limit, it is subject to a reduced pension rebate. Funds advise the Tax Office when members qualify for a reasonable benefit limits assessment. Funds report to the Tax Office only when benefits are paid out or, in the case of pensions or annuities, when payments start. Where necessary, we send a reasonable benefit limits assessment to the fund member to inform them that their superannuation entitlements have exceeded the limit and that the excess benefits will be taxed at the higher rates.
In 2002-03, 463,098 people received ETPs. These payments were worth $\$ 13.3$ billion - an average of $\$ 28,708$ per person. A further 72,997 people received benefits in the form of pensions or annuities (table 8.6).

The value of the excessive components of ETPs in 2002-03 was $\$ 140.1$ million (down from $\$ 144.5$ million in 2001-02).

The tax-free amount of a bona fide redundancy payment or an approved early retirement scheme payment for 2002-03 was $\$ 5,623$, plus $\$ 2,812$ for each year of service with the employer.

TABLE 8.6: Eligible termination payments received ${ }^{1}$, 1996-97 to 2002-03 financial years

| Aspect |  | 1996-97 | 1997-98 ${ }^{2}$ | 1998-99 ${ }^{2}$ | 1999-2000 ${ }^{2}$ | 2000-01 ${ }^{2}$ | 2001-02 ${ }^{2}$ | 2002-03 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Individuals receiving eligible termination payments | No. | 687,663 | 521,632 | 511,878 | 478,132 | 459,916 | 451,597 | 463,098 |
| Payments paid | No. | 920,046 | 735,838 | 711,356 | 685,686 | 640,647 | 624,629 | 637,668 |
| Total value of payments ${ }^{3}$ | \$m | 9,798 | 10,728 | 11,328 | 12,083 | 11,965 | 12,794 | 13,294 |
| Value per person ${ }^{4}$ | \$ | 14,249 | 20,566 | 22,130 | 25,272 | 26,016 | 28,331 | 28,708 |
| Clients receiving benefits in the form of pensions \& annuities ${ }^{5}$ | No. | 42,181 | 64,067 | 63,877 | 69,580 | 81,432 | 89,468 | 72,997 |

1. Based on superannuation fund pension payments reported.
2. Previous years' figures were recalculated in April 2004 to include late benefits reported. For this reason, the figures vary from figures for the same years in previous editions.
3. Excludes ETPs of less than $\$ 5,000$.
4. Average values calculated from actual (not rounded) figures.
5. Includes purchased pensions and purchased annuities as well as superannuation pensions

## SUPERANNUATION CONTRIBUTIONS SURCHARGE

A superannuation contributions surcharge of up to $15 \%$ is levied on the contributions of members whose adjustable taxable income exceeds the surcharge threshold for the income year. For most individuals, the adjustable taxable income is generally their taxable income plus their total surchargeable contributions and reportable fringe benefits total. It may also include part or all of an eligible termination payment (ETP) received from the individual's employer (see box 8.2). However, it excludes lump sum payments for unused long service leave (relating to post-15 August 1978 service) and unused annual leave due to a bona fide redundancy, invalidity or approved early retirement scheme. We obtain an individual's taxable income and reportable fringe benefits from their income tax return, while the individual's superannuation provider reports their surchargeable contributions to us each year.

## BOX 8.2: Employer ETPs used to calculate adjustable taxable income

If an individual receives one or more employer eligible termination payments (ETPs) in a financial year and the total of these (in gross) was less than the maximum surcharge threshold for that year, only a portion, rather than the total, of all the ETPs will be used to calculate the individual's adjustable taxable income for superannuation contribution surcharge purposes.
To do this, we use only the ETP amounts the individual received for days of employment service after 20 August 1996 (the date superannuation surcharging commenced). We will:

- deduct the taxable portion of all cash ETP amounts the individual received (including any non-employer ETPs received)
- deduct the taxable portion of all post-20 August 1996 employer ETP amounts the individual rolled over to one or more superannuation providers, and
- apply the following formula to the total of each ETP:

Days of service post-20 August 1996 (or 365 days, whichever is less)

X Relevant employer Total service days with employer
If the individual received one or more employer ETPs in a financial year and the total of these (in gross) was at or above the maximum surcharge threshold for that year, all cash and post-20 August 1996 rolled over ETP amounts will be used to calculate the individual's adjustable taxable income.
The ETP low rate threshold was \$112,405 in 2002-03 (see table 8.6 for ETP statistics).

The surcharge is added to the existing 15\% tax on superannuation contributions and is intended to limit the concessional treatment of employer and deductible personal superannuation contributions for high income earners.
The threshold for 2002-03 was \$90,527 and is indexed each year. The surcharge liability is assessed to the holder of the surchargeable contributions. The holder may be a superannuation provider, an individual or the trustee/ beneficiary of a deceased estate.

The surcharge amount is determined by multiplying the applicable surcharge rate by the person's surchargeable contributions. The surcharge rate for 2002-03 increased by $1 \%$ on contributions for every $\$ 1,295$ of income greater than $\$ 90,527$, up to a maximum of $15 \%$ on contributions for incomes of \$109,924 or more. Hence, we calculate the percentage surcharge rate by using the formula:
adjustable taxable income - minimum surcharge threshold denominator
In 2002-03 the minimum surcharge threshold was \$90,527 and the denominator was $\$ 1,295$.

If the individual's adjustable taxable income is at or below the minimum threshold, the individual does not need to pay the surcharge for the year as the calculated percentage surcharge rate will be $0 \%$. If the individual's adjustable taxable income is at or above the maximum threshold, the maximum surcharge rate of $15 \%$ will apply. (For 2002-03, the maximum surcharge threshold was $\$ 109,924$.) If the individual's adjustable taxable income is between the minimum and maximum thresholds, a surcharge rate between $0 \%$ and $15 \%$ will apply.
A person's tax file number is used to link surchargeable contributions with their taxable income on their tax return. If a person's tax file number is unknown, the surcharge rate applied is $15 \%$. However, a surcharge assessment can be amended if the tax file number is later provided.

In 2002-03, \$975 million was collected in superannuation contributions surcharge revenue.

## (1) HGHLIGHTS

- In 2001-02 there were 879,518 taxable individuals, 14,025 taxable companies and 67,058 taxable funds with net capital gains totalling $\$ 12.3$ billion.
- Capital gains tax payable on the net capital gains of taxable individuals, companies and funds was estimated to be $\$ 3.9$ billion.
- In 2001-02, 267,495 taxable individuals, companies and funds declared $\$ 32.9$ billion in total current year capital gains on their capital gains tax schedules. Sixtytwo per cent ( $\$ 20.5$ billion) of these total capital gains were sourced from shares.

Capital gains tax (CGT) is the tax payable on any 'net capital gain' included with other assessable income on an entity's (individual, company, trust or fund) tax return. Normal rates of tax apply to a net capital gain.

A net capital gain is the total capital gains made by a taxpayer for an income year reduced by:

- the taxpayer's total capital losses for the income year and any net capital losses from previous years, and
- any CGT discount or small business CGT concessions to which the taxpayer is entitled.

If total capital gains are less than total capital losses for an income year, the taxpayer has a net capital loss for that income year. This loss cannot be deducted from assessable income; it can be applied only to reduce capital gains in subsequent income years.
A capital gain or capital loss may arise if a CGT event happens, with the most common CGT event being the sale of an asset. Some typical assets are:

- land and buildings, for example a holiday home
- shares
- units in a unit trust or managed investment fund
- collectables, for example jewellery, and
- personal use assets.

Examples of other CGT events include when:

- a CGT asset is lost or destroyed
- shares are cancelled, surrendered or redeemed
- an agreement not to work in a particular industry for a set period of time is entered into
- a trust is created over a CGT asset
- a trustee of a unit trust makes a non-assessable distribution to a unit holder
- a company makes a payment (not a dividend) to a shareholder
- a lease is granted, renewed or extended
- a deposit is forfeited because a sale or other transaction does not proceed, or
- a taxpayer stops being an Australian resident.

A unit holder or beneficiary can also receive a capital gain in a distribution from a managed fund or other trust.

## SOURCE OF CGT STATISTICS

The data for Taxation Statistics was compiled before all processing for the 2001-02 income year was completed. Statistics in this chapter are sourced from the 2002 individual, company and fund income tax returns processed by 31 October 2003. The statistics are not necessarily complete and will continue to change as data from 2002 tax returns processed after 31 October 2003 is included. The usual practice each year is to update the statistics for the two years before the current year in the CGT time series table (chapter table 9.12 and CGT detailed table 1) included at the end of the chapter. The proportion of tax returns processed by 31 October each year can vary. Caution should be exercised in comparing the statistics for the current year and previous years. Better comparisons between the 2001-02 income year statistics and the statistics from previous years will be possible when Taxation statistics 2002-03 is published. In that edition, the 2001-02 income year statistics will include data from returns and amendments processed up to 31 October 2004.

Statistics reported in the 'Total capital gains, by source and entity' section of this chapter were sourced from 2002 CGT schedules (completed by individual, company and fund taxpayers) processed by 31 October 2003. The statistics are not necessarily complete and will continue to change as data from 2001 schedules processed after 31 October 2003 is included. In addition, not all personal, company and fund taxpayers have to complete these schedules. The statistics sourced from these schedules therefore do not represent or refer to all personal, company and fund taxpayers.
Individual, company and fund income tax returns and CGT schedules were lodged either electronically or in paper form. Copies of the return forms and the schedule are in the appendix. They may be viewed or downloaded in PDF file format from the attached CD-ROM or from the online version of this publication on our website at www.ato.gov.au

## NEW FEATURES AND INFORMATION

Several tax reforms and laws implemented during the 2001-02 income year affected certain CGT statistics reported in this chapter and in the detailed tables. Some of these reforms and laws are listed below.

■ Changes to the treatment of depreciating assets (that is, the new uniform capital allowance system) will now result in a capital gain or capital loss arising to the extent that a depreciating asset has been used for a non-taxable purpose (for example, used privately) from 1 July 2001.

- New CGT event rules apply when a trustee makes a nonassessable payment to a beneficiary of the trust from 1 July 2001.
- A new concession for shareholders in listed investment companies has been introduced to ensure that investors in such companies are placed in a similar tax position to investors in managed funds from 1 July 2001.

■ New CGT rules provide concessional treatment to land owners who enter into conservation covenants, effective from 15 June 2000.

- A new CGT rollover was introduced for fixed trusts that transfer their assets to a company, effective from 11 November 1999.
- From 1 July 2001, where beneficiaries have fixed interests in a trust, cost base adjustments are not required for distributions from the CGT discount.

Changes that operate from 15 May 2001 ensure that there are no adverse tax consequences from the Australian Government HIH rescue package.

## TAXPAYERS WITH NET CAPITAL GAINS

In 2001-02 there were 1.1 million individual taxpayers, 21,579 companies and 75,628 funds with net capital gains (table 9.1, table 9.2 and table 9.3). Eighty-two per cent $(879,518)$ of individuals with net capital gains were classified as being taxable (that is, have net tax payable greater than $\$ 0)$. For companies with net capital gains, $65 \%(14,025)$ were classified as being taxable, while nearly $90 \%(67,058)$ of funds with net capital gains were classified as being taxable.

Overall, taxable individuals with net capital gains accounted for only a small proportion (10\%) of the total population of taxable individuals ( 8.4 million) (table 9.1). Similarly, taxable companies with net capital gains accounted for only a small proportion (5\%) of total taxable companies $(260,903)$ (table 9.2). Taxable funds with net capital gains, however, accounted for $37 \%$ of total taxable funds $(180,886)$ (table 9.3).

For both taxable individuals and taxable companies, the proportion of taxable taxpayers with net capital gains to the number of taxable taxpayers increases as taxable incomes increase. Table 9.1 shows that only 7\% of taxable individuals with taxable income less than or equal to \$20,000 had net capital gains. Among taxable individuals with taxable income between \$100,001 and \$500,000, 24\% had net capital gains, while among taxable individuals with taxable income greater than $\$ 5$ million, $64 \%$ had net capital gains.

Among taxable companies with taxable income equal to or less than \$20,000, only 3\% had net capital gains (table 9.2). Among taxable companies with taxable income between $\$ 100,001$ and $\$ 500,000,9 \%$ had net capital gains, while among taxable companies with taxable income greater than \$5 million, 14\% had net capital gains.

TABLE 9.1: Number of individual taxpayers with net capital gains, by taxable income, 2001-02 income year

| Taxable income | Individuals |  |  |
| :---: | :---: | :---: | :---: |
|  | With net capital gains | All taxpayers | Proportion of individuals with net capital gains to individual taxpayers |
|  | No. | No. | \% |
| Taxables ${ }^{1}$ |  |  |  |
| Less than or equal to \$20,000 ${ }^{2}$ | 142,048 | 1,945,959 | 7.3 |
| \$20,001-\$50,000 | 441,723 | 4,654,217 | 9.5 |
| \$50,001-\$60,000 | 96,798 | 731,493 | 13.2 |
| \$60,001-\$100,000 | 133,216 | 798,168 | 16.7 |
| \$100,001-\$500,000 | 62,545 | 257,719 | 24.3 |
| \$500,001-\$1,000,000 | 2,268 | 6,187 | 36.7 |
| \$1,000,001-\$5,000,000 | 860 | 1,754 | 49.0 |
| \$5,000,001 or more | 60 | 94 | 63.8 |
| Total | 879,518 | 8,395,591 | 10.5 |
| Non-taxables ${ }^{3}$ | 199,299 | 1,948,086 | 10.2 |
| Total taxpayers | 1,078,817 | 10,343,677 | 10.4 |
| 1. Refers to individual (or personal) taxpayers with net tax payable greater than $\$ 0$. <br> 2. Includes taxpayers with taxable income equal to or less than $\$ 0$. <br> 3. Refers to individual taxpayers with net tax payable equal to $\$ 0$. |  |  |  |

TABLE 9.2: Number of company taxpayers with net capital gains, by taxable income, 2001-02 income year

| Taxable income $^{1}$ | Companies |  |  |
| :--- | ---: | ---: | ---: |
|  | With net capital gains | All taxpayers | Proportion of companies with net <br> capital gains to company taxpayers |
| Taxables $^{2}$ | No. | No. | $\%$ |
| $\$ 1-\$ 20,000$ |  |  |  |
| $\$ 20,001-\$ 50,000$ | 3,629 | 120,138 | 3.0 |
| $\$ 50,001-\$ 60,000$ | 2,582 | 47,126 | 5.5 |
| $\$ 60,001-\$ 100,000$ | 602 | 9,127 | 6.6 |
| $\$ 100,001-\$ 500,000$ | 1,653 | 23,330 | 7.1 |
| $\$ 500,001-\$ 1,000,000$ | 3,824 | 45,249 | 8.5 |
| $\$ 1,000,001-\$ 5,000,000$ | 789 | 7,738 | 10.2 |
| $\$ 5,000,001$ or more | 678 | 6,296 | 10.8 |
| Total | 268 | 1,899 | 14.1 |
| Non-taxables ${ }^{3}$ | 14,025 | 260,903 | 5.4 |
| Total taxpayers | $\mathbf{7 , 5 5 4}$ | $\mathbf{3 8 7 , 6 0 1}$ | $\mathbf{1 . 9}$ |

1. Refers to the 'Taxable or net income' item (label A) in the 'Calculation statement' section of the 2002 annual company income tax return, page 4.
2. Refers to company taxpayers with tax payable (or net tax) greater than $\$ 0$.
3. Refers to company taxpayers with tax payable (or net tax) equal to $\$ 0$.

The proportion of taxable funds with net capital gains to the number of taxable funds showed a similar increasing trend (table 9.3). Among taxable funds with taxable income equal to or less than \$20,000, only 33\% had net capital gains. Among taxable funds with taxable income between $\$ 100,001$ and $\$ 1,000,000,45 \%$ had net capital gains. However, the proportion of taxable funds with net capital gains decreases to $33 \%$ in the taxable income ranges between $\$ 1,000,001$ and $\$ 5$ million before increasing again to $54 \%$ for taxable funds with taxable income greater than $\$ 5$ million.

TABLE 9.3: Number of fund taxpayers with net capital gains, by taxable income, 2001-02 income year
Taxable income ${ }^{1}$

|  | With net capital gains | All taxpayers | Proportion of funds with net capital <br> gains to fund taxpayers |
| :--- | ---: | ---: | ---: |
| Taxables $^{2}$ | No. | No. | \% |

[^8]
## TAX PAYABLE ON NET CAPITAL GAINS

In 2001-02 an estimated $\$ 3.9$ billion in capital gains tax was payable by taxable individuals, companies and funds, on net capital gains totalling $\$ 12.3$ billion (table 9.4). Taxable individuals accounted for 62\% (\$2.4 billion) of tax on net capital gains, followed by taxable companies, which accounted for 27\% (\$1 billion).

Disposal or sale of an asset is still the most common CGT event. Asset disposal may be related to a range of economic and social factors as well as to specific events. The pool of taxpayers who disposed of an asset in 2001-02 is not necessarily the same pool of taxpayers who disposed of assets in previous years. These economic, social and behavioural factors make it difficult to forecast tax payable on capital gains.

Among taxable individuals with net capital gains, the majority (50\%) had a taxable income between \$20,001 and \$50,000 (inclusive) (table 9.5). These individuals accounted for $22 \%$ ( $\$ 1.3$ billion) of the total net capital gains of taxable individuals and were liable for 17\% (\$407 million) of the total tax payable on net capital gains of taxable individuals. Taxable individuals with taxable income of $\$ 60,001$ or more accounted for $23 \%$ of the total number of taxable individuals with net capital gains. These individuals accounted for 66\% (\$3.8 billion) of the total net capital gains of taxable individuals and $74 \%$ ( $\$ 1.8$ billion) of the total tax payable on net capital gains.
The majority (52\%) of taxable individuals with net capital gains were male. They accounted for 60\% (\$3.5 billion) of the total net capital gains of taxable individuals and were liable for $62 \%$ ( $\$ 1.5$ billion) of the total tax payable on net capital gains (table 9.5).

Overall, male taxable taxpayers had higher average net capital gains $(\$ 7,641)$ than female taxable taxpayers $(\$ 5,452)$ However, female taxable taxpayers with taxable income of \$60,001 or more had higher average net capital gains $(\$ 21,132)$ than male taxable taxpayers with the same taxable income range $(\$ 18,185)$ (table 9.5).
Male taxable taxpayers also had a higher average tax payable on net capital gains $(\$ 3,251)$ than female taxable taxpayers $(\$ 2,150)$.

TABLE 9.4: Tax payable on capital gains, by taxable entity, 2001-02 income year

| Entity | Taxable taxpayers ${ }^{1}$ | Net capital gains | Tax on net capital gains (CGT) ${ }^{2}$ | Average tax on net capital gains (Average CGT) ${ }^{3}$ |
| :---: | :---: | :---: | :---: | :---: |
|  | No. | \$m | \$m | \$ |
| Individual | 879,518 | 5,789 | 2,391 | 2,718 |
| Company | 14,025 | 3,713 | 1,042 | 74,278 |
| Fund | 67,058 | 2,775 | 418 | 6,240 |
| Total ${ }^{4}$ | 960,601 | 12,276 | 3,851 | 4,009 |
| 1. Taxable taxpayers are taxpayers with net tax payable greater than $\$ 0$. <br> 2. Tax payable on net capital gains is estimated (based on entity type and tax rates). <br> 3. Average tax on net capital gains is calculated on actual (not rounded) figures. <br> 4. Total amounts may differ slightly from the sum of components due to rounding. |  |  |  |  |

TABLE 9.5: Net capital gains and CGT of taxable individuals, by taxable income and sex, 2001-02 income year

| Taxable income | Taxable individuals ${ }^{1}$ with net capital gains | Net capital gains ${ }^{2}$ | Average net capital gains ${ }^{3}$ | Tax on net capital gains (CGT) ${ }^{4}$ | Average CGT ${ }^{3}$ |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  | No. | \$m | \$ | \$m | \$ |
| Male |  |  |  |  |  |
| Loss/Nil | 70 | 1 | 13,923 | 0 | 0 |
| \$1-\$6,000 | 1,646 | 3 | 1,541 | 0 | 8 |
| \$6,001-\$20,000 | 52,188 | 132 | 2,522 | 20 | 381 |
| \$20,001-\$50,000 | 205,523 | 600 | 2,921 | 193 | 938 |
| \$50,001-\$60,000 | 56,090 | 218 | 3,886 | 90 | 1,605 |
| \$60,001 or more | 138,228 | 2,514 | 18,185 | 1,173 | 8,483 |
| Total | 453,745 | 3,467 | 7,641 | 1,475 | 3,251 |
| Female |  |  |  |  |  |
| Loss/Nil | 35 | 0 | 5,380 | 0 | 62 |
| \$1-\$6,000 | 1,422 | 2 | 1,519 | 0 | 5 |
| \$6,001-\$20,000 | 86,687 | 172 | 1,988 | 28 | 325 |
| \$20,001-\$50,000 | 236,200 | 667 | 2,825 | 214 | 906 |
| \$50,001-\$60,000 | 40,708 | 196 | 4,821 | 81 | 1,979 |
| \$60,001 or more | 60,721 | 1,283 | 21,132 | 593 | 9,760 |
| Total | 425,773 | 2,321 | 5,452 | 916 | 2,150 |
| Total |  |  |  |  |  |
| Loss/Nil | 105 | 1 | 11,075 | 0 | 21 |
| \$1-\$6,000 | 3,068 | 5 | 1,531 | 0 | 7 |
| \$6,001-\$20,000 | 138,875 | 304 | 2,189 | 48 | 346 |
| \$20,001-\$50,000 | 441,723 | 1,268 | 2,870 | 407 | 921 |
| \$50,001-\$60,000 | 96,798 | 414 | 4,279 | 171 | 1,762 |
| \$60,001 or more | 198,949 | 3,797 | 19,085 | 1,765 | 8,873 |
| Total | 879,518 | 5,789 | 6,581 | 2,391 | 2,718 |

1. Refers to individual taxpayers with net tax payable greater than $\$ 0$.
2. An amount of $\$ 0$ indicates an amount less than $\$ 500,000$.
3. Average amounts are calculated from actual (not rounded) figures.
4. Tax payable on net capital gains is estimated (based on entity type and tax rates).

Among taxable companies with net capital gains, $27 \%$ had a taxable income between \$100,001 and \$500,000 (inclusive) (table 9.6). However, these companies accounted for only 9\% (\$330 million) of the total net capital gains of taxable companies and were liable for $9 \%$ ( $\$ 99$ million) of the total tax payable on net capital gains by taxable companies. Taxable companies with taxable income of more than $\$ 5$ million accounted for $2 \%$ of the total number of taxable companies with net capital gains, but they accounted for 64\% (\$670 million) of the total tax payable on net capital gains by taxable companies.

TABLE 9.6: Net capital gains and CGT of taxable companies, by taxable income, 2001-02 income year

| Taxable income ${ }^{1}$ | Taxable companies ${ }^{2}$ with net capital gains | Net capital gains | Average net capital gains ${ }^{3}$ | Tax on net capital gains (CGT) ${ }^{4}$ | Average CGT $^{3}$ |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  | No. | \$m | \$ | \$m | \$ |
| \$1-\$20,000 | 3,629 | 69 | 19,032 | 21 | 5,703 |
| \$20,001-\$50,000 | 2,582 | 64 | 24,671 | 19 | 7,411 |
| \$50,001-\$60,000 | 602 | 19 | 31,157 | 6 | 9,354 |
| \$60,001-\$100,000 | 1,653 | 67 | 40,552 | 20 | 12,167 |
| \$100,001-\$500,000 | 3,824 | 330 | 86,197 | 99 | 25,862 |
| \$500,001-\$1,000,000 | 789 | 217 | 274,836 | 65 | 82,323 |
| \$1,000,001-\$5,000,000 | 678 | 478 | 704,359 | 143 | 210,439 |
| \$5,000,001 or more | 268 | 2,470 | 9,217,942 | 670 | 2,498,408 |
| Total | 14,025 | 3,713 | 264,758 | 1,042 | 74,278 |

1. Refers to the 'Taxable or net income' item (label A) in the 'Calculation statement' section of the 2002 annual company income tax return, page 4
2. Refers to companies with net tax payable greater than $\$ 0$.
3. Average amounts are calculated from actual (not rounded) figures.
4. Tax payable on net capital gains is estimated (based on entity type and tax rates).

Among taxable funds with net capital gains, the majority (41\%) had a taxable income between $\$ 1$ and $\$ 20,000$ (inclusive) (table 9.7). However, these funds accounted for only 3\% (\$86 million) of the total net capital gains of taxable funds and were liable for 3\% (\$13 million) of the total tax payable on net capital gains by taxable funds. Taxable funds with taxable income of more than $\$ 5$ million accounted for less than $1 \%$ of the total number of taxable funds with net capital gains, but they accounted for $71 \%$ ( $\$ 298$ million) of the total tax payable on net capital gains by taxable funds

TABLE 9.7: Net capital gains and CGT of taxable funds, by taxable income, 2001-02 income year

| Taxable income ${ }^{1}$ | Taxable funds ${ }^{2}$ with net capital gains | Net capital gains | Average net capital gains ${ }^{3}$ | Tax on net capital gains (CGT) ${ }^{4}$ | Average CGT $^{3}$ |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  | No. | \$m | \$ | \$m | \$ |
| \$1-\$20,000 | 27,550 | 86 | 3,132 | 13 | 476 |
| \$20,001-\$50,000 | 18,063 | 124 | 6,881 | 19 | 1,042 |
| \$50,001-\$60,000 | 3,336 | 35 | 10,606 | 5 | 1,602 |
| \$60,001-\$100,000 | 8,993 | 118 | 13,101 | 18 | 1,973 |
| \$100,001-\$500,000 | 8,519 | 305 | 35,825 | 46 | 5,382 |
| \$500,001-\$1,000,000 | 208 | 54 | 260,898 | 8 | 39,939 |
| \$1,000,001-\$5,000,000 | 168 | 77 | 460,652 | 12 | 69,099 |
| \$5,000,001 or more | 221 | 1,974 | 8,933,835 | 298 | 1,346,897 |
| Total | 67,058 | 2,775 | 41,382 | 418 | 6,240 |

[^9]TOTAL CAPITAL GAINS, BY SOURCE AND ENTITY
In 2001-02, 267,495 taxable entities (individuals, companies and funds) declared $\$ 32.9$ billion in total current year capital gains on their CGT schedules (table 9.8).
In the CGT schedule, entities had to report capital gains from the following sources (see the 2002 CGT schedule in the appendix):

- shares and units (in unit trust)
- real estate
- other CGT assets and other CGT events, and
- collectables.

Sixty-two per cent (\$20.5 billion) of the total amount of total current year capital gains were sourced from shares. Real estate accounted for $18 \%$ ( $\$ 5.9$ billion) of total current year capital gains, while other assets (including collectables) accounted for $20 \%$ (\$6.6 billion).

Taxable individuals $(229,565)$ accounted for $86 \%$ of the total number of taxable entities with total capital gains. However, their total capital gains (\$11.6 billion) accounted for only 35\% of the total capital gains declared by taxable entities on their schedules (table 9.9).

Fifty-six per cent of taxable individuals declared a total of $\$ 4.6$ billion in current year capital gains from shares, representing 39\% of their total capital gains (table 9.9). Overall, taxable individuals' total capital gains from shares accounted for $22 \%$ of the total capital gains from shares declared by taxable entities (table 9.8 and table 9.9).

TABLE 9.8: Total current year capital gains, by source, 2001-02 income year

| Source of gains ${ }^{1}$ | Taxable entities ${ }^{2}$ with total <br> current year capital gains <br> No. |  | Total current year capital gains |  |
| :--- | ---: | ---: | ---: | ---: |
|  | 159,008 | $\%$ | $\mathbf{\$ m}$ | $\%$ |
| Shares | 96,977 | 59.4 | 20,454 | 62.2 |
| Real estate | 54,224 | 36.3 | 5,867 | 17.8 |
| Other assets $^{3}$ | $\mathbf{2 6 7 , 4 9 5}$ | 20.3 | 6,566 | 20.0 |
| Total $^{4}$ |  | n.a. ${ }^{\mathbf{5}}$ | $\mathbf{3 2 , 8 8 7}$ | $\mathbf{1 0 0 . 0}$ |

1. Sources include both active and non-active assets.
2. Refers to taxable individuals, companies and funds only.
3. Includes other CGT assets, any other CGT events and non-active asset collectables
4. Components do not add to total number of taxable entities claiming total capital gains as entities may claim total capital gains from more than one source. Total amounts claimed may not equal the sum of the components due to rounding.
5. Percentage components do not add to $100 \%$ as entities may claim total capital gains from more than one source.

TABLE 9.9: Taxable individuals' total current year capital gains, by source, 2001-02 income year

| Source of gains ${ }^{1}$ | Taxable individuals ${ }^{2}$ with total current year capital gains |  | Total current year capital gains |  |
| :---: | :---: | :---: | :---: | :---: |
|  | No. | \% | \$m | \% |
| Shares | 127,766 | 55.7 | 4,553 | 39.4 |
| Real estate | 92,626 | 40.3 | 4,752 | 41.1 |
| Other assets ${ }^{3}$ | 46,245 | 20.1 | 2,254 | 19.5 |
| Total ${ }^{4}$ | 229,565 | n.a. ${ }^{\text {a }}$ | 11,559 | 100.0 |
| 1. Sources include both active and non-active assets. <br> 2. Refers to individual taxpayers with net tax payable greater than $\$ 0$. <br> 3. Includes other CGT assets, any other CGT events and non-active asset collectables. <br> 4. Components do not add to total number of taxable individuals claiming total capital gains as individuals may claim total capital gains from more than one source. Total amounts claimed may not equal the sum of the components due to rounding. <br> 5. Percentage components do not add to $100 \%$ as individuals may claim total capital gains from more than one source. |  |  |  |  |

Taxable companies $(9,592)$ accounted for $4 \%$ of the total number of taxable entities with total capital gains, but their total capital gains ( $\$ 8.1$ billion) accounted for $25 \%$ of the total capital gains declared by taxable entities on their schedules (table 9.10)

Fifty-five per cent $(5,314)$ of these taxable companies declared a total of $\$ 5.4$ billion in current year capital gains from shares, representing 66\% of the total capital gains of taxable companies (table 9.10). Overall, taxable companies' total capital gains from shares accounted for $26 \%$ of the total capital gains from shares declared by taxable entities (table 9.8 and table 9.10).

TABLE 9.10: Taxable companies' total current year capital gains, by source, 2001-02 income year


Taxable funds $(28,338)$ accounted for $11 \%$ of the total number of taxable entities with total capital gains, but their total capital gains ( $\$ 13.2$ billion) accounted for $40 \%$ of the total capital gains declared by taxable entities on their schedules (table 9.11).

The majority (92\%) of these funds declared $\$ 10.5$ billion from shares, representing 80\% of their total capital gains (table 9.11). Taxable funds' total capital gains from shares accounted for $51 \%$ of the total capital gains from shares declared by taxable entities (table 9.8 and 9.11).

TABLE 9.11: Taxable funds' total current year capital gains, by source, 2001-02 income year


## DETAILED TABLES

The following CGT detailed tables are on the attached CDROM and included in the online version of this publication on our website at www.ato.gov.au The tables may be viewed or downloaded in Adobe Acrobat (PDF), Microsoft Excel (XLS) or Comma Separated Values (CSV) file format.

Table 1: Net capital gains subject to tax, 1993-94 to 2001-02 income years
This table shows the number of taxable entities with net capital gains, the amount of their net capital gains and the estimated tax payable on these net capital gains (CGT), for all income years between 1993-94 and 2001-02.

This table is also available at the back of this chapter (see table 9.12).

Table 2: Net capital gains subject to tax, by entity and taxable income, 2001-02 income year
This table shows the number of individual, company and fund taxpayers with capital gains, the total number of individual, company and fund taxpayers (or total number of returns lodged by these entities), the proportion of taxpayers with capital gains to the total number of taxpayers, the net capital gains of these entities and the estimated tax payable (CGT) on these net capital gains. These items are ranged by taxable income.

## TIME SERIES TABLE

Table 9.12 shows net capital gains subject to tax for income years 1993-94 to 2001-02. This table is also available on the attached CD-ROM and in the online version of this publication on our website at www.ato.gov.au as CGT detailed table 1. It may be viewed or downloaded in Adobe Acrobat (PDF), Microsoft Excel (XLS) or Comma Separated Values (CSV) file format.
TABLE 9.12': Net capital gains subject to tax, 1993-94 to 2001-02 income years

|  |  | 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 | 1998-99 | 1999-2000 ${ }^{2}$ | 2000-01 ${ }^{2}$ | 2001-02 ${ }^{3}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Taxable individuals ${ }^{4}$ |  |  |  |  |  |  |  |  |  |  |
| Number with net capital gains | no. | 346,417 | 270,531 | 379,579 | 599,984 | 734,282 | 809,787 | 857,458 | 1,164,085 | 879,518 |
| Net capital gains | \$m | 2,285 | 1,541 | 2,205 | 3,092 | 4,829 | 5,890 | 5,849 | 5,450 | 5,789 |
| Tax payable on gains ${ }^{5}$ | \$m | 711 | 476 | 632 | 881 | 1,387 | 2,063 | 2,332 | 2,269 | 2,391 |
| Taxable companies ${ }^{6}$ |  |  |  |  |  |  |  |  |  |  |
| Number with net capital gains | no. | 7,306 | 6,830 | 8,074 | 10,880 | 12,614 | 14,160 | 15,922 | 14,417 | 14,025 |
| Net capital gains | \$m | 1,970 | 1,544 | 2,095 | 3,222 | 4,129 | 7,068 | 7,569 | 5,304 | 3,713 |
| Tax payable on gains ${ }^{5}$ | \$m | 372 | 402 | 553 | 814 | 1,116 | 2,118 | 2,394 | 1,452 | 1,042 |
| Taxable funds ${ }^{7}$ |  |  |  |  |  |  |  |  |  |  |
| Number with net capital gains | no. | 14,988 | 11,398 | 20,292 | 32,172 | 40,326 | 47,263 | 56,781 | 75,356 | 67,058 |
| Net capital gains | \$m | 3,235 | 780 | 2,208 | 3,930 | 8,504 | 6,931 | 7,650 | 5,512 | 2,775 |
| Tax payable on gains ${ }^{5}$ | \$m | 493 | 117 | 331 | 591 | 1,276 | 1,043 | 1,158 | 833 | 418 |
| Total ${ }^{8}$ |  |  |  |  |  |  |  |  |  |  |
| Number with net capital gains | no. | 368,711 | 288,759 | 407,945 | 643,036 | 787,222 | 871,210 | 930,161 | 1,253,858 | 960,601 |
| Net capital gains | \$m | 7,490 | 3,865 | 6,508 | 10,244 | 17,462 | 19,889 | 21,068 | 16,266 | 12,277 |
| Tax payable on gains ${ }^{5}$ | \$m | 1,576 | 995 | 1,516 | 2,286 | 3,779 | 5,224 | 5,884 | 4,554 | 3,851 |

Notes:

* Please refer to the 'Capital gains tax' chapter and the Taxation statistics 2001-02 glossary for descriptions of the items reported in the table. The glossary is included in the online version of Taxation statistics 2001-02

1. This table is the same as capital gains tax detailed table 1 which can be viewed or downloaded from the CD-ROM or from the online version of this publication on the Tax Office website.
2. The 1999-2000 and 2000-01 income year statistics reported in this table may not match the statistics reported in previous editions of Taxation statistics because the statistics for these income years have been
3. The statistics for the 2001 in this edition.
4. The statistics for the 2001-02 income year were sourced from 2002 individual, company and fund income tax returns processed by 31 October 2003. The statistics are not necessarily complete. Therefore, caution
should be exercised in making comparisons between the statistics for the 2001-02 and prior income years. For further information please refer to the 'Source of CGT statistics' section in the 'Capital gains tax' chapter
of Taxation statistics 2001-02.
5. Refers to individual taxpayers with net tax payable greater than $\$ 0$.
6. Tax payable on net capital gains is estimated (based on entity type and tax rates).
7. Refers to company taxpayers with net tax (or tax payable) greater than $\$ 0$
8. Refers to fund taxpayers with net tax (or tax payable) greater than $\$ 0$
9. Totals may slightly differ from sum of components due to rounding.

## (1) HIGHLIGHTS

- For the 2002-03 FBT year, FBT payable (excluding FBT payable by Australian Government departments) was $\$ 3.1$ billion.
- FBT rebates claimed reached $\$ 79.6$ million.
- Employee contributions (excluding those made by employees of Australian Government departments) for motor vehicle, expense payments, housing, living away from home allowance, airline transport, board, property, car parking and other (residual) benefits reached \$254.2 million for the 2002-03 FBT year.

Fringe benefits $\operatorname{tax}$ (FBT) is the tax paid by employers on non-salary benefits (fringe benefits) provided to employees or associates of employees. The benefit does not have to be provided directly by the employer for FBT to apply. FBT may still apply if the benefit is provided by an associate of the employer or by a third party under an arrangement with the employer.

Employees do not pay income tax on the fringe benefits they receive. FBT is paid by employers, irrespective of whether they are sole traders, partnerships, trusts, corporations, unincorporated associations or government bodies, and irrespective of whether they are liable to pay other taxes such as income tax. Employers, however, can generally claim an income tax deduction for the cost of providing fringe benefits. FBT paid by the employer may also be an allowable income tax deduction.

This chapter reports and discusses FBT statistics for the 2002-03 FBT year (1 April 2002 to 31 March 2003).

## BOX 10.1: Fringe benefits ${ }^{1}$

Fringe benefit: in general, a benefit provided in respect of employment. It includes any right, privilege, service or facility. Fringe benefits are provided to employees (or associates of the employees) in place of or in addition to salary or wages, for example, the use of a car for private purposes.
FBT is payable on the following types of benefits:

- cars (owned or leased by the employer, or otherwise made available to the employer) made available for the private use of an employee
- waiver of a debt owed by an employee
$\square$ loans to an employee at low interest rates or free of interest
- expenses of employees reimbursed or paid by an employer
- residential accommodation provided to an employee
- living away from home allowance
- free or discounted air travel on a stand-by basis provided to employees of airlines or travel agents
- board meals
- meal entertainment
- entertainment provided to an employee of a tax-exempt body, arising from non-deductible entertainment expenditure
- car parking facilities provided by the employer to an employee
- free or discounted property provided to an employee, and
- other residual benefits (benefits not falling under the types mentioned above).

1. This box presents only general descriptions of the above terms. It does not provide the full technical or legal definitions. For more information on the different types of taxable fringe benefits, see the our publication, Fringe benefits tax (FBT) - A guide for employers.

## NEW FEATURES AND INFORMATION

A new time series table (table 10.5) is included at the back of the chapter. This table contains selected FBT statistics from the 1992-93 to 2002-03 FBT years. This time series table is the same as FBT detailed table 5 , which is on the attached CD-ROM and included in the online version of this publication on our website at www.ato.gov.au It can be viewed or downloaded in Adobe Acrobat (PDF), Microsoft Excel (XLS) or Comma Separated Values (CSV) file format.

For this edition, selected FBT statistics for the 1996-97 to 2001-02 FBT years were also updated (see table 10.5, FBT detailed table 5 and figure 10.1). The statistics for these years would therefore not match statistics reported in previous editions of Taxation statistics.

## SOURCE OF FBT STATISTICS

The data for Taxation statistics 2001-02 was compiled before all processing for the 2002-03 FBT year was completed. Statistics in this chapter are sourced from 2003 FBT annual returns processed by 31 October 2003. They are not necessarily complete and will continue to change as data from 2003 FBT returns processed after 31 October 2003 is included. The proportion of tax returns processed each year by 31 October can vary. Caution should be exercised in comparing the statistics for the current year and previous years. Better comparisons between the 2002-03 FBT year and previous years will be possible when Taxation statistics 2002-03 is published. In that edition, the 2002-03 FBT year statistics will include data from FBT returns and amendments processed up to 31 October 2004.

FBT returns were lodged electronically, in paper form, or through a tax agent. Returns lodged through a tax agent may have a different lodgment date. A copy of the 2003 FBT annual return is in the appendix. It may be viewed or downloaded in PDF file format from the attached CD-ROM or from the online version of this publication on our website at www.ato.gov.au

Because of changes to the annual FBT return introduced during the 2000-01 FBT year, some statistics reported in past editions of Taxation statistics are no longer available. Statistics no longer reported in this chapter include:

- statistics on FBT payable, by type of benefit, and
- statistics on the number of employees who received certain types of benefits for some industries.


## REPORTING, CALCULATING AND PAYING FBT

FBT is treated as an annual tax and is collected through a selfassessment system. Employers assess their own FBT liability on an annual basis and must keep records that identify and explain all transactions and acts relevant to establishing this liability. A return covering the FBT year, which begins on 1 April and ends on 31 March of the following year, should be lodged by 21 May each year.
In the annual FBT return, employers declare the total taxable value of relevant fringe benefits provided to their employees and/or their employees' associates, in respect of their employment during each FBT year, and pay tax on that value.
An employer's FBT liability is calculated by applying the FBT rate of tax ( $48.5 \%$ ) to the fringe benefits taxable amount. This is the sum of the taxable value of all fringe benefits provided to employees during an FBT year, increased by the applicable gross-up rate (box 10.2).

As an offset to the gross-up rules, employers are allowed an income tax deduction for FBT tax paid. Some tax-exempt employers who cannot claim an income tax deduction for FBT payments can reduce their FBT liability with a concessional rebate. (Rebates are discussed later in this chapter.)

## BOX 10.2: Gross-up rules

Gross-up rules were introduced in April 1994 to ensure salary or wage income and fringe benefits provided to employees received similar tax treatment. Under the gross-up rules, the employer's fringe benefits amounts (taxable value) for the FBT year were multiplied by 1/(1-FBT rate).

The introduction of the goods and services tax (GST) on 1 July 2000 affected the calculation of an employer's FBT liability. Fringe benefits are now grossed up at one or two different rates, according to the employer's entitlement to input tax credits (or GST credits).

Type 1 benefits are benefits for which the employer is entitled to an input tax credit for GST paid on goods or services acquired to provide fringe benefits. Most registered employers are entitled to input tax credits on their business-related purchases, including benefits purchased for an employee's private use. The type 1 GST-inclusive gross-up rate effectively ensures that the employer's net cost of providing the fringe benefit remains neutral under GST - that is, the higher gross-up rate removes the tax advantage of taking remuneration as benefits instead of salary. For type 1 benefits, the grossup formula is:

$$
\frac{\text { (FBT rate + GST rate) }}{(1-\text { FBT rate }) \times(1+\text { GST rate }) \times \text { FBT rate }}
$$

The FBT and GST rates applicable for the year ending 31 March 2002 (2001-02 FBT year) are 48.5\% and 10\% respectively. This formula results in a current gross-up rate of 2.1292 .

Type 2 benefits are benefits for which the employer is not entitled to input tax credits. Type 2 fringe benefits amounts are all other fringe benefits not included in type 1. For type 2 benefits, the gross-up formula is:

$$
\frac{1}{1-\mathrm{FBT} \text { rate }}
$$

This formula results in a current gross-up rate of 1.9417.
An employer's fringe benefits taxable amount is the sum of type 1 and type 2 fringe benefits amounts, plus any aggregate non-exempt amount. The aggregate non-exempt amount applies only to benefits provided by public benevolent institutions, charities concerned with the prevention or control of human diseases and some hospitals.

## BOX 10.3: Terminology ${ }^{1}$

Aggregate non-exempt amount: the employer's total exempt amount under section 57A of the Fringe Benefits Tax Assessment Act 1986, less \$17,000 for each employee of some hospitals, or less $\$ 30,000$ for each employee of public benevolent institutions and charities concerned with the prevention or control of human diseases.
Input tax credit (or GST credit): an amount a registered entity is entitled to claim to offset the GST paid on inputs an entity acquires to use in its enterprise. (There is further discussion of input tax credits in chapter 12.)

Public benevolent institution: an entity that:

- is established and carried on for the relief of poverty, sickness, suffering, distress, misfortune, destitution or helplessness
- makes its services available without discrimination to every member of the public the organisation aims to benefit
- is administered for the public good without purpose of private gain, and
- provides direct relief for the benefit of a disadvantaged section of the public (for example, the provision of food and/or shelter for homeless people).
Taxable value: generally, the value of the fringe benefit after deducting any employee contributions or other relevant reductions. The Fringe Benefits Tax Assessment Act 1986 contains a number of different valuation rules for calculating the taxable value of different categories of fringe benefit. Information on how to calculate different categories of fringe benefit are in our publication, Fringe benefits tax (FBT) - A guide for employers.

1. This box presents only general descriptions of the above terms. It does not provide the full technical or legal definitions.

If an employer is eligible to use the record keeping exemption arrangements, the amount of FBT payable may be determined using the employer's aggregate fringe benefits amount from an earlier year.

## BOX 10.4: Record keeping exemption arrangements

An employer is required to keep records to identify and explain all transactions and acts relevant to determining their FBT liability. From 1 April 1998, certain employers are exempt from the record keeping requirements and can calculate FBT on the aggregate fringe benefits amount of an earlier year (base year) when such records were kept. The government introduced these arrangements to reduce the compliance costs of record keeping for small business.

An employer can elect to use the arrangements if they are not a government body or an income tax exempt organisation. FBT records must also have been kept in the base year, and the total taxable value of fringe benefits provided in the base year must not exceed the exemption threshold in a full year (table 10.1).

TABLE 10.1: Exemption threshold

| FBT year | $\mathbf{\$}$ |
| :--- | ---: |
| $1996-97$ | 5,000 |
| $1997-98$ | 5,130 |
| $1998-99$ | 5,145 |
| $1999-2000$ | 5,191 |
| $2000-01$ | 5,268 |
| $2001-02$ | 5,505 |
| $2002-03$ | 5,747 |

The arrangements can not be used when the total taxable value of fringe benefits provided in the current year is more than $20 \%$ greater than the most recent base year amount. However, this 20\% rule does not apply when the difference between the current year and most recent base year amount is $\$ 100$ or less.

If an employer's FBT liability for the previous year was less than $\$ 3,000$, they lodge and pay their FBT annually. The annual payment is due by 21 May following the FBT year. If an employer's FBT liability for the previous year was \$3,000 or more, they pay quarterly FBT instalments as notified on their quarterly activity statement. Instalments are payable on 21 July, 21 October, 21 January and 21 April through the activity statement. For deferred payers, the instalments are due on 28 July, 28 October, 28 February and 28 April.
Any balancing payment is made when the annual return is lodged (usually by 21 May). This is the tax on benefits provided during the full year (as disclosed in the return), less the amount of instalments paid. If the tax is less than the amount paid as instalments, and the employer has no other taxes outstanding, the Tax Office refunds the balance.
Apart from lodging and paying FBT, employers are required to keep track of fringe benefits provided to individual employees. If the total taxable value of fringe benefits provided to an employee in an FBT year exceeds $\$ 1,000$, the grossed-up taxable value must be reported on the employee's payment summary. This value is called the reportable fringe benefits
amount. This amount also includes fringe benefits provided to an employee's associates, such as a spouse or child.

The amount reported on payment summaries is not included in employees' assessable (or taxable) income. However, it is used to determine liability for superannuation and Medicare levy surcharges, entitlement to various incometested government benefits and concessions (such as family tax benefit and/or child care benefits) and child support obligations.

Certain benefits are excluded from the reporting requirements, such as leasing entertainment facilities (for example, corporate boxes), meal entertainment, car parking and certain other benefits relating to employees living in remote areas. However, employers are still subject to FBT on these excluded benefits.

## FBT PAYABLE

In 2002-03 there were 56,639 FBT payers. These taxpayers were liable for $\$ 3.1$ billion in FBT (figure 10.1 and table 10.2).

Excluding the 1998-99 FBT year, the number of FBT payers has declined yearly since 1992-93 (see table 10.5). This is partly due to an increased trend for employers to seek employee contributions to reduce their FBT liability to nil so they are not required to lodge FBT returns.

Despite the decreasing trend in the number of FBT payers, FBT payable has increased significantly during the past decade (from $\$ 1.3$ billion in 1992-93 to $\$ 3.1$ billion in 2002-03) mainly due to the introduction of the gross-up rules (figure 10.1).

FIGURE 10.1: FBT payable¹, 1992-93 to 2002-03 FBT years


## FRINGE BENEFITS, BY TYPE AND INDUSTRY

The types of benefits provided vary across industries. In general, some industries are more likely to provide certain types of fringe benefits because businesses traditionally provide benefits related to their area of business. For example, employers in the finance, insurance, property and business services industries are more likely to provide benefits such as low-cost loans, debt waivers, expenses and property to their employees, while employers in the airline industry (classified under the transport and storage industry category) are more likely to provide airline transport as a fringe benefit to their employees. This is because this type of fringe benefit arises only when employees or associates of airlines or travel agents
are provided with free or discounted air travel - subject to the stand-by restrictions that customarily apply to employees in the airline industry.

For the 2002-03 FBT year, the property and business services industry accounted for the largest number of total FBT payers providing property benefits, while the transport and storage industry accounted for the largest number of total FBT payers providing airline transport benefits (see FBT detailed table 3).
In terms of FBT payable, the manufacturing industry (20\%), property and business services industry (15\%), and the wholesale trade industry (13\%) accounted for the largest share of total FBT payable (table 10.2).

TABLE 10.2: FBT payable ${ }^{1}$, by industry, 2002-03 FBT year

| Industry ${ }^{2}$ | FBT payers |  | FBT payable $^{1}$ |  |
| :--- | ---: | ---: | ---: | ---: |
|  | No. | $\%$ | \$m | $\%$ |
| Manufacturing | 8,187 | 14.5 | 607 | 19.8 |
| Property \& business services | 13,436 | 23.7 | 458 | 15.0 |
| Wholesale trade | 7,602 | 13.4 | 387 | 12.6 |
| Finance \& insurance | 3,514 | 6.2 | 369 | 12.0 |
| Retail trade | 4,997 | 8.8 | 183 | 6.0 |
| Government administration \& defence | 1,156 | 2.0 | 170 | 5.6 |
| Transport \& storage | 1,811 | 3.2 | 131 | 4.3 |
| Mining | 719 | 1.3 | 132 | 4.3 |
| Education | 1,608 | 2.8 | 120 | 3.9 |
| Construction | 3,401 | 6.0 | 92 | 3.0 |
| Communication | 343 | 0.6 | 83 | 2.7 |
| Personal \& other services | 1,674 | 3.0 | 73 | 2.6 |
| Health \& community services | 3,282 | 5.8 | 73 | 2.4 |
| Cultural \& recreational services | 1,275 | 2.3 | 69 | 2.3 |
| Accommodation, cafes \& restaurants $^{\text {Electricity, gas \& water supply }} 1,518$ | 2.7 | 41 | 1.3 |  |
| Agriculture, forestry \& fishing | 166 | 0.3 | 33 | 1.1 |
| Other ${ }^{3}$ | 1,333 | 2.4 | 22 | 0.7 |
| Total ${ }^{4}$ | 617 | 1.1 | 22 | 0.7 |

1. Refers to FBT payable calculated before rebates were deducted. Excludes FBT payable by Australian Government departments.
2. The industry groups are classified based on the Australian and New Zealand Standard Industry Classification (ANZSIC) system. There is a complete listing of all fine industries listed under each broad industry group and the corresponding code in the Tax Office publication, Business industry codes 2002.
3. Includes FBT payable by FBT payers who did not state their industry.
4. Total amounts may differ slightly from the sum of components due to rounding

## FBT REBATES

FBT is payable on the grossed-up taxable value of benefits, and an offsetting income tax deduction is allowed for FBT paid. However, certain non-profit employers (such as religious institutions, trade unions, scientific, charitable or public educational institutions) cannot claim the offsetting income tax deductions for FBT. To ensure these employers are not disadvantaged, they are eligible for a FBT rebate of $48 \%$.
The amount of the rebate for the FBT years beginning on or after 1 April 2001 is calculated using the following formula:

$$
\begin{aligned}
& 0.48 \times \text { (gross tax - aggregate } \\
& \text { non-rebatable amount) }
\end{aligned} \times \frac{\text { rebatable days in year }}{\text { total days in year }}
$$

Gross tax refers to the amount of FBT that would be payable if the rebate did not exist. The aggregate non-rebatable
amount is the portion of the taxable value of fringe benefits for which the employer cannot obtain a rebate. Rebatable days refers to the number of whole days in the year on which the employer qualified for the rebate. Total days refers to the number of days in the year of tax, excluding the days on which the employer did not engage in activities as an employer.

For the 2002-03 FBT year, 3,369 entities claimed the rebate (table 10.3). The majority of these entities were in the education services (35\%), personal and other services (24\%), and cultural and recreational services (10\%) industries.

The total value of rebates claimed by eligible organisations in the 2003 FBT year was $\$ 79.6$ million. Rebates reduced the amount of FBT payable from $\$ 3,063$ million to $\$ 2,983.5$ million.

TABLE 10.3: FBT rebates claimed, by industry, 2002-03 FBT year

| Industry ${ }^{1}$ | Claims |  | Amount claimed |  |
| :---: | :---: | :---: | :---: | :---: |
|  | No. | \% | \$'000 | \% |
| Education | 1,181 | 35.1 | 36,605 | 46.0 |
| Personal \& other services | 801 | 23.8 | 16,907 | 21.2 |
| Cultural \& recreational services | 336 | 10.0 | 11,978 | 15.1 |
| Property \& business services | 282 | 8.4 | 4,416 | 5.5 |
| Accommodation, cafés \& restaurants | 282 | 8.4 | 3,871 | 4.9 |
| Health \& community services | 153 | 4.5 | 1,406 | 1.8 |
| Manufacturing | 29 | 0.9 | 1,042 | 1.3 |
| Finance \& insurance | 33 | 1.0 | 666 | 0.8 |
| Government administration \& defence | 44 | 1.3 | 611 | 0.8 |
| Agriculture, forestry \& fishing | 40 | 1.2 | 413 | 0.5 |
| Wholesale trade | 19 | 0.6 | 384 | 0.5 |
| Transport \& storage | 30 | 0.9 | 355 | 0.4 |
| Retail trade | 18 | 0.5 | 202 | 0.3 |
| Construction | 14 | 0.4 | 66 | 0.1 |
| Other ${ }^{2}$ | 107 | 3.2 | 658 | 0.8 |
| Total ${ }^{3}$ | 3,369 | 100.0 | 79,577 | 100.0 |

1. The industry groups are classified based on the Australian and New Zealand Standard Industry Classification (ANZSIC) system. There is a complete listing of all fine industries listed under each broad industry group and the corresponding code in the Tax Office publication, Business industry codes 2002.
2. Includes mining, communication, electricity, gas and water supply industries and entities that did not state their industry.
3. Total amounts claimed may differ slightly from the sum of components due to rounding

## EMPLOYEE CONTRIBUTIONS

In some circumstances, an employee may make a payment to their employer as a contribution towards the cost of providing fringe benefits. These payments, referred to as 'employee contributions', are generally assessable income in the hands of the employer.

An employee contribution may be made only from an employee's after-tax income. Contributions in respect of a particular fringe benefit reduce the taxable value of that benefit, and therefore the amount of FBT payable. They may not be applied to reduce the taxable value of any other fringe benefit. Any operating expenses incurred by the employee in relation to a car supplied by the employer that are not reimbursed may also reduce the taxable value. Employers are not required to lodge FBT returns when the employee contributions reduce the total FBT liability to nil.

For the 2002-03 FBT year, employers had to report employee contributions for motor vehicle, expense payments, housing,
living away from home allowance, airline transport, board, property, car parking and other (residual) benefits (see the 2003 FBT annual return in the appendix). Total employee contributions for these benefits (excluding those made by employees of Australian Government departments) reached \$254.2 million for the 2002-03 FBT year.

A breakdown of employee contributions by broad industry and entity is presented in table 10.4. For companies, the greatest proportion of contributions was paid by employees in the manufacturing industry (20\%). For partnerships and individuals (or sole traders), employees in the property and business services industry accounted for the largest share of contributions ( $37 \%$ and $32 \%$ respectively). For trusts, employees in the retail trade industry (31\%) accounted for the largest share in contributions.

Overall, the government administration and defence industry accounted for the largest share of total employee contributions (15\%).

TABLE 10.4: Employee contributions¹, by industry and entity, 2002-03 FBT year

| Industry ${ }^{2}$ | Company \$'000 | Partnership \$'000 | $\begin{aligned} & \text { Trust } \\ & \$ \prime 000 \end{aligned}$ | Individual ${ }^{3}$ \$'000 | $\begin{gathered} \text { Other } \\ \$, 000 \\ \hline \end{gathered}$ | Total \$'000 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Government administration \& defence | 65 | 0 | 34 | 0 | 38,110 | 38,210 |
| Manufacturing | 33,512 | 150 | 3,054 | 3 | 287 | 37,006 |
| Transport \& storage | 32,456 | 0 | 343 | 0 | 2,254 | 35,053 |
| Retail trade | 17,997 | 501 | 7,285 | 20 | 487 | 26,289 |
| Wholesale trade | 21,328 | 292 | 3,833 | 1 | 291 | 25,744 |
| Property \& business services | 18,578 | 673 | 5,298 | 49 | 708 | 25,307 |
| Mining | 12,274 | 4 | 25 | 0 | 82 | 12,385 |
| Education | 4,295 | 3 | 54 | 7 | 8,018 | 12,377 |
| Finance \& insurance | 9,267 | 10 | 955 | 0 | 1,004 | 11,236 |
| Personal \& other services | 1,717 | 0 | 195 | 1 | 5,434 | 7,347 |
| Health \& community services | 2,752 | 29 | 421 | 22 | 3,355 | 6,579 |
| Construction | 3,934 | 13 | 1,173 | 3 | 159 | 5,282 |
| Communication | 2,558 | 0 | 123 | 0 | 1 | 2,681 |
| Cultural \& recreational services | 1,704 | 17 | 91 | 32 | 339 | 2,183 |
| Agriculture, forestry \& fishing | 1,464 | 85 | 490 | 12 | 116 | 2,168 |
| Accommodation, cafes \& restaurants | 1,598 | 4 | 346 | 0 | 150 | 2,098 |
| Electricity, gas \& water supply | 718 | 14 | 4 | 0 | 444 | 1,180 |
| Other ${ }^{5}$ | 445 | 10 | 141 | 4 | 493 | 1,093 |
| Total | 166,661 | 1,804 | 23,863 | 155 | 61,732 | 254,218 |

1. Excludes employee contributions made by employees of Australian Government departments. An employee contribution amount of $\$ 0$ may indicate an amount less than $\$ 500$.
2. The industry groups are classified based on the Australian and New Zealand Standard Industry Classification (ANZSIC) system. There is a complete listing of all fine industries listed under each broad industry group and the corresponding code in our publication, Business industry codes 2002.
3. Sole traders.
4. Includes local government, state government, state government statutory authorities, Australian Government-state statutory authorities, non-profit, strata title and co-operative organisations.
5. Includes entities that did not state their industry.

Employees from the government administration and defence industry accounted for the largest proportion (32\%) of total housing contributions. Employees from the manufacturing industry accounted for the largest proportion (19\%) of total motor vehicle contributions. There is a further breakdown of employee contributions, by type of benefit and industry, in FBT detailed table 4.

BOX 10.5: Employee contributions, 2001-02 income year
Fringe benefit employee contributions that companies, partnerships and trusts (employers) receive from their employees are also reported on the annual income tax returns of these entities (employers). There are statistics on fringe benefit employee contributions for the 2001-02 income year in some company, partnership and trust tax detailed tables (for example, see company tax detailed table 2 part A, partnership tax detailed table 1 part D and trust tax detailed table 1 part D).

## DETAILED TABLES

Table 1: FBT payers, by FBT payable, 2002-03 FBT year
This table shows the number of FBT payers ranged by FBT payable for the 2002-03 FBT year.

Table 2: FBT payable and FBT rebate, by broad industry, 2002-03 FBT year
This table shows FBT payable, FBT rebates claimed and net FBT payable by broad industry groupings for the 2002-03 FBT year.

## Table 3: $\quad$ Number of FBT payers, by type of benefit and broad industry, 2002-03 FBT year

This table shows the number of FBT payers in different broad industries that provided different types of benefits for the 2002-03 FBT year.

Table 4: Employee contributions, by entity, type of benefit and broad industry, 2002-03 FBT year
This table shows amounts of employee contributions that entities (companies, partnerships, trusts, individuals and others), classified by broad industry groupings, received from their employees for different types of benefits (motor vehicle, expense payments, housing, living away from home allowance, airline transport, board, property, car parking and other (residual)) for the 2002-03 FBT year.

Table 5: Selected items, 1992-93 to 2002-03 FBT years
This table shows the number of FBT payers, FBT payable, FBT rebates claimed and net FBT from the 1992-93 to 2002-03 FBT years.

This table is also available at the back of this chapter (see table 10.5).

## TIME SERIES TABLE

Table 10.5 shows the number of FBT payers, FBT payable, FBT rebates claimed and net FBT from the 1992-93 to 2002-03 FBT years. This table is also available on the CDROM and in the online version of this publication on the Tax Office website as FBT detailed table 5. It may be viewed or downloaded in Adobe Acrobat (PDF), Microsoft Excel (XLS) or Comma Separated Values (CSV) file formats.
TABLE 10.5: Selected FBT $^{2}$ items ${ }^{1}$, 1992-93 to 2002-03 FBT years

| Selected FBT items |  | 1992-93 ${ }^{4}$ | 1993-944 | 1994-954 | 1995-964 | 1996-973,5 | 1997-983,5 | 1998-993, ${ }^{5}$ | 1999-20003,5 | 2000-013,6 | 2001-02 ${ }^{3,6}$ | 2002-03 ${ }^{3,6}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Number of FBT payers | no. | 79,738 | 76,899 | 73,115 | 70,406 | 69,367 | 68,527 | 69,963 | 66,902 | 63,214 | 60,594 | 56,639 |
| FBT payable | \$ | 1,292,602,000 | 1,420,616,000 | 2,736,380,000 | 2,997,945,000 | 3,452,694,991 | 3,316,582,534 | 3,531,995,061 | 3,431,637,146 | 3,453,067,219 | 3,185,410,821 | 3,063,047,989 |
| FBT rebates | no. | n.a. | n.a. | n.a. | n.a. | 3,084 | 3,158 | 3,503 | 3,590 | 3,555 | 3,486 | 3,369 |
|  | \$ | n.a. | n.a. | 51,536,000 | 66,558,000 | 84,904,810 | 104,039,576 | 131,044,119 | 153,916,222 | 144,527,317 | 78,698,579 | 79,577,312 |
| Net FBT ${ }^{7}$ | \$ | n.a. | n.a. | 2,684,844,000 | 2,931,387,000 | 3,367,790,181 | 3,212,542,958 | 3,400,950,942 | 3,277,720,924 | 3,308,539,902 | 3,106,712,242 | 2,983,470,677 |

[^10]```
HIGHLIGHTS
- In 2002-03 the Tax Office collected \(\$ 84.9\) billion of PAYG withholding revenue, accounting for \(46 \%\) of total Tax Office revenue collections.
- Collections from PAYG withholders who sent \$1 million or more to the Tax Office reached \$56.4 billion, accounting for \(66 \%\) of total PAYG withholding collections.
```

Pay as you go (PAYG) is a single, integrated system for reporting and paying amounts to meet expected tax liability. The PAYG system became effective from 1 July 2000 for most taxpayers. For most taxpayers this means one set of rules, one set of payment dates and one form to fill in - a Business activity statement or an Instalment activity statement.

## PAYG affects:

- entities (such as individuals or sole traders, companies, partnerships, trusts and superannuation funds) operating businesses, non-profit organisations and government organisations
- individuals with investment or business income, such as self-funded retirees, rental property owners, partners in a partnership, beneficiaries of a trust, and those with domestic employees, and
- some trustees.

PAYG has two components:

- PAYG withholding which replaced the pay as you earn (PAYE), prescribed payments system, reportable payments system and other withholding systems, and
- PAYG instalments which replaced provisional tax and the company and superannuation fund instalment system.
This chapter presents a description of the PAYG withholding system and PAYG withholding revenue collections for the 2002-03 financial year. These collections may include amounts reported or paid for years other than the year in which they are actually received or collected by the Tax Office. For example, PAYG withheld amounts reported on the June 2002 activity statement relate to the period ending 30 June 2002 (end of the 2001-02 financial year), but the Tax Office may have received or collected the PAYG withheld amount in July or August 2002 (part of the 2002-03 financial year).


## SOURCE OF PAYG WITHHOLDING STATISTICS

Statistics in this chapter are mainly sourced from activity statements, payment summaries and annual payment summary statements (lodged electronically or in paper form) processed as at 30 June 2003.

Copies of the Business activity statement and Instalment activity statement are in the appendix. Alternatively, they may be viewed or downloaded in PDF file format from the attached CD-ROM or from the online version of this publication on the Tax Office website.

## NEW FEATURES AND INFORMATION

Several tax policies and test cases occurred during the 2002-03 financial year which may have affected the statistics reported in this chapter and in the detailed tables.

- From 1 July 2002, the Commissioner required entities paying salary, wages, commission, bonus or allowances to bicycle couriers to withhold amounts from those payments where the circumstances are similar to those in the Hollis $V$ Vabu case.
- A new withholding event applies to certain payments made to religious practitioners from 1 July 2002.
■ A new withholding event applies from 1 July 2002 which requires an entity to withhold an amount from a departing Australia superannuation payment.
- Special administrative arrangements for PAYG withholding on alienated personal services income have been extended to the 2002-03 income year.
- A court decision clarified that an amount must be withheld from a liquidator's dividend paid to a former employee for wages owed.
Two new time series tables or detailed tables have been included in this chapter. The tables are:
- PAYG withholding collections, by amount sent to the Tax Office, 2000-01 to 2002-03 financial years (see chapter table 11.3 or PAYG withholding detailed table 1), and
- PAYG withholding collections, by industry, 2000-01 to 2002-03 financial years (see chapter table 11.4 or PAYG withholding detailed table 2).


## THE PAYG WITHHOLDING SYSTEM

Withholding is the process by which entities withhold amounts from payments to others and send these amounts to the Tax Office. Before the introduction of the PAYG withholding system, many entities already sent withholding amounts in the form of PAYE tax instalment deductions withheld from their employees' salary or wages.

PAYG withholding applies generally to payments made, or non-cash benefits provided, on or after 1 July 2000. Payments and transactions subject to PAYG withholding are referred to as 'withholding payments'. Under the PAYG withholding system entities are required to withhold amounts from the following kinds of payments they make to others:
■ salaries, wages, allowances, bonuses or commissions paid to an employee

- payments to company directors
- payments to office holders (for example, Members of Parliament)
- a payment to a religious practitioner
- payments to members of the defence forces or police forces
- return to work payments
- payments covered by a voluntary agreement (for example, a business and a contract worker who has an ABN can make a voluntary agreement to bring the worker's payments into the PAYG withholding system if the work payments are not subject to any other PAYG withholding)
- payments under a labour hire arrangement or payments specified by regulations
- pension or annuity payments
- eligible termination payments
- payments for unused leave on an individual's retirement or on termination of employment
- social security or similar payments
- Commonwealth education or training payments
- compensation, sickness or accident payments
- payments arising from an investment where the payee does not quote their tax file number (TFN) or, in some cases, their ABN
- an investor becoming presently entitled to the income of a unit trust
- payments for a supply where the payee does not quote their ABN
- dividends, interest or royalties paid to an overseas person or received for a foreign resident
- interest payments derived by a lender in carrying on business through an overseas permanent establishment
- mining payments
- natural resource payments
- alienated personal services payments or attributed personal services income
■ non-cash benefits, excluding fringe benefits, any exempt benefit under the Fringe Benefits Tax Assessment Act 1986 or a benefit comprising the acquisition of a share or right under an employee share scheme within the meaning of Division 13A of Part III of the Income Tax Assessment Act 1936, and
- superannuation payments to temporary residents departing Australia permanently.


## BOX 11.1: Terminology ${ }^{1}$

Alienated personal services payment: a payment of personal services income that is received by a personal services entity and assessed to an individual under the rules in Division 86 of the Income Tax Assessment Act 1997. Income is personal services income if it is mainly a reward for an individual's personal efforts or skills. This applies regardless of whether the income is received directly by the individual or by a company, trust or partnership (personal services entity).

Statistics on personal services income for the 2001-02 income year are in the personal tax chapter and in some of the personal tax detailed tables.

Non-cash benefit: property or services in any form except money, for example, a barter transaction. A benefit is taken to have been provided to an entity if it is dealt with on the entity's behalf or as the entity directs.

1. This box presents only general descriptions of the above terms. It does not provide the full technical or legal definitions.

In general, the amount required to be withheld from a withholding payment is worked out using the PAYG withholding tax tables. However, other specific rules and regulations prescribing how much to withhold may apply to certain types of withholding payments (see table 11.1). The Commissioner may also vary the amount to be withheld due to the special circumstances of a payee or class of payees.

## TABLE 11.1: PAYG withholding rates and regulations

| Withholding payments | Amount withheld |
| :---: | :---: |
| Salaries, wages, allowances, bonuses or commissions paid to an employee | Calculated by using the Commissioner of Taxation's PAYG withholding tables. If the payee has not provided a tax file number (TFN) declaration, $48.5 \%$ of the payment will be withheld. |
| Payments to company directors |  |
| Payments to a religious practitioner |  |
| Return to work payments |  |
| Payments covered by a voluntary agreement |  |
| Payments under a labour hire arrangement or specified by regulations |  |
| Pension or annuity payments |  |
| Eligible termination payments |  |
| Payments for unused leave on an individual's retirement or on termination of employment |  |
| Social security or similar payments |  |
| Commonwealth education or training payments |  |
| Compensation, sickness or accident payments |  |
| Attributed personal services income | Under administrative arrangements, a personal services entity with a PAYG obligation may calculate the amount to withhold based on either: <br> $70 \%$ of the gross personal services income, or <br> a percentage based on the entity's net personal services income for the previous year. <br> Otherwise, the amount withheld must equal the amount the withholder would have withheld had the attributed personal services income been paid in full as salary or wages to the individual performing the personal services. |
| Payments arising from an investment where the payee does not quote their TFN or, in some cases, their ABN | $48.5 \%$ of the payment, unless it is a partly franked dividend, in which case the $48.5 \%$ rate applies only to the unfranked portion. |
| Payments for a supply where the payee does not quote their ABN | 48.5\% of the payment |
| Dividends paid to an overseas person; dividends received for a foreign resident | Either at the 30\% rate or as provided in a double taxation agreement with other countries |
| Royalties paid to an overseas person; royalties received for a foreign resident |  |
| Interest paid to an overseas person; interest received for a foreign resident | 10\% of interest payments |
| Interest derived through an overseas permanent establishment |  |
| Departing Australia superannuation payment | For undeducted contributions or post-June 1994 invalidity component - nil For untaxed post-June 83 component - 40\% <br> Remainder - 30\% |
| Mining payments | 4\% of payments |
| Natural resource payments | Rate set by the Commissioner |
| Non-cash benefits | The amount the PAYG withholder would have been required to withhold if the payment had been money. The amount is calculated according to the market value of the non-cash benefit when the benefit is provided. |

## PAYG WITHHOLDERS

The obligation to withhold amounts from payments to others and send the amounts to the Tax Office is the responsibility of the entity making the withholding payment. The entity can be any of the following:

- an individual
- a body corporate
- a body politic
- a partnership
- any unincorporated association or body of persons
- a trustee of a trust, or
- a trustee of a superannuation fund.

PAYG withholding entities may be classified into three types:

- small withholders generally have total annual withholdings of up to $\$ 25,000$ and are required to report and send the amount withheld quarterly through their activity statements
- medium withholders generally have total annual withholdings of $\$ 25,001$ to $\$ 1$ million and are required to report and send the amount withheld monthly through their activity statements, and
- large withholders generally have total annual withholdings exceeding $\$ 1$ million. For these withholders, an amount withheld in any period commencing Saturday and ending Tuesday is payable on the Monday following the period, and an amount withheld in any period commencing Wednesday and ending Friday is payable on the Thursday following the period. Large withholders do not report or send the amounts withheld through their activity statements. Instead the Tax Office provides them with separate arrangements for notifying and sending amounts withheld.

Entities are required to register for PAYG withholding before they can withhold from any payments. (Entities that were already registered for PAYE had their registrations carried over to PAYG withholding automatically.)
Entities can register for PAYG withholding by either completing a form (which can be sent to the Tax Office in paper or electronic form) or contacting the Tax Office. Entities applying for an ABN can use the same form to register for PAYG withholding. The ABN is used as the registration number for PAYG withholding. Entities that do not wish to obtain an ABN or are not entitled to an ABN are issued with a withholding payer number.

## PAYG WITHHOLDING REVENUE COLLECTIONS

Before the introduction of the PAYG withholding system in 2000-01, tax collected through the PAYE system, prescribed payments system (PPS), reportable payments system (RPS), non-resident interest withholding tax, non-resident dividend withholding tax, non-resident royalty withholding tax, mining withholding tax and tax file number (TFN) withholding tax collection systems accounted for more than half of the total Tax Office revenue collected in each financial year. (In figure 11.1, estimated PAYG withholding collections before 2000-01 - which is the sum of PAYE, PPS and RPS and other withholding collections - accounted for half of total revenue collections).

As shown in figure 11.1, from 1991-92 to 1999-2000, estimated PAYG withholding collections increased annually due to significant yearly increases in PAYE, prescribed payments system and non-resident withholding tax collections. The upward trend in PAYE and prescribed payments system collections reflected generally steady increases in employment and average weekly earnings, as well as a range of initiatives undertaken by the Tax Office, which aimed to identify, establish and collect PAYE from non-compliant taxpayers. These initiatives included the debt management improvement strategy, a project on PAYE erosion, and the introduction of the Cash Economy Taskforce.

In 2000-01 the Tax Office collected $\$ 75.7$ billion in PAYG withholding revenue (the sum of PAYG withholding collections, including TFN and ABN withholding collections, mining withholding tax and non-resident withholding tax collections), a decrease of $7 \%$ from the previous year. As a result of the decline, the proportion of PAYG withholding collections to total revenue fell from 63\% in 1992-93 to 46\% in 2000-01. The significant decline in PAYG withholding revenue in 2000-01 was mainly due to the lower personal tax rates introduced as part of the new tax system.
In 2001-02 the Tax Office collected $\$ 79.6$ billion in PAYG withholding revenue, an increase of $\$ 3.9$ billion (or $5 \%$ ) from the previous year. In 2002-03 PAYG withholding revenue further increased by $7 \%$ to $\$ 84.9$ billion (figure 11.1 and table 11.4). For both years, the increase can be attributed to growth in employment, salary and wages. However, for the 2002-03 financial year, there were two new withholding events introduced (see the 'New features and information' section in this chapter). This means that the PAYG withholding revenue for the 2000-03 financial year includes withheld amounts from these events. For example, withheld amounts from payments to religious practitioners and/or from superannuation payments to temporary residents departing Australia permanently, which were not previously included, are now included in the PAYG withholding revenue from 2002-03 onwards.

Despite the significant increase in PAYG withholding revenue in 2001-02 and 2002-03, the proportion of PAYG withholding collections to total Tax Office revenue remained relatively steady. In 2001-02 PAYG withholding collections accounted for 47\% of total Tax Office revenue collections. In 2002-03 the proportion of PAYG withholding collections fell back to $46 \%$ (figure 11.1).

FIGURE 11.1: PAYG withholding revenue collected ${ }^{1}$ and total revenue collected ${ }^{2}$ 1992-93 to 2002-03 financial years ${ }^{3}$


1. The PAYG withholding system was only introduced on 1 July 2000 as part of government tax reforms. PAYG withholding revenue collected before 2000-01 is calculated to be the sum of PAYE withholding, prescribed payments system, reportable payments system, non-resident interest withholding tax, non-resident dividend withholding tax, non-resident royalty withholding tax, mining withholding tax and TFN withholding tax collections. For 2000-01, PAYG withholding revenue is the sum of PAYG withholding collections (including TFN and ABN withholding tax collections), mining withholding and non-resident withholding tax collections (which were reported and paid separately from PAYG withholding). From 2001-02 onwards, mining withholding tax and non-resident withholding tax collections are included in PAYG withholding collections. All years include Higher Education Contribution Scheme collections.
2. Includes collections of PAYG withholding, income tax and contributions from superannuation funds, companies, individuals (which includes PAYG instalments and other payments), fringe benefits tax, excise, superannuation surcharge, GST, wine equalisation tax, luxury car tax, sales tax, petroleum resource rent tax and other minor taxes or collections from other systems.
3. Annual collections are from 1 July to 30 June of the following year (for example, 1992-93 collections include all collections from 1 July 1992 to 30 June 1993 ).

## BOX 11.2: Terminology ${ }^{1}$

Pay as you earn (PAYE) system: introduced in 1941. Before the introduction of the PAYG system, it was the main tax collection system affecting individuals. Under PAYE, most salary and wage earners had instalments deducted from their pay to pay their tax, Medicare levy and Higher Education Contribution Scheme repayments. Employers were required to make tax instalment deductions at prescribed rates to cover their employee's anticipated tax liability at the end of the year, and pay them directly to the Tax Office.
Prescribed payments system: introduced in 1983. It was an income reporting and tax collection system designed to ensure that people in certain prescribed industries (construction, joinery and cabinet making, architectural services, cleaning, engineering services, motor vehicle repair, surveying services and road transport) paid their tax as they earned income. It also applied to certain payments (including payments under the introduced voluntary agreements) made from outside prescribed industries.
Reportable payments system: introduced in 1994. It was linked to the TFN and was designed to ensure people paid the correct amount of tax. Because it was an income reporting system based on the TFN, payers were required to deduct tax only when a payee did not quote a TFN. Accordingly, remittances for reportable payments system deductions represented only a very small proportion of total tax revenue. It was initially introduced into the fishing and clothing industries, and subsequently into the smash repairs, and fruit and vegetable industries.

Tax file number (TFN) withholding tax: tax instalments deducted from a resident taxpayer's account where:

- no TFN has been quoted, or
- an exemption from quoting a TFN hasn't been claimed.

TFN withholding tax is generally withheld when the interest is paid and is calculated at the highest marginal tax rate (47\%) plus Medicare levy (1.5\%), currently 48.5\%.

Any TFN withholding tax deducted by an investment body is shown on the statement or in the passbook, and the withheld amount is forwarded to the Tax Office.

Before 2 July 2000 an investor could quote a TFN to an investment body in relation to certain investments to avoid having $48.5 \%$ withheld from income on the investment. The requirement to withhold in the absence of a TFN generally continues under the PAYG withholding system but, as investments can be held in a business capacity, a business may quote either an ABN or a TFN to avoid withholding at the top rate. Non-resident investors are exempt from quoting a TFN but are subject to non-resident withholding tax rules (table 11.1).
Australian business number (ABN) withholding: a withholding event introduced by the PAYG withholding system for business-to-business transactions. From 1 July 2000 anyone carrying on a business is required to quote their ABN in relation to goods or services they supply to another business. Businesses must withhold $48.5 \%$ of the total payment if a supplier does not quote their $A B N$, or if the business is not satisfied that the supply is excluded from the $A B N$ rule.

Mining withholding tax: mining payments made to Aboriginal people and Aboriginal distributing groups relating to the use of Aboriginal land for mining and exploration are subject to mining withholding tax. The rate of this withholding tax is $4 \%$.
The responsibility for paying the tax rests with the mining company, government or other person who makes the payment, and these bodies are therefore required to withhold an amount from a mining payment in accordance with the PAYG withholding rules. The mining payments to which the withholding system applies include:

- royalties received by the Commonwealth for the mining of Aboriginal land
- certain payments made to Aboriginal land councils, and
- payments made in relation to Aboriginal land for the issue of a miner's right or mining interest, for permission to enter or remain on the land to mine or explore, and payments of mining royalties in relation to Aboriginal land.
Non-resident withholding tax on interest, dividends and royalties: A final withholding tax that applies to non-residents (may be individuals, companies, funds, partners or trustees) who are liable for Australian tax on certain income earned in Australia. Amounts are generally withheld by the payers of interest, unfranked dividends or royalties to non-residents and sent to the Tax Office. The amount of tax payable depends on whether the recipient is a resident of a country covered by a tax agreement that has been given the force of law in Australia. Payers of interest, dividends or royalties to non-residents are required to withhold an amount from payments (when applicable) at the following rates:
- $10 \%$ for interest in all cases
- 30\% for dividends unless an international agreement applies
- 30\% for royalties unless an international agreement applies

Non-resident individual: generally a person who maintains a home outside Australia and who does not intend to live here permanently will be a non-resident for Australian income tax purposes.

Non-resident company: generally a company incorporated outside Australia is a non-resident for Australian tax purposes.
Non-resident partnership, trust or superannuation fund: a partnership, trust or superannuation fund that is based overseas and receives Australian-sourced interest or dividend income.

Double taxation agreement: agreement between Australia and another country concerning the taxing of entities that may be taxed on the same income in both countries.

Interest: generally regarded as an amount paid as compensation to a lender for not having the use of its capital.
Dividend: generally regarded as an amount paid by a company to its shareholders.
Royalty: a payment made by one person for the use of rights owned by another person. The payment may be periodic, irregular or one-off. Australian income tax legislation extends the normal definition of royalties to include payments or credits of any kind in return for items listed in subsection 6(1) of the Income Tax Assessment Act 1936.

1. This box presents only general descriptions of the above terms. It does not provide the full technical or legal definition.

In 2002-03, 5\% (\$4 billion) of total PAYG withholding was collected from withholders who sent less than \$25,000 to the Tax Office; 29\% ( $\$ 24.5$ billion) was collected from withholders who sent $\$ 25,000$ to less than $\$ 1$ million; and $66 \%$ ( $\$ 56.4$ billion) was collected from withholders who sent $\$ 1$ million or more (table 11.2).
While PAYG withholders who sent less than \$25,000 to the Tax Office consistently accounted for 5\% of total PAYG withholding collections from 2000-01 to 2002-03; the share of PAYG withholders who sent $\$ 25,000$ to less than $\$ 1$ million have increased from $26 \%$ to $29 \%$ of total PAYG withholding collections (table 11.4). PAYG withholders who sent more than $\$ 1$ million or more consistently accounted for the majority of total PAYG withholding since the introduction of PAYG withholding in 2000-01, but their share of total PAYG withholding collections have declined from 69\% in 2000-01 to 66\% in 2002-03 (table 11.4).

TABLE 11.2: PAYG withholding collections, by amount sent to the Tax Office, 2002-03 financial year

| Amount sent | Amount collected <br> \$m |  |
| :--- | ---: | ---: |
| $\$ 1-\$ 999$ | 37 | 0.0 |
| $\$ 1,000-\$ 4,999$ | 465 | 0.5 |
| $\$ 5,000-\$ 9,999$ | 867 | 1.0 |
| $\$ 10,000-\$ 24,999$ | 2,639 | 3.1 |
| $\$ 25,000-\$ 49,999$ | 3,377 | 4.0 |
| $\$ 50,000-\$ 99,999$ | 4,476 | 5.3 |
| $\$ 100,000-\$ 499,999$ | 11,603 | 13.7 |
| $\$ 500,000-\$ 999,999$ | 4,999 | 5.9 |
| $\$ 1,000,000-\$ 1,999,999$ | 5,428 | 6.4 |
| $\$ 2,000,000-\$ 2,999,999$ | 3,539 | 4.2 |
| $\$ 3,000,000-\$ 3,999,999$ | 2,499 | 2.9 |
| $\$ 4,000,000-\$ 4,999,999$ | 2,021 | 2.4 |
| $\$ 5,000,000$ or more | 42,972 | 50.6 |
| Total ${ }^{2}$ | $\mathbf{8 4 , 9 2 2}$ | $\mathbf{1 0 0 . 0}$ |
| 1. A share of $0.0 \%$ indicates a share of less than 0.05\%. |  |  |
| 2. Total amount may differ slightly from the sum of components due to rounding. |  |  |

The amount of PAYG withholding revenue raised varied considerably according to the type of industry (table 11.3 and table 11.5). The amount collected can depend on factors such as the number of employees in each industry and income levels. For example, industries containing a large number of professional people may provide more PAYG withholding revenue because of their higher average salaries.

In 2002-03 the government administration and defence industry accounted for the largest share of total PAYG withholding revenue collected (11.9\%) (table 11.3).
Since the introduction of the PAYG withholding system, the government administration and defence industry, the property and business services industry and the manufacturing industry were the top three remitters of PAYG withholding amounts (table 11.5).

TABLE 11.3: PAYG withholding collections, by industry, 2002-03 financial year

| Industry | Amount collected |  |
| :--- | ---: | ---: |
|  | $\mathbf{\$ m}$ | $\%$ |
|  <br> defence | 10,148 | 11.9 |
| Property \& business services | 9,893 | 11.6 |
| Manufacturing | 9,861 | 11.6 |
| Health \& community services | 7,159 | 8.4 |
| Finance | 7,082 | 8.3 |
| Retail | 6,131 | 7.2 |
| Education | 5,241 | 6.2 |
| Construction | 4,747 | 5.6 |
| Personal \& other services | 4,595 | 5.4 |
| Wholesale | 4,553 | 5.4 |
| Transport \& storage | 3,985 | 4.7 |
| Communication | 3,413 | 4.0 |
| Mining | 2,439 | 2.9 |
| Cultural \& recreational services | 1,566 | 1.8 |
| Accommodation, cafés \& | 1,466 | 1.7 |
| restaurants | 1,130 | 1.3 |
| Electricity, gas \& water supply | 1,060 | 1.2 |
| Agriculture | 137 | 0.2 |
| Forestry | 117 | 0.1 |
| Fishing | 198 | 0.2 |
| Other \& not stated | $\mathbf{8 4 , 9 2 2}$ | $\mathbf{1 0 0 . 0}$ |
| Total |  |  |
| n |  |  |

[^11]
## DETAILED TABLES

The following detailed tables on PAYG withholding collections are on the attached CD-ROM and included in the online version of this publication on the Tax Office website. The tables may be viewed or downloaded in Adobe Acrobat (PDF), Microsoft Excel (XLS) or Comma Separated Values (CSV) file formats.

Table 1: PAYG withholding collections, by amount sent to the Tax Office, 2000-01 to 2002-03 financial years
This table reports PAYG withholding amounts collected by the Tax Office (or amount sent by PAYG withholders to the Tax Office) ranged by amount sent during the 2000-01 to 2002-03 financial years.

This table is also available at the back of the chapter (see table 11.4).

## Table 2: PAYG withholding collections, by industry, 2000-01 to 2002-03 financial years

This table reports PAYG withholding amounts collected by the Tax Office from different industry groups (or amounts sent by different industries to the Tax Office) during the 2000-01 to 2002-03 financial years.

This table is also available at the back of the chapter (see table 11.5).

## TIME SERIES TABLES

The following tables show PAYG withholding collections from 2000-01 to 2002-03. These tables are also available on the attached CD-ROM and in the online version of the publication on the Tax Office website. They may be viewed or downloaded in Adobe Acrobat (PDF), Microsoft Excel (XLS) or Comma Separated Values (CSV) file formats.

TABLE 11.41: PAYG withholding collections, by amount sent to the Tax Office, 2000-01 to 2002-03 financial years

| Amount sent | 2000-01 ${ }^{2}$ |  | 2001-02 |  | 2002-03 |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Amount collected |  | Amount collected |  | Amount collected |  |
|  | \$m | \% | \$m | $\%^{3}$ | \$m | $\%^{3}$ |
| \$1-\$999 | 48 | 0.1 | 36 | 0.0 | 37 | 0.0 |
| \$1,000-\$4,999 | 591 | 0.8 | 460 | 0.6 | 465 | 0.5 |
| \$5,000-\$9,999 | 972 | 1.3 | 846 | 1.1 | 867 | 1.0 |
| \$10,000-\$24,999 | 2,322 | 3.1 | 2,526 | 3.2 | 2,639 | 3.1 |
| \$25,000-\$49,999 | 2,756 | 3.7 | 3,223 | 4.0 | 3,377 | 4.0 |
| \$50,000-\$99,999 | 3,549 | 4.8 | 4,190 | 5.3 | 4,476 | 5.3 |
| \$100,000-\$499,999 | 8,768 | 11.8 | 10,497 | 13.2 | 11,603 | 13.7 |
| \$500,000-\$999,999 | 4,028 | 5.4 | 4,618 | 5.8 | 4,999 | 5.9 |
| \$1,000,000-\$1,999,999 | 4,667 | 6.3 | 5,103 | 6.4 | 5,428 | 6.4 |
| \$2,000,000-\$2,999,999 | 3,017 | 4.1 | 3,244 | 4.1 | 3,539 | 4.2 |
| \$3,000,000-\$3,999,999 | 2,476 | 3.3 | 2,311 | 2.9 | 2,499 | 2.9 |
| \$4,000,000-\$4,999,999 | 1,871 | 2.5 | 1,834 | 2.3 | 2,021 | 2.4 |
| \$5,000,000 or more | 39,409 | 52.9 | 40,710 | 51.1 | 42,972 | 50.6 |
| Total ${ }^{4}$ | 74,474 | 100.0 | 79,599 | 100.0 | 84,922 | 100.0 |

[^12]TABLE 11.5': PAYG withholding collections, by industry, 2000-01 to 2002-03 financial years

| Industry | 2000-01 ${ }^{2}$ |  | 2001-02 |  | 2002-03 |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Amount collected |  | Amount collected |  | Amount collected |  |
|  | \$m | \% | \$m | \% | \$m | \% |
| Government administration \& defence | 9,099 | 12.2 | 9,353 | 11.8 | 10,148 | 11.9 |
| Property \& business services | 7,403 | 9.9 | 8,686 | 10.9 | 9,893 | 11.6 |
| Manufacturing | 9,124 | 12.3 | 9,236 | 11.6 | 9,861 | 11.6 |
| Health \& community services | 6,031 | 8.1 | 6,705 | 8.4 | 7,159 | 8.4 |
| Finance | 6,445 | 8.7 | 6,712 | 8.4 | 7,082 | 8.3 |
| Retail | 5,226 | 7.0 | 5,672 | 7.1 | 6,131 | 7.2 |
| Education | 4,608 | 6.2 | 4,865 | 6.1 | 5,241 | 6.2 |
| Construction | 3,867 | 5.2 | 4,192 | 5.3 | 4,747 | 5.6 |
| Personal \& other services | 4,269 | 5.7 | 4,496 | 5.6 | 4,595 | 5.4 |
| Wholesale | 4,015 | 5.4 | 4,284 | 5.4 | 4,553 | 5.4 |
| Transport \& storage | 3,539 | 4.8 | 3,681 | 4.6 | 3,985 | 4.7 |
| Communication | 3,749 | 5.0 | 4,089 | 5.1 | 3,413 | 4.0 |
| Mining | 2,129 | 2.9 | 2,269 | 2.9 | 2,439 | 2.9 |
| Cultural \& recreational services | 1,278 | 1.7 | 1,433 | 1.8 | 1,566 | 1.8 |
| Accommodation, cafes \& restaurants | 1,250 | 1.7 | 1,382 | 1.7 | 1,466 | 1.7 |
| Electricity, gas \& water supply | 1,045 | 1.4 | 1,050 | 1.3 | 1,130 | 1.3 |
| Agriculture | 885 | 1.2 | 1,023 | 1.3 | 1,060 | 1.2 |
| Forestry | 126 | 0.2 | 131 | 0.2 | 137 | 0.2 |
| Fishing | 100 | 0.1 | 116 | 0.1 | 117 | 0.1 |
| Other \& not stated ${ }^{3}$ | 288 | 0.4 | 224 | 0.3 | 198 | 0.2 |
| Total ${ }^{4}$ | 74,474 | 100.0 | 79,599 | 100.0 | 84,922 | 100.0 |

1. This table is the same as PAYG withholding detailed table 2 which can be viewed/downloaded from the attached CD-ROM or from the online version of this publication on our website.
2. PAYG withholding amounts reported for 2000-01 excludes mining withholding tax collections and non-resident interest, dividends and royalty withholding tax collections.
3. Includes withholders that did not state their industry and/or stated multiple industries
4. Total amount may differ slightly from the sum of components due to rounding.

## HIGHLIGHTS

- In 2002-03 total net GST collections (including Customs collections, penalties and interest on overpayments) increased by 14\% from the previous year to \$30.7 billion.
- Wine equalisation tax collections (including Customs collections) increased by 4\% from the previous year to $\$ 668.7$ million.
- Luxury car tax collections (including Customs collections) increased by 19\% from the previous year to \$262.7 million.
- As of 30 June 2003 the Tax Office had registered around 4.1 million entities for an ABN .

Under the auspices of the Intergovernmental Agreement on the Reform of Commonwealth-State Financial Relations, the goods and services tax (GST) is administered by the Tax Office, and the states and territories pay agreed GST administration costs to the Australian Government. The Australian Government funds the Tax Office to administer GST, the cost of which is reimbursed by the states and territories. GST is collected by the Tax Office on behalf of the Australian Government, as an agent for the states and territories, and is appropriated to the states and territories.
This chapter provides a general description of GST, wine equalisation tax and luxury car tax and reports the collections for these taxes for the 2002-03 financial year. These collections may include amounts reported or paid for in years other than those in which they are actually received or collected by the Tax Office. For example, GST amounts reported on the June 2002 Business activity statement relate to the period ending 30 June 2002 (end of the 2001-02 financial year), but the Tax Office may have received or collected the GST in July or August 2002 (part of the 2002-03 financial year).

## SOURCE OF GST STATISTICS

The GST, wine equalisation and luxury car tax collections (for the 2002-03 financial year) reported in this chapter are sourced from Business activity statements, annual GST returns and annual GST information reports as at 30 June 2003. Samples of the Business activity statement, GST annual return and annual information report are in the appendix. They may be viewed or downloaded in PDF file format from the attached CD-ROM or from the online version of this publication on our website at www.ato.gov.au

## NEW FEATURES AND INFORMATION

For this chapter, most of the chapter tables were expanded to include data from the first year GST, wine equalisation tax and luxury car tax were introduced (2000-01) to 2002-03. In addition, a new time series table (table 12.8) is included at the back of the chapter. This time series table is the same as GST detailed table 1, which can be viewed or downloaded in Adobe Acrobat (PDF), Microsoft Excel (XLS) or Comma Separated Values (CSV) file format from the attached CD-ROM or from the online version of this publication on our website at www.ato.gov.au

## GOODS AND SERVICES TAX

The GST is similar to 'value-added taxes' applying in other countries. It is a tax of $10 \%$ on the supply of most goods and services and other taxable supplies (for example, real property and rights) in Australia, including things that are imported. In most cases it does not apply to exports of goods or services, and other things consumed outside Australia.

The GST is a multi-stage tax, with GST paid at each stage of the supply chain.
Liability for this tax rests with the supplier. Usually the supplier adjusts the price of a taxable supply to reflect the GST payable on the supply. However, if the supplier does not adjust the price to include the GST, they are still liable to pay the GST to the Tax Office.
Most registered entities (or businesses) are entitled to claim an input tax credit for the GST payable on goods, services and imports they acquired and used in their enterprise or business (such as purchases of raw materials and machinery). The entity needs to hold a tax invoice for the goods and/or services (for acquisitions greater than \$50 GST exclusive) at the time they claim the input tax credit. When calculating the amount they have to pay to the Tax Office, an entity offsets their input tax credits against their total GST amount payable. In this way, GST is collected only on the value added by each business in the production and distribution chain, with the tax being ultimately borne by the final consumer.

## BOX 12.1: Terminology ${ }^{1}$

Entity: may be an individual (sole trader), a body corporate, a corporation sole, a body politic, a partnership, an unincorporated association or body of persons, a trust or a superannuation fund.
Enterprise: covers various business or trade activities but does not include hobbies or private recreational pursuits. It does include the activities of entities such as charities, deductible gift recipients, and religious and government organisations. Activities that constitute an enterprise are those done:

- in the form of a business
- in the form of an adventure or concern in the nature of trade
- on a regular or continuous basis, in the form of a lease, licence or other grant of an interest in property
- by a trustee of a fund or by an authority or institution to which deductible gifts can be made
- by a trustee or manager of a complying superannuation fund
- by a charitable institution or by a trustee of a charitable fund
- by a religious institution, or
- by the Commonwealth, a state or a territory, or by a body corporate or corporation sole established for a public purpose by or under a law of the Commonwealth, a state or a territory.
However an enterprise does not include activities done:
- as an employee, or in connection with earning payment as a company director, office holder or under a labour hire arrangement
- as a private recreational pursuit or hobby
- by an individual or partnership (all or most of the members of which are individuals) without a reasonable expectation of profit or gain, or
- as a member of a local governing body established by or under a law of a state or territory, for example, a member of a shire council or a member of a state board or authority.

1. This box presents only general descriptions of the above terms. It does not provide the full technical or legal definitions.

## WHO CAN REGISTER FOR GST?

Any entity carrying on an enterprise and whose annual turnover is at or above the registration turnover threshold of $\$ 50,000$ ( $\$ 100,000$ if the entity is a non-profit organisation) has to register for GST. Entities supplying taxi travel services in carrying on their enterprise also have to register for GST, regardless of their annual turnover.
An entity carrying on an enterprise with an annual turnover of less than \$50,000 (less than \$100,000 for a non-profit organisation) may choose to register for GST, but does not have to do so.
Entities registering for GST use the same application form they use to apply for an Australian business number (ABN).

## Box 12.2: Australian business number

The Australian business number (ABN) is a unique identifier that allows businesses to deal with the Tax Office and with other government departments and agencies. It is available to other Australian Government, state, territory and local government regulatory bodies to streamline registration and reporting requirements. It is used by businesses and other entities for business-tobusiness transactions as well as business-to-government transactions.

## For tax purposes, entities register for an ABN to

 enable them to:- register for GST and claim input tax credits
- register for pay as you go (PAYG)
- deal with investment bodies
- apply to the Tax Office for endorsement as a deductible gift recipient or income tax exempt charity
- interact with the Tax Office on other taxes and the fuel rebate and grant schemes, and
- have a unique identifying number which they will eventually use for their business dealings with government at all levels.

In addition, where a business entity supplies goods or services to the value of $\$ 50$ or more to another business entity, it is required to quote its ABN on an invoice. If the $A B N$ is not quoted the entity making the payment must withhold tax at the top marginal rate of tax plus Medicare levy (at present 48.5\%) from their payment to the entity supplying the goods or services.
At 30 June 2003 there were 4,177,622 active ABNs on the Australian Business Register.
During 2002-03 the Tax Office received a total of 546,514 ABN applications as follows:

- 74,140 were received through paper applications and imaging/optical character recognition
- 117,480 were received through the electronic lodgement service used by tax agents, and
- 354,894 were received through the Australian Business Register using the internet


## REPORTING AND PAYING GST

Registered businesses and other entities can report and pay their GST (or claim input tax credits and/or refundable amounts) either monthly or quarterly through their Business activity statement (or activity statement).
If a registered entity has an annual turnover of more than \$20 million or intends to participate in the deferred GST scheme, it is compulsory for that entity to report and pay its GST obligations monthly and electronically.
If it has an annual turnover of less than $\$ 20$ million and the entity does not intend to participate in the deferred GST scheme, it can report and pay its GST obligations quarterly or monthly.

Entities that report and pay quarterly have three reporting options.

- Option 1: Report and pay/claim actual GST amounts quarterly through their activity statement.

■ Option 2: Report and pay/claim actual GST amounts quarterly but report less information/items on their activity statement, and lodge a GST annual information report.

■ Option 3: Report and pay a quarterly GST instalment amount and lodge a GST annual return. This option involves:

- paying a quarterly GST instalment amount worked out by the Tax Office (or varied by the entity), and
- accounting for any difference between the entity's actual GST liability and its total GST instalments for the year on a GST annual return.

If an entity has income from a primary production business or special professional income (for example, the entity is an author or an artist), it pays only two instalments for the year, rather than four.

If an entity uses the third option, net refunds are paid only after it lodges its GST annual return, not each quarter. However, the GST instalment amount worked out by the Tax Office takes into account input tax credits.

We advise businesses and other entities when they are eligible to use option 3 through their activity statement. The activity statement will also have the GST instalment amount preprinted on it.

In general, businesses and other entities are eligible to pay quarterly GST instalments, if they:
■ have an annual turnover of $\$ 2$ million or less

- pay GST quarterly
- have lodged an activity statement for at least two quarters (or four months if they previously lodged their activity statement monthly)
- have lodged all their previous activity statements, and
- were not in an overall GST net refund position in the previous year, disregarding the first activity statement they lodged.


## SUPPLIES SUBJECT AND NOT SUBJECT TO GST

Goods, services or anything else supplied by an entity that are subject to GST are referred to as taxable supplies. An entity makes a taxable supply if it:
$\square$ is registered or required to be registered for GST

- makes a supply for consideration
- makes a supply in the course or furtherance of an enterprise the entity carries on, and
- makes a supply connected with Australia

There are other types of supplies that are not subject to GST

- GST-free supplies and input taxed supplies.

If a supply is GST-free, a GST registered entity is not liable to pay GST on that supply, but is entitled to claim input tax credits for anything acquired or imported for use in its business or enterprise. GST-free supplies include most food, exports, sewerage and water, eligible childcare, non-commercial activities of charitable institutions, most education and health services, and government and administration services (except those government and administration services which are exempt under the Treasurer's Determination - refer to Division 81 of the GST Act)

If a supply is input taxed, the GST registered entity is not liable for GST on the supply, but neither is it entitled to claim input tax credits for anything acquired or imported to make that supply. Input taxed supplies include some financial services, supplies of residential rents, supplies of residential premises (except for the sale of new residential premises which is considered a taxable supply), most supplies of precious metals, and supplies of food by school tuckshops and canteens (if they choose to treat the supplies of food as input taxed and supply only food).

## BOX 12.3: Terminology ${ }^{1}$

Consideration: for GST purposes includes any payment, or something done or not done in connection with a supply, in response to a supply, or to get someone to make a supply. This means that consideration need not be a monetary payment. Goods could be received as consideration, for example, in a barter transaction.

Deferred GST scheme: provides for the deferral of GST payments on imported goods. Generally, GST on taxable importations is payable when imported goods 'are entered for home consumption'. The scheme allows for GST payments on taxable importations to be deferred to coincide with payments of net amounts of GST on the activity statement. Only eligible businesses or other entities can defer payments of GST on imported goods.
Supply includes:

- a supply of goods
- a supply of services
- provision of advice or information
- a creation, grant, transfer, assignment or surrender of any right
- a grant, assignment or surrender of real property
- a financial supply
- an entry into or release from an obligation
- to do anything, or
- to refrain from an act, or
- to tolerate an act or situation, or
- a combination of any two or more of the above.


## A supply of goods is connected with Australia if:

- the goods are delivered or made available in Australia to the recipient of the supply
- the supply involves the goods being removed from Australia
- the goods are brought to Australia and the supplier imports the goods, or
- the goods are brought to Australia and the supplier installs or assembles goods in Australia.
A supply of real property is connected with Australia if the real property, or the land to which the real property relates, is in Australia.

A supply of anything other than goods or real property, such as services, is connected with Australia if either:

- the supply is made in Australia, or
- the supplier makes the supply through an enterprise the supplier carries on in Australia.
An enterprise is carried on in Australia if it is carried on through a permanent establishment.
Sales tax credits: credit for the wholesale sales tax (or sales tax) registered entities paid on the stock of trading goods held for sale or exchange at the start of 1 July 2000.

[^13]
## GST COLLECTIONS

## BOX 12.4: Calculating net GST collections

For the 2000-01 financial year net GST collections were calculated using the formula:
Net GST = (gross GST payable + deferred GST payments on imports) - input tax credits - sales tax credits

From the 2001-02 financial year onwards net GST collections were calculated using the formula:

Net GST = (gross GST payable + deferred GST payments on imports) - input tax credits
Sales tax credits could no longer be claimed from 7 January 2001.
If the sum of gross GST payable and deferred GST payments on imports is more than input tax credits (and sales tax credits in 2000-01) (that is, net GST is positive), then the net difference is payable to the Tax Office. If the sum of gross GST payable and deferred GST payments on imports is less than input tax credits (and sales tax credits in 2000-01) (that is, net GST is negative), then the net difference can be claimed as a refund.

Since the introduction of GST in 2000-01, GST collections (including Australian Customs Service collections) have increased by 29\% - from $\$ 23.8$ billion in 2000-01 to $\$ 30.7$ billion in 2002-03 (table 12.1). As a proportion of total Tax Office revenue, GST collections (Tax Office and Customs) increased from 14\% in 2000-01 to 17\% in 2002-03 (table 12.8).

In the 2001-02 financial year, net GST collections (including Customs collections, penalties and interest on overpayments) reached $\$ 26.9$ billion, an increase of $13 \%$ from the previous year (table 12.1). Out of all industries, the retail industry recorded the largest increase in net GST collections from the previous year (nearly tripling in value). However, this significant increase was mainly because GST collections from the retail industry in 2000-01 were significantly reduced by sales tax credits (the industry claimed $\$ 1.5$ billion sales tax credits in 2000-01). In 2001-02 sales tax credits could no longer be claimed to reduce GST payable.
In 2002-03 financial year, net GST collections increased by $14 \%$ from the previous year to $\$ 30.7$ billion mainly due to strong growth in private dwelling investment construction, together with continued solid household expenditure. Compared to the previous year GST collected from the construction industry increased by $28 \%$ while GST collected from the property and business services industry increased by $21 \%$. GST collections from the finance and insurance, manufacturing, wholesale, and retail industries also recorded strong growth compared to the previous year, increasing by $17 \%, 14 \%, 12 \%$, and $8 \%$ respectively.
Since 2000-01 the wholesale, property and business services and manufacturing industries have accounted for the largest share of GST collections. On average, GST collections from these industries have accounted for $60 \%$ of total GST collections each year (table 12.1).

Since the introduction of the GST, the government administration and defence, mining, education and health and community services industries recorded net GST refunds.
This can be explained by the fact that these industries mainly
provide GST-free supplies (table 12.1). For example, most education and health services are considered GST-free, and the mining industry produces large quantities of export goods, which are also GST-free.

TABLE 12.1: Net GST collections ${ }^{1}$, by industry, 2000-01 to 2002-03 financial years

| Industry ${ }^{2}$ | 2000-01 ${ }^{3}$ |  | 2001-024 |  | 2002-03 ${ }^{5}$ |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | \$m | \% | \$m | \% | \$m | \% |
| Property \& business services | 4,022 | 18.2 | 5,363 | 21.3 | 6,495 | 22.6 |
| Wholesale | 5,591 | 25.3 | 5,608 | 22.3 | 6,266 | 21.8 |
| Manufacturing | 3,778 | 17.1 | 3,896 | 15.5 | 4,441 | 15.4 |
| Finance \& insurance | 3,655 | 16.5 | 2,936 | 11.7 | 3,439 | 12.0 |
| Retail | 1,006 | 4.6 | 2,983 | 11.9 | 3,224 | 11.2 |
| Construction | 1,121 | 5.1 | 2,161 | 8.6 | 2,761 | 9.6 |
| Communication | 1,994 | 9.0 | 2,171 | 8.6 | 2,459 | 8.6 |
| Personal \& other services | 1,805 | 8.2 | 2,038 | 8.1 | 2,187 | 7.6 |
| Accommodation, cafes \& restaurants | 1,145 | 5.2 | 1,325 | 5.3 | 1,417 | 4.9 |
| Transport \& storage | 1,184 | 5.4 | 1,210 | 4.8 | 1,223 | 4.3 |
| Cultural \& recreational services | 779 | 3.5 | 851 | 3.4 | 908 | 3.2 |
| Electricity, gas \& water supply | 587 | 2.7 | 715 | 2.8 | 727 | 2.5 |
| Agriculture, forestry \& fishing | -92 | -0.4 | 126 | 0.5 | 87 | 0.3 |
| Education | -213 | -1.0 | -349 | -1.4 | -356 | -1.2 |
| Health \& community services | -310 | -1.4 | -399 | -1.6 | -437 | -1.5 |
| Mining | -253 | -1.1 | -801 | -3.2 | -891 | -3.1 |
| Government administration \& defence | -3,712 | -16.8 | -4,718 | -18.8 | -5,228 | -18.2 |
| Other ${ }^{6}$ | n.a. | n.a. | 37 | 0.1 | 35 | 0.1 |
| Tax Office net GST collections | 22,086 | 100.0 | 25,153 | 100.0 | 28,757 | 100.0 |
| Customs collections ${ }^{7}$ | 1,702 |  | 1,745 |  | 1,942 |  |
| Total net GST collections ${ }^{1}$ | 23,788 |  | 26,898 |  | 30,699 |  |
| 1. Includes penalties and interest on overpayments. |  |  |  |  |  |  |
| 2. Industry classifications are those provided by taxpayers on their ABN application. Some taxpayers operate in multiple industries, but they are included in only one broad industry group as chosen by the taxpayer on their ABN application. |  |  |  |  |  |  |
| 3. Estimated collections as at 30 June 2001. For the 2000-01 financial year, sales tax credits, along with input tax credits, may be deducted from gross GST payable to calculate net GST collections. The net GST collection figure also includes deferred GST payments on imports. |  |  |  |  |  |  |
| 4. Estimated collections as at 30 June 2002. For the 2001-02 financial year, sales tax credits may no longer be deducted from gross GST payable to calculate net GST collections. |  |  |  |  |  |  |
| 5. Estimated collections as at 30 June 2003. For the 2002-03 financial year, sales tax credits may no longer be deducted from gross GST payable to calculate net GST collections. |  |  |  |  |  |  |
| 6. Includes entities that stated other industries and entities that did not state their industry. |  |  |  |  |  |  |
| 7. Customs collects GST on taxable importations, where the imports are not subject to the deferred GST sche |  |  |  |  |  |  |

## INPUT TAX CREDITS

In 2002-03 entities claimed a total of $\$ 133$ billion in input tax credits (table 12.2). In value terms, the retail (16\%), manufacturing (14\%) and wholesale (13\%) industries claimed the largest respective shares of input tax credits. However, in aggregate, these industries recorded net GST payable amounts (positive net GST) (table 12.2).

An input tax credit (or GST credit) is an amount a registered entity is entitled to claim to offset the GST paid on inputs the entity acquires to use in its enterprise. However, if a registered entity acquires a supply for private use and/or to make input taxed supplies, it cannot claim an input tax credit.

TABLE 12.2: GST, input tax credits and deferred GST payments on imports, by industry, 2002-03 financial year

| Industry ${ }^{1}$ | Gross GST payable | Input tax credits | Deferred GST payments on imports | Net GST ${ }^{2}$ |
| :---: | :---: | :---: | :---: | :---: |
|  | \$m | \$m | \$m | \$m |
| Property \& business services | 17,923 | 11,871 | 443 | 6,495 |
| Wholesale | 19,159 | 17,887 | 4,994 | 6,266 |
| Manufacturing | 19,461 | 18,347 | 3,327 | 4,441 |
| Finance | 14,228 | 11,283 | 494 | 3,439 |
| Retail | 23,233 | 20,776 | 767 | 3,224 |
| Construction | 12,106 | 9,483 | 138 | 2,761 |
| Communication | 5,965 | 3,773 | 267 | 2,459 |
| Personal \& other services | 5,812 | 3,745 | 120 | 2,187 |
| Accommodation, cafes \& restaurants | 2,968 | 1,552 | 1 | 1,417 |
| Transport \& storage | 5,841 | 5,447 | 829 | 1,223 |
| Cultural \& recreational services | 2,700 | 1,812 | 20 | 908 |
| Electricity, gas \& water supply | 4,702 | 4,009 | 34 | 727 |
| Agriculture | 4,761 | 4,775 | 142 | 128 |
| Forestry | 290 | 242 | 2 | 50 |
| Fishing | 111 | 209 | 7 | -91 |
| Education | 1,206 | 1,569 | 7 | -356 |
| Health \& community services | 2,809 | 3,449 | 203 | -437 |
| Mining | 3,950 | 5,546 | 705 | -891 |
| Government administration \& defence | 1,769 | 7,163 | 166 | -5,228 |
| Other | 74 | 39 | 0 | 35 |
| Tax Office net GST collections | 149,068 | 132,977 | 12,666 | 28,757 |
| Customs collections |  |  |  | 1,942 |
| Total net GST collections ${ }^{2}$ |  |  |  | 30,699 |

1. Industry classifications are those provided by taxpayers on their ABN application. Some taxpayers operate in multiple industries, but they are included in only one broad industry group as chosen by the taxpayer on their ABN application.
2. Includes penalties and interest on overpayments.

In general, if the calculated ratio of input tax credits to the sum of gross GST payable and deferred GST payments on imports for an industry is less than one, the industry is more likely to pay net GST to the Tax Office. This is the case for the retail, wholesale, manufacturing and other industries, which have recorded ratios of less than one since the 2000-01 financial year (table 12.3). If the calculated ratio for an industry
is greater than one, the industry is more likely to collect net GST refunds and mainly supply GST-free supplies. This is the case for the government administration and defence, mining, fishing, education and health and community services industries, which have recorded ratios greater than one since 2000-01 (table 12.3).

TABLE 12.3: Ratio of input tax credits to gross GST ${ }^{1}$, 2000-01 to 2002-03 financial years

| Industry ${ }^{2}$ | Ratio 2000-01 | Ratio 2001-02 | Ratio 2002-03 |
| :---: | :---: | :---: | :---: |
| Government administration \& defence | 3.40 | 3.83 | 3.70 |
| Fishing ${ }^{3}$ | n.a. | 1.88 | 1.77 |
| Education | 1.23 | 1.32 | 1.29 |
| Mining | 1.06 | 1.19 | 1.19 |
| Health \& community services | 1.14 | 1.15 | 1.15 |
| Agriculture ${ }^{3}$ | n.a | 0.97 | 0.97 |
| Retail | 0.86 | 0.86 | 0.87 |
| Electricity, gas \& water supply | 0.86 | 0.83 | 0.85 |
| Manufacturing | 0.79 | 0.81 | 0.81 |
| Forestry ${ }^{3}$ | n.a. | 0.80 | 0.83 |
| Transport \& storage | 0.74 | 0.80 | 0.82 |
| Construction | 0.84 | 0.78 | 0.77 |
| Finance and insurance | 0.72 | 0.77 | 0.77 |
| Wholesale | 0.71 | 0.74 | 0.74 |
| Cultural \& recreational services | 0.63 | 0.65 | 0.67 |
| Property \& business services | 0.65 | 0.65 | 0.65 |
| Personal \& other services | 0.61 | 0.64 | 0.63 |
| Communication | 0.64 | 0.63 | 0.61 |
| Accommodation, cafés \& restaurants | 0.47 | 0.51 | 0.52 |

1. Includes deferred GST payments on imports.
2. Industry classifications are those provided by taxpayers on their ABN application. Some taxpayers operate in multiple industries, but they are included in only one broad industry group as chosen by the taxpayer on their ABN application.
3. Ratios for the agriculture, forestry and fishing industries were not calculated independently in 2000-01. However, as a group, the agriculture, forestry and fishing industry had a calculated ratio of 1.03 in that year (see table 11.4 in Taxation statistics 1999-2000).

## WINE EQUALISATION TAX

From 1 July 2000, the sales tax on wine and certain other alcoholic beverages was replaced with GST, wine equalisation tax and an increase in excise and customs duty on beer, spirits, liqueurs and other beverages containing alcohol.
Wine equalisation tax was designed to maintain the price relativities between cask wine and full strength packaged beer purchased for consumption away from licensed premises.

The wine equalisation tax rate is $29 \%$ and applies to the following beverages:

- grape wine, including sparkling wine and fortified wine
- grape wine products such as marsala, vermouth, wine cocktails and creams
- other fruit wines and vegetable wines, including fortified fruit wines and vegetable wines
- cider or perry, and
- mead and sake, including fortified mead.

Exports of wine, however, are not subject to wine equalisation tax.

Wine manufacturers, wine wholesalers and wine importers usually have the liability for this tax and are required to collect and remit wine equalisation tax to the Tax Office or Customs.

In general, wine equalisation tax is included in the price for which retailers (including bottle shops, hotels, restaurants and cafes) purchase the wine. The retailer is not entitled to a GST credit for wine equalisation tax. Wine equalisation tax forms part of a retailer's cost base and is passed on in the retail price of the wine to the end consumer. However, if retailers make their own wholesale sales of wine (that is, to a reseller) they may have a wine equalisation tax liability.

## REBATES AND CREDITS

The Australian Government and state governments operate separate rebate and subsidy schemes for winemakers. The states provide a $15 \%$ subsidy of the wholesale value of cellar door and mail order sales to unlicensed people.

To further assist small winemakers, the Australian Government supports the state schemes by providing a rebate for eligible cellar door, mail order and internet sales. The Australian Government provides:

- an additional $14 \%$ rebate on cellar door and mail order sales up to a wholesale value of $\$ 300,000$ a year, and
- a rebate reducing from $14 \%$ to $0 \%$ for sales with a wholesale value between $\$ 300,000$ and $\$ 580,000$ a year. Sales with a wholesale value above \$580,000 attract only the 15\% state subsidy.

The combination of the state subsidy and Australian Government rebate means that cellar door and mail order sales up to a wholesale value of $\$ 300,000$ a year are effectively free of wine equalisation tax.
To qualify for the Australian Government rebate a business must:
$\square$ be the producer of the wine

- hold a producers licence, a vignerons licence or an equivalent licence, and
- sell the wine from premises to which the licence relates.

The Australian Government rebate does not apply to:

- wine sold in the course of providing food in a winery restaurant, or
- wine sold by mail order or via the internet where a commission is payable to a third party.
Apart from rebates, entities liable for wine equalisation tax may be able to claim credits if they:
- overpaid wine equalisation tax
- paid wine equalisation twice
- did not quote their ABN when they purchased wine
- sold wine that was subject to wine equalisation tax, for a price that excluded the tax, to persons who quoted an ABN for the dealing
- exported wine that was subject to wine equalisation tax
- sold wine that was subject to wine equalisation tax, for a price that excluded the tax, to an eligible traveller in accordance with the prescribed rules for export sales
- wrote off bad debts that included wine equalisation tax they had paid.

There are other specialised wine equalisation tax credit grounds relating to imported wine, replacement of defective wine and ensuring there is no double taxation of containers.

## WINE EQUALISATION TAX COLLECTIONS

Since the introduction of the wine equalisation tax in 2000-01, wine equalisation tax collections (including Customs collections) have increased by $28 \%$ - from $\$ 523$ million in 2000-01 to $\$ 668.7$ million in 2002-03 (table 12.4). Revenue collected from wine equalisation tax accounted for less than 1\% of total Tax Office revenue from 2000-01 to 2002-03 (table 12.8).
During these past financial years, the most significant increase in wine equalisation tax collections occurred in 2001-02 when wine equalisation tax collections reached $\$ 640.2$ million - an increase of $22 \%$ from the previous financial year. However, this increase was mainly due to the addition of an activity statement payment during the 2001-02 financial year. In 2002-03 wine equalisation tax collections only increased by 4\% compared to the 2001-02 collection.

Companies consistently accounted for the largest share of wine equalisation tax collections since 2000-01. On average, they have accounted for 95\% of total wine equalisation tax collections each year (table 12.4).

TABLE 12.4: Wine equalisation tax collections, by entity, 2000-01 to 2002-03 financial years

| Entity | 2000-011 |  | 2001-02 ${ }^{2}$ |  | 2002-03 ${ }^{3}$ |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | \$ | \% | \$ | \% | \$ | \% |
| Company | 501,423,357 | 96.4 | 607,471,807 | 95.3 | 630,167,107 | 94.6 |
| Trust | 16,650,034 | 3.2 | 25,522,035 | 4.0 | 27,116,104 | 4.1 |
| Partnership | 5,424,320 | 1.0 | 8,199,469 | 1.3 | 11,523,518 | 1.7 |
| Individual | 823,168 | 0.2 | 1,643,978 | 0.3 | 2,254,668 | 0.3 |
| Government ${ }^{4}$ | -4,092,481 | -0.8 | -5,299,840 | -0.8 | -5,257,537 | -0.8 |
| Tax Office collections | 520,228,398 | 100.0 | 637,537,450 | 100.0 | 665,803,859 | 100.0 |
| Customs collections ${ }^{5}$ | 2,833,068 |  | 2,679,451 |  | 2,896,141 |  |
| Total | 523,061,466 |  | 640,216,901 |  | 668,700,000 |  |
| 1. Estimated collections as at 30 June 2001. <br> 2. Estimated collections as at 30 June 2002. <br> 3. Estimated collections as at 30 June 2003. <br> 4. Negative figures indicate wine equalisation tax credits or refunds claimed. <br> 5. Customs collects wine equalisation tax on taxable importations. |  |  |  |  |  |  |

In 2002-03, 14\% (\$90.7 million) of total Tax Office wine equalisation tax collections were from entities that sent less than $\$ 1$ million wine equalisation tax to the Tax Office; 17\% ( $\$ 110.3$ million) were from entities that sent $\$ 1$ million to less than \$5 million; and 70\% (\$464.7 million) were from entities
that sent $\$ 5$ million or more. Compared to the previous year, entities that sent \$100,000 to less than \$500,000 wine equalisation tax in 2002-03 showed the greatest increase in collections (table 12.5).

TABLE 12.5: Wine equalisation tax collections, by amount sent to the Tax Office, 2001-02 to 2002-03 financial years

| Amount sent | Amount collected 2001-02 ${ }^{1}$ |  | Amount collected 2002-03 ${ }^{2}$ |  |
| :---: | :---: | :---: | :---: | :---: |
|  | \$ | \% | \$ | \% |
| Less than \$99,999 | 16,969,173 | 2.7 | 20,316,762 | 3.1 |
| \$100,000-\$499,999 | 36,307,142 | 5.7 | 44,846,458 | 6.7 |
| \$500,000-\$999,999 | 22,080,078 | 3.5 | 25,576,474 | 3.8 |
| \$1,000,000-\$4,999,999 | 103,291,899 | 16.2 | 110,346,133 | 16.6 |
| \$5,000,000 or more | 458,889,157 | 72.0 | 464,718,031 | 69.8 |
| Tax Office collections | 637,537,450 | 100.0 | 665,803,858 | 100.0 |
| Customs collections ${ }^{3}$ | 2,679,451 |  | 2,896,141 |  |
| Total | 640,216,901 |  | 668,700,000 |  |
| 1. Estimated collections as at 30 June 2002. <br> 2. Estimated collections as at 30 June 2003. <br> 3. Customs collects wine equalisation tax on taxable importations. |  |  |  |  |

## LUXURY CAR TAX

From 1 July 2000, sales tax on luxury cars was replaced by GST and luxury car tax. Like wine equalisation tax, luxury car tax was designed to maintain price relativities, that is, ensure the price of luxury cars fell by about the same amount as the price of cars just under the luxury car tax threshold following the removal of sales tax and the introduction of GST. In effect, luxury car tax ensures that buyers of luxury cars continue to pay more tax than buyers of cars priced under the luxury car tax threshold.

Cars with a GST-inclusive value exceeding the luxury car tax threshold are subject to luxury car tax. Luxury car tax is payable only on the GST-exclusive value that exceeds the threshold. The following formula is used to calculate luxury car tax (LCT) payable:
LCT $=\frac{25}{100} \times \frac{10}{11} \times($ LCT tax value - LCT threshold $)$
The luxury car tax threshold for the 2002-03 financial year was increased from $\$ 55,134$ to $\$ 57,009$, and the luxury car tax rate is $25 \%$.
Entities registered (or required to register) for GST, including retailers, wholesalers and manufacturers that make a taxable supply of a luxury car, are liable to pay luxury car tax. Importers (including private buyers) that make a taxable importation of a luxury car are also liable to pay the tax. Entities that make a taxable supply of a luxury car must report the amount of luxury car tax payable on their activity statement and remit the amount, together with the GST payable.

## LUXURY CAR TAX ADJUSTMENTS

Unlike GST, no input tax credit is available for luxury car tax, regardless of whether the luxury car is used within a business or for private purposes.

However, circumstances may occur in a period after the supply or importation of a luxury car that alter the amount of luxury car tax previously paid and mean luxury car tax becomes refundable, or an amount becomes payable in a later tax period. The registered entity then needs to make a decreasing or increasing adjustment on its activity statement.

An entity has a decreasing luxury car tax adjustment if any of the following circumstances occur after the taxable supply or importation:

- There is a decrease in the price of the car. This may happen if luxury car tax was calculated on the price in a past tax period and the amount was included on the activity statement for that tax period. During a later tax period the supplier and the purchaser agreed that the price paid should decrease. The supplier needs to calculate the luxury car tax on the new price and then work out the difference between the luxury car tax previously paid and what would be payable using the new value.
- The supplier has written off a bad debt or a debt has been overdue for 12 months in respect of the supply of a luxury car.

An entity did not quote its ABN at the time of the purchase or importation and the car is now used for a quotable purpose. For example, a dealership did not quote its ABN when purchasing a luxury car because the car was to be used by an executive of the dealership. However, when the car was delivered the executive did not use the car but instead it was held as trading stock.
$\square$ The sale is cancelled.
An entity has an increasing luxury car tax adjustment if:

- There is an increase in the price of the car.
- An entity quoted its $A B N$ at the time of the purchase or importation and now uses the car for a purpose other than a quotable purpose. For example, a dealership quoted its ABN when purchasing a luxury car because the car was to be held as trading stock. However, when the car was delivered, it was used by an executive of the dealership.
- The supplier previously claimed a decreasing adjustment in respect of a bad debt or a debt overdue for 12 months or more and has now recovered all or part of the debt.
- An entity had a decreasing adjustment and now uses the car for a purpose other than a quotable purpose.


## LUXURY CAR TAX COLLECTED

Since the introduction of the luxury car tax in 2000-01, luxury car tax collections (including Customs collections) have increased by 54\% - from \$170.8 million in 2000-01 to \$262.7 million in 2002-03 (table 12.6). Revenue collected from luxury car tax accounted for less than 1\% of total Tax Office revenue from 2000-01 to 2002-03 (table 12.8).

During these past financial years, the most significant increase in luxury car tax collections occurred in 2001-02 when luxury car tax collections reached $\$ 219.9$ million - an increase of 29\% from the previous financial year. However, this increase was mainly due to the addition of an activity statement payment during the 2001-02 financial year. In 2002-03 luxury car tax collections increased by 19\% compared to the 2001-02 collection due to a significant increase in luxury car sales driven by low interest rates, combined with numerous new model releases.

Companies have consistently accounted for the largest share of luxury car tax collections since 2000-01. On average, they accounted for $77 \%$ of total luxury car tax collections each year (table 12.6).

TABLE 12.6: Luxury car tax collections, by entity, 2000-01 to 2002-03 financial years

| Entity | 2000-011 |  | 2001-02 ${ }^{2}$ |  | 2002-03 ${ }^{3}$ |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | \$ | \% | \$ | \% | \$ | \% |
| Company | 131,802,801 | 77.7 | 167,101,488 | 76.4 | 199,122,460 | 76.1 |
| Trusts \& individual | 36,760,380 | 21.7 | 49,515,745 | 22.6 | 60,006,427 | 22.9 |
| Partnership | 1,173,568 | 0.7 | 2,159,412 | 1.0 | 2,502,635 | 1.0 |
| Tax Office collections | 169,736,749 | 100.0 | 218,776,645 | 100.0 | 261,631,522 | 100.0 |
| Customs collections ${ }^{4}$ | 1,086,399 |  | 1,121,285 |  | 1,079,665 |  |
| Total | 170,823,148 |  | 219,897,930 |  | 262,711,187 |  |
| 1. Estimated collections as at <br> 2. Estimated collections as at <br> 3. Estimated collections as at <br> 4. Customs collects luxury car | portations. |  |  |  |  |  |

In 2002-03, 25\% (\$65.2 million) of total Tax Office luxury car tax collections were from entities that sent less than $\$ 1$ million luxury car tax to the Tax Office; 49\% (\$128.4 million) were from entities that sent $\$ 1$ million to less than $\$ 5$ million; and $26 \%$ ( $\$ 67.9$ million) were from entities that sent $\$ 5$ million or more. Compared to the previous year, entities that sent $\$ 5$ million
or more luxury car tax in 2002-03 significantly increased their share of Tax Office luxury car tax collections while entities that sent $\$ 1$ million or less than $\$ 5$ million showed a significant decrease in their share of luxury car tax collections (table 12.7).

TABLE 12.7: Luxury car tax collections, by amount sent to the Tax Office, 2001-02 to 2002-03 financial years

| Amount sent | Amount collected 2001-02 ${ }^{1}$ |  | Amount collected 2002-03 ${ }^{2}$ |  |
| :---: | :---: | :---: | :---: | :---: |
|  | \$ | \% | \$ | \% |
| Less than \$99,999 | 11,658,285 | 5.3 | 10,144,865 | 3.9 |
| \$100,000-\$499,99 | 25,689,417 | 11.7 | 29,633,599 | 11.3 |
| \$500,000-\$999,999 | 18,439,951 | 8.4 | 25,485,234 | 9.7 |
| \$1,000,000-\$4,999,999 | 123,870,657 | 56.6 | 128,416,223 | 49.1 |
| \$5,000,000 or more | 39,118,335 | 17.9 | 67,951,601 | 26.0 |
| Tax Office collections | 218,776,645 | 100.0 | 261,631,522 | 100.0 |
| Customs collections ${ }^{3}$ | 1,121,285 |  | 1,079,665 |  |
| Total | 219,897,930 |  | 262,711,187 |  |
| 1. Estimated collections as at 30 June 2002. <br> 2. Estimated collections as at 30 June 2003. <br> 3. Customs collects luxury car tax on taxable importations. |  |  |  |  |

## DETAILED TABLE

The following detailed table on selected GST, wine equalisation tax and luxury car tax items for the 2000-01 to 2002-03 financial years is on the attached CD-ROM and included in the online version of this publication on our website at www.ato.gov.au The table may be viewed or downloaded in Adobe Acrobat (PDF), Microsoft Excel (XLS) or Comma Separated Values (CSV) file format.

Table 1: Selected GST, wine equalization tax and luxury car tax items, 2000-01 top 200203 financial years
This table shows selected GST, wine equalization tax and luxury car tax items for the 2000-01 to 2002-03 financial years.
This table is also available at the back of this chapter (see table 12.8).

## TIME SERIES TABLE

Table 12.8 shows selected GST, wine equalization tax and luxury car tax items for the 2000-01 to 2002-03 financial years. This table is also available on the attached CD-ROM and in the online version of this publication on the Tax Office website. It may be viewed or downloaded in Adobe Acrobat (PDF), Microsoft Excel (XLS) or Comma Separated Values
(CSV) formats.

TABLE 12.8': Selected GST, wine equalisation tax and luxury car tax items, 2000-01 to 2002-03

| Item ${ }^{2}$ |  | 2000-01 ${ }^{3}$ | 2001-024 | 2002-03 ${ }^{5}$ |
| :---: | :---: | :---: | :---: | :---: |
| Gross GST payable (Tax Office collections) ${ }^{6}$ | \$m | 123,112 | 132,145 | 149,068 |
| Input tax credits | \$m | 98,936 | 118,183 | 132,977 |
| Sales tax credits $^{7}$ | \$m | 2,089 | n.a. | n.a. |
| Deferred GST payments on imports ${ }^{6}$ | \$m | n.a. | 11,190 | 12,666 |
| Net GST collections (Tax Office collections) ${ }^{8}$ | \$m | 22,086 | 25,153 | 28,757 |
| Customs GST collections | \$m | 1,702 | 1,745 | 1,942 |
| Total net GST collections (Tax Office and Customs) | \$m | 23,788 | 26,898 | 30,699 |
| Share of total GST collections to total Tax Office revenue | \% | 14.4 | 15.9 | 16.6 |
| Wine equalisation tax |  |  |  |  |
| - Tax Office collections | \$m | 520 | 638 | 666 |
| - Customs collections | \$m | 3 | 3 | 3 |
| - Total | \$m | 523 | 640 | 669 |
| Share of total wine equalisation tax collections to total Tax Office revenue ${ }^{9}$ | \% | 0.3 | 0.4 | 0.4 |
| Luxury car tax |  |  |  |  |
| - Tax Office collections | \$m | 170 | 219 | 262 |
| - Customs collections | \$m | 1 | 1 | 1 |
| - Total | \$m | 171 | 220 | 263 |
| Share of total luxury car tax collections to total Tax Office revenue ${ }^{9}$ | \% | 0.1 | 0.1 | 0.1 |
| Total Tax Office revenue | \$m | 165,426 | 168,660 | 185,044 |

## Notes:

n.a. not applicable or not available

1. This table is the same as GST and other taxes detailed table 1 which can be viewed or downloaded from the CD-ROM or from the online version of this publication on the Tax Office website.
2. Description of items are in the GST chapter (chapter 12).
3. Statistics refer to estimated collection as at 30 June 2001.
4. Statistics refer to estimated collection as at 30 June 2002.
5. Statistics refer to estimated collection as at 30 June 2003.
6. For the 2000-01 financial year, deferred GST payments on imports amounts were included in gross GST payable amounts.
7. From 2001-02 onwards, sales tax credits could no longer be claimed.
8. For the 2000-01 financial year, Tax Office net GST collections was equal to gross GST payable (including deferred GST payments on imports) minus input tax credits and sales tax credits. From 2001-02 onwards, Tax Office net GST collections was equal to the sum of gross GST payable and deferred GST payments on imports minus input tax credits.
9. Percentage shares are calculated from unrounded amounts.

## HIGHLIGHTS

- Total excise collections (including surcharge, but excluding diesel fuel rebates and grants) increased from $\$ 19.6$ billion in 2001-02 to $\$ 20.7$ billion in 2002-03. This was mainly due to strong domestic demand for excisable products.
- Excise collected from tobacco increased by 8\% from the previous year to $\$ 5.2$ billion due to the Tax Office's implementation of an active compliance strategy in tobacco growing areas, which reduced the diversion of legally grown tobacco to the illicit market.
- Excise collected from alcohol products increased by $12 \%$ from the previous year to $\$ 2.2$ billion mainly driven by a record $65 \%$ increase in excise collected from spirits.
- Excise collected from crude oil increased by 6\% from the previous year to $\$ 417$ million due to a $15 \%$ increase in the volume weighted average realised (VOLWARE) price of crude oil.

Excise duty is levied on certain commodities or goods which are manufactured or produced in Australia, irrespective of whether the components used to produce the goods are of foreign or domestic origin. Commodities subject to excise are petroleum, alcohol (spirits and beer, but not wine), tobacco and crude oil.

The Tax Office assumed responsibility for collecting excise duty in February 1999. Because of existing legislation, the Australian Customs Service (Customs) collects customs duty on equivalent imported goods.
The Tax Office does not calculate excise duty liability but provides advice and assistance to manufacturers and dealers in excisable goods to meet their excise obligations.
Under the indexation provisions of the Excise Tariff Act 1921, the rates of excise duty on spirits, beer (except home brew) and tobacco products may be increased in February and August each year, in line with movements in the consumer price index (CPI). The indexation provisions no longer apply to petroleum, other types of fuel and petroleum based oils and lubricants (not for use as fuel).
Statistics on excise collections for the 2002-03 financial year (the period from 1 July 2002 to 30 June 2003) are discussed in the following sections of this chapter. Excise statistics for the 2002-03 financial year and past financial years are sourced from Tax Office and Customs databases.

## NEW FEATURES AND INFORMATION

For this edition, two new subsections ('Beer' and 'Spirits') were added in the alcohol section. A new box (box 13.1) describing the Concessional spirits scheme was also added in the spirits subsection.

## EXCISE COLLECTIONS

From August 1997 until the implementation of tax changes on 1 July 2000 there was an excise surcharge on petroleum and tobacco products. It replaced the various state business franchise fees previously levied on these products. The surcharge amounts collected by the Australian Government were reimbursed to the states and territories under agreed repayment schemes.

These funding arrangements were no longer required with the introduction of a goods and services tax (GST) on 1 July 2000 Some surcharge amounts were collected in 2000-01, but they relate to clearances made in June 2000.

Figure 13.1 highlights how these legislative changes (and other factors) affected excise collections for the past decade. For example, a large increase of $\$ 4.5$ billion occurred in 1997-98, mostly due to the introduction of the excise surcharge.

FIGURE 13.1: Total excise collected ${ }^{1}$, 1992-93 to 2002-03 financial years


1. An excise surcharge on tobacco and petroleum was introduced in 1997 to replace the various state business franchise fees previously levied on these products. Surcharges were no longer payable following the introduction of GST on 1 July 2000. Although excise collections for 2000-01 still include some surcharge payments, they relate to clearances made in June 2000.

In 2002-03, \$20.7 billion in excise was collected, an increase of approximately $\$ 1.1$ billion from the previous year. Most excise was collected from petroleum products, which accounted for $62 \%$ ( $\$ 12.9$ billion) of total excise collections (table 13.1). Tobacco was the next major contributor, with 25\% (\$5.2 billion) of total collections.

TABLE 13.1: Excise collected, by type, 2002-03 financial year

| Type | Amount collected |  |
| :--- | :--- | :--- |
|  | $\mathbf{\$ m}$ | \% |
| Petroleum | 12,865 | 62.0 |
| Tobacco | 5,212 | 25.1 |
| Beer | 1,679 | 8.1 |
| Spirits | 560 | 2.7 |
| Crude oil | 417 | 2.0 |
| Total $^{1}$ | $\mathbf{2 0 , 7 3 4}$ | $\mathbf{1 0 0 . 0}$ |
| 1.Total amount may differ slightly from the sum of components due to rounding. |  |  |

The total quantity of petroleum products, tobacco, cigarettes and spirits subject to excise increased in 2002-03 compared to 2001-02, while quantities of beer subject to excise decreased slightly (table 13.2).

TABLE 13.2: Quantities of products subject to excise, 2001-02 to 2002-03 financial years

| Product | Unit | 2001-02 | 2002-03 | Percentage change over previous year ${ }^{1}$ |
| :---: | :---: | :---: | :---: | :---: |
| Petroleum |  |  |  |  |
| Petrol - unleaded, leaded and lead replacement fuel | Megalitres | 18,501.11 | 19,112.92 | 3.3\% |
| Diesel | Megalitres | 13,777.72 | 14,442.83 | 4.8\% |
| Other petroleum products |  |  |  |  |
| - fuel oil | Megalitres | 343.78 | 433.96 | 26.2\% |
| - heating oil ${ }^{2}$ | Megalitres | 75.04 | 63.79 | -15.0\% |
| - aviation gasoline | Megalitres | 95.53 | 94.32 | -1.3\% |
| - aviation kerosene ${ }^{2}$ | Megalitres | 2,084.51 | 2,023.59 | -2.9\% |
| - kerosene ${ }^{2,3}$ | Megalitres | 101.04 | 46.24 | -54.2\% |
| - oils and greases | Megalitres | 445.42 | 466.11 | 4.6\% |
| Total petroleum products (excluding greases) | Megalitres | 35,424.15 | 36,683.75 | 3.6\% |
| Alcohol |  |  |  |  |
| Beer | Megalitres of alcohol | 52.99 | 52.65 | -0.6\% |
| Spirits |  |  |  |  |
| - other spirits | Megalitres of alcohol | 2.57 | 2.63 | 2.3\% |
| - brandy | Megalitres of alcohol | 0.69 | 0.67 | -4.0\% |
| - designer drinks | Megalitres of alcohol | 4.81 | 12.57 | 161.1\% |
| Total spirits | Megalitres of alcohol | 8.08 | 15.86 | 96.4\% |
| Tobacco |  |  |  |  |
| Cigarettes | Million sticks | 22,612.81 | 23,557.34 | 4.2\% |
| Tobacco | Million kilograms | 0.65 | 0.80 | 23.9\% |

1. Percentage change between the two years was calculated from actual (not rounded) data.
2. Kerosene and heating oil items include some entries that are free of duty or subject to duty at the full fuel rate.
3. Significant decrease in the quantity of kerosene subject to excise is attributed to the switch to gas for burner use by a number of large power generation companies.

## PETROLEUM

Petroleum excise is levied on a variety of petroleum products including gasoline, diesel, kerosene, heating oil, fuel oil, condensate and stabilised crude used as fuel, topped crude petroleum oil, other refined or partly refined products, petroleum-based oils not used for fuel and fuel ethanol.

There are a variety of excise rates levied on petroleum products depending on their end use. Products used for fuel and in aviation will attract different rates to those used in burner, solvent or industrial applications.
Before 1 March 2001 excise rates on petroleum products had been adjusted in February and August each year, in line with movements in the consumer price index (CPI). However, since 1 August 2001, biannual indexation of excise rates no longer applied to refined petroleum products, other than oils and greases. (The change was introduced in March 2001, with effect from 1 August 2001.)
Excise rates applying to certain petroleum products during the 2002-03 financial year are shown in table 13.3.

TABLE 13.3: Excise rates on selected ${ }^{1}$ petroleum products, 2002-03 financial year

| Product | Rates <br> $\$ / l i t r e$ |
| :--- | ---: |
| Leaded petrol | 0.40516 |
| Unleaded petrol | 0.38143 |
| Diesel fuel | 0.38143 |
| Fuel oil | 0.07557 |
| Aviation kerosene | 0.02845 |
| Aviation gasoline | 0.02808 |

1. Excise duty rates on these and other petroleum products are reported and updated on the Tax Office website (see the online document, Excise duty rates).

In 2002-03 around $\$ 12.9$ billion in excise was collected from refined petroleum products, an increase of $4 \%$ from the previous year (figure 13.2).

While there has been an overall increase in excise collected from refined petroleum, duty collections on leaded petrol decreased from $\$ 1.2$ million in 2001-02 to just $\$ 1.0$ million in 2002-03. The sale and use of leaded petrol is being phased out, and is being replaced at the bowser by lead replacement fuel.

Figure 13.2: Excise collected from petroleum products ${ }^{1}$, 1994-95 to 2002-03 financial years



[^14]
## TOBACCO

Tobacco manufacturers in Australia pay excise duty on locally manufactured cigarettes and tobacco products. Customs duty applies to imported tobacco products.

Both manufacturers and importers include the amount of the excise or customs duty in their products' sale price. This means the cost of the excise or customs duty is passed on to the consumer.

Since 1 November 1999 excise duty on tobacco products containing 0.8 grams of tobacco or less has been calculated on a 'per stick' rate. These products include most cigarettes,
very small cigars and bidis. The excise duty that applies to other tobacco and cigars or cigarettes that exceed 0.8 grams (actual tobacco content) is calculated on a per kilogram tobacco content rate (table 13.4).

Excise rates are increased where there are upward movements in the consumer price index. These increases occur in February and August each year. When introduced on 1 November 1999, the per stick rate, including surcharge, was $\$ 0.18872$. It has since increased by $14 \%$ to $\$ 0.21524$ as at 1 February 2003 (table 13.5).

TABLE 13.4: Excise rates on tobacco products, 2002-03 financial year

| Item | Excise rates applying from 1 February to 31 July 2002 | Excise rates applying from 1 August 2002 to 31 January 2003 | Excise rates applying from 1 February to 31 July 2003 |
| :---: | :---: | :---: | :---: |
|  | \$ | \$ | \$ |
| Cigarettes, cigars \& tobacco in stick form not exceeding 0.8 grams per stick of tobacco | 0.20893 per stick | 0.21227 per stick | 0.21524 per stick |
| Snuff | 2.13 per kg | 2.16 per kg | 2.19 per kg |
| Other tobacco products | 261.16 per kg | 265.34 per kg | 269.05 per kg |
| Cigarettes - indicative excise: |  |  |  |
| - pack of 20 | 4.18 per pack | 4.25 per pack | 4.30 per pack |
| - pack of 25 | 5.22 per pack | 5.31 per pack | 5.38 per pack |
| - pack of 30 | 6.27 per pack | 6.37 per pack | 6.46 per pack |
| - pack of 40 | 8.36 per pack | 8.49 per pack | 8.61 per pack |
| - pack of 50 | 10.45 per pack | 10.61 per pack | 10.76 per pack |
| Tobacco |  |  |  |
| - 50-gram pack | 13.06 per pack | 13.27 per pack | 13.45 per pack |

TABLE 13.5: Excise rates on tobacco products

| Date of effect | Excise rate <br> Per stick <br> rate (\$) |
| :--- | ---: | ---: |
|  | Tobacco <br> content |
| rate(\$/kg) |  |

1. Applies to tobacco, cigars and cigarettes that are in stick form and do not exceed 0.8 grams in weight per stick of actual tobacco content.
2. Applies to other tobacco, cigars or cigarettes that exceed 0.8 grams in weight per stick of actual tobacco content.

In 2002-03, the quantities of cigarettes subject to excise duty increased by $4 \%$ from the previous year, while quantities of tobacco products increased by $24 \%$ (table 13.2). Overall, excise collected from tobacco products increased by $8 \%$ from the previous year to $\$ 5.2$ billion (figure 13.3 and table 13.8). The significant increase in the total quantity of tobacco products subject to excise and tobacco excise collections is mainly due to the Tax Office's implementation of an active compliance strategy in the tobacco growing areas of Queensland and Victoria which reduced the diversion of legally grown tobacco to the illicit market.

From 1994-95 to 2002-03 the amount of excise collected from tobacco products has more than tripled (figure 13.3). Most of the increase occurred in 1997-98 and was due to the introduction of the excise surcharge in 1997 to replace various state franchise fees previously levied on these products.

FIGURE 13.3: Excise collected from tobacco products ${ }^{1}$,1994-95 to 2002-03 financial years


1. An excise surcharge on tobacco and petroleum was introduced in 1997 to replace the various state business franchise fees previously levied on these products. Surcharges were no longer payable following the introduction of GST on 1 July 2000. Although excise collections for 2000-01 still include some surcharge payments, they relate to clearances made in June 2000.

## ALCOHOL

Australian manufacturers, distillers, brewers and distributors of alcoholic beverages not subject to wine equalisation tax have a responsibility under the Excise Tariff Act 1921 to pay excise duty.
Excise duty applies to:

- beer
- spirits such as brandy, rum and vodka (unless the spirit is purchased for an approved purpose under the Concessional spirits scheme - see box 13.1)
- liqueurs, and
- other alcoholic beverages not subject to wine equalisation tax.

Customs duty applies to imported alcoholic beverages.
In 2002-03 excise collected from alcohol products (beer and spirits) increased by $12 \%$ from the previous year to $\$ 2.2$ billion (figure 13.4) driven mainly by a record $65 \%$ increase in excise collected from spirits (see 'Spirits' section below and table 13.7).

From 1994-95 to 2002-03 the amount of excise collected from alcohol products nearly doubled (figure 13.3). Most of the increase occurred in 2000-01 when higher excise rates were set to offset the abolition of wholesale sales tax on beer.

FIGURE 13.4: Excise collected from alcohol products ${ }^{1}$, 1994-95 to 2002-03 financial years


[^15]
## BEER

Rates of excise duty applicable to beer can be broken down into several categories (table 13.6). The duty free threshold for beer is $1.15 \%$ alcohol content.

A rate of duty equivalent to the full strength beer rate (but without its duty free threshold) applies to alcoholic beverages not exceeding 10\% alcohol content by volume (table 13.6).

TABLE 13.6: Excise rates on beer and other excisable beverages, of an alcoholic strength not exceeding 10\%, 2002-03 financial year

| Item | Excise rates <br> applying from 1 July <br> to 31 July 2002 | Excise rates <br> applying from <br> 1 August 2002 to <br> 31 January 2003 | Excise rates <br> applying from <br> 1 February to <br> 31 July 2003 |
| :--- | ---: | ---: | ---: | ---: |
| Beer, in individual containers not exceeding <br> 48 litres | \$ per litre of alcohol | \$ per litre of alcohol | \$ per litre of alcohol |
| - not exceeding 3\% by volume of alcohol | 28.49 | 28.95 | 29.36 |
| - exceeding 3\% but not exceeding 3.5\% by volume <br> of alcohol | 33.22 | 33.75 | 34.22 |
| - exceeding 3.5\% by volume of alcohol | 33.22 | 33.75 | 34.22 |
| Beer, in individual containers exceeding 48 litres |  |  |  |
| - not exceeding 3\% by volume of alcohol | 5.69 | 5.78 | 5.86 |
| - exceeding 3\% but not exceeding 3.5\% by volume <br> of alcohol | 17.87 | 18.16 | 18.41 |
| - exceeding 3.5\% by volume of alcohol | 23.39 | 23.76 | 24.09 |
| Other excisable beverages, of an alcoholic <br> strength not exceeding 10\% | 33.22 | 33.75 | 34.22 |

Beer accounted for 75\% of excise collected from alcohol products (beer and spirits) in 2002-03.

In 2002-03 the quantity of beer subject to excise decreased by less than 1\% from the previous year (table 13.2). However, excise revenue from beer increased by $1 \%$ to $\$ 1.7$ billion (table 13.8).

## SPIRITS

In most cases, spirits manufactured in Australia is subject to excise duty (see box 13.1 for circumstances where the duty may be waived). From 1 February 2002, imported spirits used to make ready to drink beverages by mixing with Australianmanufactured soft drinks and other ingredients have also been subject to excise duty, rather than customs duty (excise duty rates are listed in table 13.6). During the 2001-02 financial year, this change resulted in a 60\% increase in the total quantity of spirits subject to excise over the previous year (from 5 megalitres of alcohol in 2000-01 to 8.1 megalitres in 2001-02). Consequently, the total quantity of excise collected from spirits increased by $43 \%$ to $\$ 339.1$ million in 2001-02 compared to the previous year (table 13.8).

The policy continued to have a significant influence in the total quantity of spirits subject to excise and excise collection in 2002-03. Total quantity of spirits subject to excise further increased by $96 \%$ over the previous year (table 13.2), while excise collections from spirits increased by a record $65 \%$ to $\$ 560$ million (table 13.8 and figure 13.5). The share of excise collected from spirits to total alcohol excise collection increased from $17 \%$ in 2001-02 to 25\% in 2002-03.

TABLE 13.7: Excise duty rates applying to spirits and other excisable beverages, of an alcoholic strength exceeding 10\%, 2002-03 income year

| Item | Units | Excise rates <br> applying <br> from 1 July to <br> 31 July 2002 | Excise rates <br> applying from <br> 1 August 2002 to <br> 31 January 2003 | Excise rates <br> applying from <br> 1 February to <br> 31 July 2003 |
| :--- | :--- | ---: | ---: | ---: |
| Spirit categories | $\mathbf{\$}$ | $\mathbf{\$}$ | $\mathbf{\$}$ |  |

FIGURE 13.5: Excise collected from spirits¹, 1994-95 to 2002-03 financial years

| $\$ \mathrm{~m}$ | —Pre-2000 excise rate structure |
| :--- | :--- |

800


[^16]
## BOX 13.1: Concessional spirits scheme

While in most cases alcohol of any kind manufactured in Australia is subject to excise duty, under specific circumstances that duty may be waived on spirit purchased for an approved purpose. In most cases entities who want to purchase spirit duty free must obtain a permit and meet and meet certain requirements.

There are three types of spirit that may be purchased at the duty free rate - some require permits, while others do not.

- Undenatured spirit, or ethyl alcohol (ethanol), requires a permit.
- Partially denatured spirit, or specially methylated spirit, requires a permit.

Fully denatured spirit, or industrial methylated spirit, does not require a permit.
Similarly, isopropyl, or isopropynol alcohol, does not require a permit.
For undenatured spirits to qualify for the concessional rate, the following uses are approved:

- essences
- medicines
- products labelled as mouth washes or gargles (even if other uses are indicated)
- vinegar and articles of food and drink (excluding spirituous beverages)
- fortification of non grape wine
- for use in chemical or biological laboratories
- for use in hospitals, educational or similar institutions, or
- other manufacturing purposes approved by the Tax Office.

For partially denatured spirit to qualify for the concessional rate, the denatured spirit should be used for industrial, scientific, educational or therapeutic purposes where it can be demonstrated that industrial spirit can not be used as a suitable medium or material.

Anyone who intends to use spirit for an approved purpose as outlined above may apply to the Tax Office for a permit. However, there are some groups who do not need a permit to purchase concessional spirits. These include:

- traditional health care practitioners such as doctors, chiropractors, dentists, osteopaths, physiotherapists, registered nurses and veterinary surgeons (up to 60 litres each year)
- alternative health care practitioners such as acupuncturists, herbalists, homeopaths and naturopaths with a current Therapeutic Goods Act certificate (up to 60 litres each year)
- pharmacists with a current practitioner's certificate number (up to 120 litres each year), and
- educational institutions such as universities, schools and colleges, agricultural institutes and technical colleges (up to five litres each year).


## CRUDE OIL

The vast majority of crude oil produced in Australia is subject to royalties, rather than excise duty. Royalties become payable once commercial production begins. However, offshore fields in the North-west Shelf are eligible for an excise duty exemption and onshore fields producing stabilised crude oil and condensate may produce 30 million barrels of product excise-free. Each commercially productive field must be prescribed by excise by-law to be eligible for either the 30-million barrel exemption or excise-free production, and its operators must maintain production records. These records are monitored by the Department of Industry, Tourism and Resources until the 30-million barrel threshold is reached. Once the threshold is breached, all production becomes excisable and administration transfers to the Tax Office. Excise administrative arrangements apply a marginal tax rate regime to the excisable production.
Where a field produces more than the threshold amount in a financial year, the first 500 megalitres are free of duty. The next 100 megalitres (501-600) are subject to 10\% duty, and the following 100 megalitres (601-700) to $15 \%$ duty. The next 100 megalitres (701-800) are subject to $20 \%$ duty, with production above 800 megalitres subject to $30 \%$ duty, calculated on the VOLWARE (volume weighted average realised) price determined each month by the Department of Industry, Tourism and Resources.

Excise collections from crude oil increased by $6 \%$ to $\$ 417.5$ million in 2002-03 (figure 13.6). The increase was driven by a $15 \%$ increase in the VOLWARE price of crude oil. (The excise calculation is based on volume (production) multiplied by VOLWARE price of the crude oil. The value using the VOLWARE is based on the actual price the crude is sold at US dollars converted to Australian dollars. Therefore, the factors affecting excise collection are volume, price on the open market and the exchange rate. The VOLWARE increased from an average of \$A265.68 in 2001-02 to \$A304.98 in 2002-03.)

## DETAILED TABLE

The following detailed table on excise collections is on the attached CD-ROM and included in the online version of this publication on the Tax Office website. The table may be viewed or downloaded in Adobe Acrobat (PDF), Microsoft Excel (XLS) or Comma Separated Values (CSV) file formats.

## Table 1: Excise collections, 1994-95 to 2002-03 financial years

This table shows excise collected from beer, spirits, tobacco, petroleum and crude oil for the 1994-95 to 2002-03 financial years.

It is also at the end of this chapter (see table 13.8).

## TIME SERIES TABLE

Table 13.8 shows excise collected from beer, spirits, tobacco, petroleum and crude oil for the 1994-95 to 2002-03 financial years. This table is also available on the attached CD-ROM and in the online version of this publication on the Tax Office website. It may be viewed or downloaded in Adobe Acrobat (PDF), Microsoft Excel (XLS) or Comma Separated Values (CSV) file formats.

Figure 13.6: Excise collected from crude oil, 1994-95 to 2002-03 financial years

Table 13.8': Excise collections, 1994-95 to 2002-03 financial years

| Product | 1994-95 ${ }^{4}$ | 1995-96 ${ }^{4}$ | 1996-97 ${ }^{5}$ |
| :---: | :---: | :---: | :---: |
|  | \$ | \$ | \$ |
| Beer | 819,104,730 | 844,788,300 | 875,421,681 |
| Spirits | 189,666,295 | 200,608,116 | 164,283,255 |
| Tobacco - base | 1,499,525,627 | 1,614,386,251 | 1,713,085,043 |
| Tobacco - surcharge ${ }^{2}$ | n.a. | n.a. | n.a. |
| Petroleum - base ${ }^{3}$ | 9,242,620,392 | 10,426,684,522 | 10,638,989,612 |
| Petroleum - surcharge ${ }^{2}$ | n.a. | n.a. | n.a. |
| Crude | 29,872,035 | 7,342,309 | 9,397,535 |
| Total excise (includes surcharge) ${ }^{2}$ | n.a. | n.a. | n.a. |
| Total excise (excludes surcharge) | 11,780,789,079 | 13,093,809,497 | 13,401,177,127 |

Notes:

* The s
* The symbol 'n.a.' used in this publication means not applicable or not available

1. This table is the same as excise detailed table 1 which can be viewed/downloaded from the attached CD-ROM or from the online version of this publication on the Tax Office website.
2. Surcharge excise on tobacco and petroleum was introduced in 1997 following a High Court case involving state business franchise fees. Surcharge data does not include administrative GST on 1 July 2000. Although excise collections for 2000-01 still include surcharge amounts, they relate to clearances that were made in June 2000 . 3. For 2000-01, excise collected from petroleum includes a total of $\$ 33.1$ million GST special petroleum credit.
3. Data for 1994-95 to 1995-96 is extracted
[^17]```
HIGHLIGHTS
- In 2002-03 total diesel fuel rebates paid under the diesel fuel rebate scheme increased by \(9 \%\) from the previous year to around \(\$ 2.3\) billion.
- Grants totalling \(\$ 808.2\) million were paid under the diesel and alternative fuels grants scheme. This is an increase of \(7 \%\) from the previous year.
- Grants totalling \(\$ 223.1\) million were paid under the fuel sales grants scheme.
- A total of \(\$ 9.7\) million was paid under the product stewardship (oil) scheme.
```

Excise duty is levied on fuel produced in Australia and an equivalent rate of customs duty is levied on petroleum products imported into Australia. The government, however, provides a rebate of excise or customs duty paid on diesel fuel and like fuels under the diesel fuel rebate scheme (DFRS or off-road scheme). It also provides a grant to businesses and other enterprises for the on-road use of diesel and alternative fuels through the diesel and alternative fuels grants scheme (DAFGS or on-road scheme).
Apart from DFRS and DAFGS, the government also implemented the fuel sales grants scheme (FSGS) to provide a grant to fuel retailers for the sale of petrol and diesel to consumers in regional and remote areas where fuel prices are generally higher, and the product stewardship (oil) scheme (PSO) to encourage environmental and economically sustainable reuse of waste oils.

This chapter contains statistics on rebates and grants paid under these four fuel rebate and grant schemes for the 2002-03 financial year.

## SOURCE OF THE REBATE/GRANT STATISTICS

Statistics for this chapter are sourced from various registration and claim forms (DFRS claim form, DAFGS claim form, FSGS claim form and PSO claim form). Most claims are lodged through paper forms, but some are lodged electronically through the Tax Office's electronic commerce interface or through the electronic lodgment system.

For the first time, DAFGS statistics are also sourced from eGrant, the new electronic claim process introduced in July 2002 (see next section for more information).

## NEW FEATURES AND INFORMATION

A new reform was introduced during the 2002-03 financial year which has affected the statistics in this chapter and the detailed tables. From 1 July 2002, eligibility for the DFRS or off-road scheme was extended to diesel fuel purchased for the generation of electricity at retail and hospitality businesses where there is no ready access to a commercial supply of electricity. Claims associated with this extension to the off road scheme have been combined with claims related to the existing activity of electricity generation at residential premises, and reported together in this chapter under the single heading of 'electricity generation' - that is, the category 'residential' which appeared in chapter table 14.2, chapter table 14.12 and fuel rebate and grant scheme (FRGS) detailed table 1 has been renamed as 'electricity generation'.

In July 2002 the Tax Office introduced a new claim process, eGrant, to eliminate the need for some clients to lodge paper forms to claim DAFGS grants. Under eGrant the information on fuel transactions is captured at the point of sale by a fuel card and forwarded to the Tax Office to authorise payment of the claim.

For this edition, two new time series tables (table 14.14 and table 14.15) were added at the back of this chapter. These time series tables are the same as FRGS detailed table 1 and FRGS detailed table 2, which can be viewed or downloaded in Adobe Acrobat (PDF), Microsoft Excel (XLS) or Comma Separated Values (CSV) file format from the attached CD-ROM or from the online version of the publication on the Tax Office website.

## DIESEL FUEL REBATE SCHEME

Under DFRS (or off-road scheme) the government provided a rebate of the excise and customs duty paid on diesel and like fuels purchased for specific off-road uses - mainly in the mining, agriculture and other primary production industries as well as for certain eligible residential uses. The primary purpose of the scheme is to maintain competitiveness in key export industries, such as mining and agriculture, in a manner consistent with the government's broader fiscal objectives.
The rebate is generally payable on diesel fuel and like fuels used in the following activities:

- mining operations (use of any vehicle on a public road is not eligible)
- primary production - forestry, agriculture and fishing (use of a road vehicle on a public road is not eligible)
- electricity generation at certain residential premises including retail and hospitality businesses where there is no ready access to a commercial supply of electricity
- hospitals, nursing homes, homes for the aged and any other institution providing medical or nursing care
- rail transport, and
- marine transport.

The off-road categories of marine transport and rail transport and the inclusion of like fuels in all categories were introduced as an extension to the scheme from 1 July 2000. Further legislative changes to DFRS which extended the rebate to power generation at retail and hospitality businesses where there is no ready access to a commercial supply of electricity became effective from 1 July 2002.

The rebate for all activities at 30 June 2003 was 38.143 cents per litre. The rate payable for like fuels, which attract the lower rate of excise duty, is 7.557 cents per litre. The rebate rate is no longer adjusted in line with consumer price index changes since the abolition of biannual indexation of petroleum excise rates.

## TOTAL DFRS REBATES PAID

In 2002-03 around $\$ 2.3$ billion was paid in DFRS rebates, an increase of 9\% from the previous year (figure 14.1 or table 14.12). Around 93,000 claimants lodged claims in 2002-03.

In 2002-03 the majority of the rebate was paid to companies (73\%), followed by partnerships (15\%) (table 14.1). This split is consistent with previous years.

TABLE 14.1: DFRS rebates paid estimates, by entity, 2002-03 financial year

| Entity | Amount paid |  |
| :--- | ---: | ---: |
|  | $\mathbf{\$ \prime 0 0 0}$ | $\%$ |
| Company | $1,660,647$ | 72.4 |
| Partnership | 335,306 | 14.6 |
| Government | 112,023 | 4.9 |
| Individual | 68,769 | 3.0 |
| Other | 115,732 | 5.0 |
| Total |  |  |
| 1. Total amount may differ slightly from the sum of components due to rounding. |  |  |

## DFRS REBATES PAID TO INDUSTRY SECTORS AND OPERATIONS

In 2002-03 a total of $\$ 1.1$ billion in DFRS rebates was paid to the mining industry (table 14.2). This was followed by agriculture, which received $\$ 579.6$ million in rebates.
While the mining industry accounted for $49 \%$ of the total rebates in dollar terms, it accounted for 4\% of claims. Agriculture accounted for 25\% of total rebates in dollar terms, but accounted for $86 \%$ of all claims. These figures are linked to business size. The mining industry is dominated by a few large companies making large claims, while the agricultural industry consists primarily of individuals and partnerships making smaller value claims (an average of \$3,291 in agriculture compared to $\$ 151,264$ in the mining industry). Rail transport has a high average claim $(\$ 593,887)$ due to the heavy fuel use by a small number of claimants.

FIGURE 14.1: Total DFRS rebates paid¹, 1994-95 to 2002-03 financial years


[^18]TABLE 14.2: DFRS rebates paid estimates, by industry/operation ${ }^{1}$, 2002-03 financial year

| Industry/ operation | Number of claims paid |  | Total amount paid |  | Average amount paid ${ }^{2}$ |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  |  |  |
|  | No. | \% ${ }^{3}$ | \$'000 | $\%^{3}$ | \$ |
| Mining | 7,362 | 3.6 | 1,113,605 | 48.6 | 151,264 |
| Agriculture | 176,084 | 85.8 | 579,570 | 25.3 | 3,291 |
| Rail | 444 | 0.2 | 263,686 | 11.5 | 593,887 |
| Marine | 4,793 | 2.3 | 123,682 | 5.4 | 25,805 |
| Fishing | 7,613 | 3.7 | 97,988 | 4.3 | 12,871 |
| Forestry | 6,071 | 3.0 | 46,108 | 2.0 | 7,595 |
| Electricity generation ${ }^{4}$ | 2,407 | 1.2 | 14,146 | 0.6 | 5,877 |
| Hospitals | 130 | 0.1 | 1,466 | 0.1 | 11,279 |
| Aged homes | 91 | 0.0 | 296 | 0.0 | 3,257 |
| Nursing homes | 40 | 0.0 | 77 | 0.0 | 1,923 |
| Other medical | 29 | 0.0 | 38 | 0.0 | 1,308 |
| Like fuels use - all industries/activities ${ }^{5}$ | 230 | 0.1 | 51,813 | 2.3 | 225,275 |
| Total ${ }^{6}$ | 205,294 | 100.0 | 2,292,477 | 100.0 | 11,167 |
| 1. Rebates paid to the different industries and operations show rebates paid for diesel fuel use only. |  |  |  |  |  |
| 2. Average amounts paid are calculated from actual (not rounded) total amounts. |  |  |  |  |  |
| 3. A share of $0.0 \%$ indicates a share of less than $0.05 \%$. |  |  |  |  |  |
| 4. From 1 July 2002, DFRS rebates categorised in this table as 'electricity generation' include those paid for diesel fuel purchased for the generation of electricity at retail and hospitality businesses where there is no ready access to a commercial supply of electricity. This category was formerly referred to as 'residential' in past editions of Taxation statistics. |  |  |  |  |  |
| 5. Shows the number of claims of all industries/activities that used like fuels and the sum of all rebates paid to these industries/activities. |  |  |  |  |  |

TABLE 14.3: DFRS rebates paid estimates, by state/territory ${ }^{1}$, 2002-03 financial year

| State/ Territory | Number of claims |  | Total amount paid |  | Average amount paid ${ }^{2}$ |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  | No. | \% | \$'000 | \% |  |
| WA | 20,660 | 10.0 | 671,696 | 29.3 | 32,512 |
| NSW (includes ACT) | 57,057 | 27.8 | 589,166 | 25.7 | 10,326 |
| QLD | 51,979 | 25.3 | 584,582 | 25.5 | 11,246 |
| VIC | 38,373 | 18.7 | 185,691 | 8.1 | 4,839 |
| SA | 21,633 | 10.5 | 107,746 | 4.7 | 4,981 |
| TAS | 6,250 | 3.0 | 48,142 | 2.1 | 7,703 |
| NT | 1,487 | 0.7 | 82,529 | 3.6 | 55,500 |
| Not indicated | 7,855 | 3.8 | 22,925 | 1 | 2,918 |
| Total ${ }^{3}$ | 205,294 | 100.0 | 2,292,477 | 100 | 11,167 |

1. State/territory is based on the claimant's business address and does not necessarily reflect where the fuel was actually used.
2. Average amounts paid are calculated from actual (not rounded) total amounts.
3. Total amount may differ slightly from the sum of components due to rounding.

## DFRS REBATES PAID TO STATE/TERRITORY CLAIMANTS

The greatest proportion of the rebate was paid to claimants with business addresses located in Western Australia (table 14.3). Those with business addresses in the Northern Territory received the highest average amount of rebate of \$55,500 per claim.

In 2002-03 the average rebate paid per claimant was $\$ 11,167$, an increase of $10 \%$ from the previous year.

## DIESEL AND ALTERNATIVE FUELS GRANTS SCHEME

Under DAFGS (or on-road scheme) grants are provided for the on-road use of fuel by businesses and other entities. The scheme started on 1 July 2000 and is designed to cut fuel costs for a range of businesses. It is designed to help regional and rural Australia, in particular, but the benefits of lower transport and production costs are expected to flow on to all Australians.

The grant is available for the use of diesel and specified alternative fuels (compressed natural gas, liquefied petroleum gas, recycled waste oil, ethanol and canola oil) based on a flat rate per litre of fuel, except for compressed natural gas, which is calculated on a per cubic metre basis. The grant rates for DAFGS are no longer automatically indexed in line with movements in the consumer price index. This is a result of the government's decision to abolish indexation of the excise duty rates on petroleum and other types of fuel from 1 March 2001. The grant rates for DAFGS are listed in table 14.4.

TABLE 14.4: DAFGS grant rates as at 30 June 2003

| Type of fuel | Rates |
| :--- | ---: |
| Diesel fuel | 18.510 cents per litre |
| Compressed natural gas | 12.617 cents per cubic metre |
| Liquefied petroleum gas | 11.925 cents per litre |
| Ethanol | 20.809 cents per litre |

Generally, the grant is available to businesses and other enterprises for the on-road use of diesel and alternative fuels in vehicles with a gross vehicle mass (GVM) of 4.5 tonnes or more that are registered for use on public roads. However, eligibility requirements differ for primary producers and other enterprises. Only trips on public roads are eligible.

In September 2001 legislation was introduced to extend the eligibility of DAFGS for emergency services vehicles. This was effective from 1 October 2001.

## DAFGS GRANTS PAID TO INDUSTRY SECTORS

In 2002-03 around $\$ 808.2$ million in grants was paid under DAFGS, an increase of $7 \%$ from the previous year (table 14.5). There has been a general increase in the amount claimed across industries (see time series table 14.13 at the back of this chapter). This is partly due to the continued strength of the economy in both the domestic and export areas.

There were approximately 80,000 businesses registered for DAFGS at the end of its third year. Over $55 \%$ of grants were paid to businesses in the transport and storage sector.

TABLE 14.5: DAFGS grants paid, by industry, 2002-03 financial year

| Industry | Number of claims paid | Total amount paid | Average <br> amount <br> paid $^{1}$ |
| :--- | ---: | ---: | ---: | ---: | ---: |
| $\mathbf{S}$ |  |  |  |

## DAFGS GRANTS PAID TO STATE/TERRITORY CLAIMANTS

The greatest proportion of DAFGS grants were paid to claimants with business addresses located in New South Wales and the Australian Capital Territory (table 14.6). Those with business addresses in the Northern Territory received the highest average grant of $\$ 4,562$ per claim.

TABLE 14.6: DAFGS grants paid, by state/territory ${ }^{1}$, 2002-03 financial year

| State/ territory | Number of claims |  | Total amount paid | Average amount <br> paid $^{2}$ |  |
| :--- | ---: | ---: | ---: | ---: | ---: |
|  | No. | $\%$ | $\mathbf{\$ \prime 0 0 0}$ | $\%$ | $\mathbf{\$}$ |
| NSW (includes ACT) | 75,762 | 29.7 | 237,881 | 29.4 | 3,140 |
| VIC | 60,172 | 23.6 | 208,282 | 25.8 | 3,461 |
| QLD | 61,480 | 24.1 | 176,389 | 21.8 | 2,869 |
| WA | 27,136 | 10.6 | 78,230 | 9.7 | 2,883 |
| SA | 21,302 | 8.3 | 78,638 | 9.7 | 3,692 |
| TAS | 7,328 | 2.9 | 19,189 | 2.4 | 2,619 |
| NT | 2,005 | 0.8 | 9,146 | 1.1 | 4,562 |
| State/territory not stated | 212 | 0.1 | 426 | 0.1 | 2,009 |
| Total $^{3}$ | $\mathbf{2 5 5 , 3 9 7}$ | $\mathbf{1 0 0 . 0}$ | $\mathbf{8 0 8 , 1 7 9}$ | $\mathbf{1 0 0 . 0}$ | $\mathbf{3 , 1 6 4}$ |

1. State/territory is based on the claimant's business address and does not necessarily reflect where the fuel was actually used.
2. Average amounts paid are calculated from actual (not rounded) total amounts.
3. Total amount may differ slightly from the sum of components due to rounding.

## FUEL SALES GRANTS SCHEME

The FSGS was introduced to provide a grant to fuel retailers for the sale of petrol and diesel to consumers in regional and remote areas where fuel prices are generally higher. The scheme is designed so that, combined with the cut in excise rates on petrol and diesel (implemented under the tax system to offset the effects of the goods and services tax), the price of fuel in non-metropolitan areas need not change relative to metropolitan areas.
The grant is paid to fuel retailers for sales of fuel to final consumers in defined non-metropolitan zones after 30 June 2000. This includes sales by distributors of bulk fuel to end users such as farms and mines where the sale occurs in a defined non-metropolitan zone.

The grant is paid at 1 cent per litre for non-metropolitan zones and 2 cents per litre for remote zones. If fuel has been sold consistently in a remote area at more than $\$ 1.20$ per litre, fuel retailers may apply for an additional grant.

Eligible fuels for the grant include leaded and unleaded petrol, diesel, light fuel oil, two-stroke, and premium grade petrol.
There were around 3,956 registered claimants for the FSGS at 30 June 2003. In 2002-03 grants totalling $\$ 223.1$ million were paid, an increase of $7 \%$ from the previous year (table 14.14).

Total grant and number of claims paid to entities and claimants in different states and territories are given in tables 14.7 and 14.8 respectively. Companies received $78 \%$ of the total grants paid, while trusts received $16 \%$.

TABLE 14.7: FSGS grants paid, by entity, 2002-03 financial year

| Entity | Number of claims paid | Total amount paid | Average <br> amount paid |  |  |
| :--- | ---: | ---: | ---: | ---: | ---: |
|  | No. | $\%^{1}$ | $\mathbf{\$ \prime} \mathbf{0 0 0}$ | $\mathbf{\% ^ { 1 }}$ | $\mathbf{\$}$ |
| Company | 10,958 | 37.4 | 173,134 | 77.6 | 15,800 |
| Trust | 5,909 | 20.2 | 34,974 | 15.7 | 5,919 |
| Partnership | 9,990 | 34.1 | 12,583 | 5.6 | 1,260 |
| Individual | 2,330 | 8.0 | 2,325 | 1.0 | 998 |
| Government organisation | 81 | 0.3 | 70 | 0.0 | 864 |
| Superannuation fund | 4 | 0.0 | 22 | 0.0 | 5,538 |
| Total $^{2}$ | $\mathbf{2 9 , 2 7 2}$ | $\mathbf{1 0 0 . 0}$ | $\mathbf{2 2 3 , 1 0 9}$ | $\mathbf{1 0 0 . 0}$ | $\mathbf{7 , 6 2 2}$ |

1. A share of $0.0 \%$ indicates a share of less than $0.05 \%$.
2. Total amount may differ slightly from the sum of components due to rounding.

TABLE 14.8: FSGS grants paid, by state/territory ${ }^{1}$, 2002-03 financial year

| State/territory | Number of claims paid | Total amount paid | Average <br> amount paid | Litres claimed |  |  |
| :--- | ---: | ---: | ---: | ---: | ---: | ---: |
|  | No. | $\%^{2}$ | $\mathbf{\$ \prime} 000$ | $\%^{2}$ | $\mathbf{\$}$ | Litres |
| VIC | 3,901 | 13.3 | 85,111 | 38.1 | 21,818 | $6,487,555,832$ |
| NSW (includes ACT) | 7,933 | 27.1 | 62,805 | 28.2 | 7,917 | $5,929,218,636$ |
| QLD | 9,120 | 31.2 | 37,485 | 16.8 | 4,110 | $3,013,601,767$ |
| WA | 2,963 | 10.1 | 15,717 | 7.0 | 5,304 | $1,154,167,312$ |
| SA | 2,624 | 9.0 | 13,985 | 6.3 | 5,330 | $1,147,878,252$ |
| TAS | 2,014 | 6.9 | 4,612 | 2.1 | 2,290 | $463,826,328$ |
| NT | 711 | 2.4 | 3,391 | 1.5 | 4,769 | $230,101,377$ |
| Not stated | 6 | 0.0 | 3 | 0.0 | 446 | 178,304 |
| Total $^{3}$ | $\mathbf{2 9 , 2 7 2}$ | $\mathbf{1 0 0 . 0}$ | $\mathbf{2 2 3 , 1 0 9}$ | $\mathbf{1 0 0 . 0}$ | $\mathbf{7 , 6 2 2}$ | $\mathbf{1 8 , 4 2 6 , 5 2 7 , 8 0 8}$ |

1. State/territory is based on the claimant's business address and does not necessarily reflect where the fuel was actually sold to the motorist or end user.
2. A proportion of $0.0 \%$ may indicate a proportion less than $0.05 \%$.
3. Total amount may differ slightly from the sum of components due to rounding.

Victorian fuel retailers received 38\% of the grants, followed by New South Wales fuel retailers, who received $28 \%$ of the grants (table 14.8). Because the statistics are based on the client's business address, these figures do not reflect where the fuel was actually sold to the end user or motorist. Many fuel retailers lodge a consolidated claim for total national sales.

## PRODUCT STEWARDSHIP (OIL) SCHEME

The PSO was introduced as part of the Measures for a better environment package, announced by the Australian Government on 31 May 1999. The scheme was introduced to encourage environmental and economically sustainable reuse of waste oils. The Department of Environment and Heritage has primary responsibility for developing policy direction, while the Tax Office is responsible for administering the scheme.

The scheme initially involves a levy-benefit arrangement. Producers and importers of virgin oils and lubricants pay an excise levy, which is then used to fund benefit payments to recyclers who are treating waste oil in an environmentally appropriate manner. The fund payments provide incentives to recyclers to collect and recycle more oil. Recyclers can claim benefits at various rates for waste oil recycled, depending on the final product and end use.

As at 30 June 2003, an excise levy of 5.449 cents per litre (adjusted in accordance with the consumer price index every six months) was levied on the following oils and lubricants:

- petroleum-based oils - including lubricant base oils, prepared lubricant additives containing carrier oils, lubricants, hydraulic fluids, brake fluids, transmission oils and transformer and heat transfer oils
- petroleum-based greases, and
- synthetic equivalents of the above products.

For the 2002-03 financial year a total of $\$ 25$ million in excise was collected.

The PSO benefit, however, has a small client base, with 49 recyclers currently registered and claiming benefits. A total of $\$ 9.7$ million in benefits was paid for the 2002-03 financial year (table 14.10), an increase of $18 \%$ from the previous year.
While there are seven categories of recycled oil products recognized under the scheme, only six categories attract benefit payments (table 14.9). The amount of benefit paid for each of these categories depends on the level of processing and the end product of the recycling activities. The different categories of recycled products attract different benefits.

TABLE 14.9: Categories and benefit rates for recycled oil products ${ }^{1}$ as at 30 June 2003

| Category number | Category description | Benefit rate <br> \$/litre |
| :--- | :--- | ---: |
| 1 | Re-refined base oils (for use as a lubricant or a hydraulic transformer oil) ${ }^{2}$ | 0.50 |
| 2 | Other re-refined base oils (for example, chain bar oil) | 0.10 |
| 3 | Diesel fuels to which the Excise Tariff Act 1921 applies | 0.07 |
| 4 | Diesel extenders (filtered, de-watered and de-mineralised) | 0.05 |
| 5 | High-grade industrial burner oils (filtered, de-watered and de-mineralised) | 0.05 |
| 6 | Low-grade industrial burner oils (filtered and de-watered) | 0.03 |
| 7 | Industrial process oils and lubricants, including hydraulic and transformer <br> oils (re-processed or filtered, but not re-refined) | Nil |
| 1. Category descriptions and benefit rates are subject to change. <br> 2. The regulations specify a health, safety and environment standard for re-refined lubricants that is consistent with the current requirements for 'virgin' products. <br> The basic requirement of this standard is to produce a non-carcinogenic product. |  |  |

Companies received the highest proportion of benefits (91\%), further increasing its share of benefits from the previous year (in 2001-02 companies accounted for $86 \%$ of benefits). However, like the previous year trusts received the highest average amount of benefit ( $\$ 23,155$ per claim) (table 14.10).

TABLE 14.10: PSO benefit payments, by entity, 2002-03 financial year

| Entity | Number of claims paid ${ }^{1}$ | Total amount paid | Average amount <br> paid |  |  |
| :--- | ---: | ---: | ---: | ---: | ---: |
|  | No. | $\%$ |  | $\mathbf{\%}$ | \% |

1. Recyclers can lodge more than one claim per year.

The highest proportion of benefits (43\%) was paid to Queensland-based entities, followed by entities based in New South Wales (table 14.11).

TABLE 14.11: PSO benefit payments, by state/territory ${ }^{1}$, 2002-03 financial year

| State/ territory | Number of claims ${ }^{2}$ | Total amount paid | Average <br> amount paid | Litres claimed |  |  |
| :--- | ---: | ---: | ---: | ---: | ---: | ---: |
|  | No. | $\%$ | $\mathbf{\%}$ | $\mathbf{\$}$ | $\%$ | $\mathbf{\$}$ |

[^19]If the recycled oil for which a benefit is claimed attracts an excise liability once it has been recycled, the duty for this product must be paid to the Tax Office.

## FUTURE FUEL REBATE AND GRANT SCHEME STATISTICS

From 1 July 2003, both DFRS and DAFGS were replaced with the Energy Grants (Credits) Scheme (EGCS). Those claiming under the off or on-road schemes were automatically registered for the new scheme. The EGCS provides similar benefits, but also actively encourages conversion to cleaner fuels.

In the next and future editions of Taxation statistics, DFRS and DAFGS statistics may be replaced by ECGS statistics.

## DETAILED TABLES

The following detailed tables on fuel rebate and grant schemes are on the attached CD-ROM and included in the online version of this publication on the Tax Office website. The tables may be viewed or downloaded in Adobe Acrobat (PDF), Microsoft Excel (XLS) or Comma Separated Values (CSV) file formats.

Table 1: Diesel fuel and rebate scheme (DFRS) - quantity and value of claims paid, by industry/operation, 1994-95 to 2002-03 financial years
This table reports the number of claims, quantity of fuel and the value of DFRS rebates claimed by the mining, agriculture, forestry, fishing, marine transport and rail transport industry sectors, as well as those claimed by residential (including retail and hospitality businesses that purchased diesel fuel for the generation of electricity where there is no ready access to a commercial supply of electricity), nursing homes, aged homes, hospitals and other medical operations. The statistics are for the 1994-95 to 2002-03 financial years.
This table is also available at the back of the chapter (see table 14.12).

Table 2: Diesel and alternative fuels grants scheme (DAFGS) - quantity and value of claims paid, by industry, 2000-01 to 2002-03 financial years
This table reports the number of claims, quantity of fuel and the value of DAFGS grants claimed by different broad industry groups. The statistics are for the 2000-01 to 2002-03 financial years.

This table is also available at the back of the chapter (see table 14.13).

Table 3: Fuel sales grants scheme (FSGS) - quantity and value of claims paid by state/territory, 2000-01 to 2002-03 financial years
This table reports the number of claims, quantity of fuel and the value of FSGS grants claimed by clients/entities in different states/territories. The state/territory is based on the client's business address and does not reflect where the fuel was actually sold to the motorist or end user. The statistics are for the 2000-01 to 2002-03 financial years.
This table is also available at the back of the chapter (see table 14.14).

Table 4: Product stewardship oil scheme (PSO) - quantity and value of benefits paid by state/territory, 2001-02 to 2002-03 financial years
This table reports the number of claims, quantity of fuel and the value of PSO benefits claimed by clients/entities in different states/territories. The state/territory is based on the client's business address and does not reflect where the fuel was actually recycled or processed. The statistics are for the 2001-02 to 2002-03 financial years.

This table is also available at the back of the chapter (see table 14.15).

## TIME SERIES TABLES

The following tables show rebates, grants or benefit payments claimed/paid under the four fuel rebate and grant schemes over different financial years. These tables are also available on the attached CD-ROM and in the online version of this publication on the Tax Office website. They may be viewed or downloaded in Adobe Acrobat (PDF), Microsoft Excel (XLS) or Comma Separated Values (CSV) file formats.
TABLE 14.12 ${ }^{1}$ : Diesel fuel rebate scheme (DFRS) - quantity and estimated value of claims paid, by industry/operation,
1994-95 to 2002-03 financial years

|  | 1994-95 |  |  | 1995-96 |  |  | 1996-97 |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Industry/operation ${ }^{2}$ | Claims paid | Litres paid | Total amount | Claims paid | Litres paid | Total amount | Claims paid | Litres paid | Total amount |
|  | no. | litres | \$ | no. | litres | \$ | no. | litres | \$ |
| Mining | 7,960 | 2,417,520,373 | 709,143,623 | 7,781 | 2,441,960,745 | 754,459,564 | 8,524 | 2,763,256,852 | 892,349,990 |
| Electricity generation ${ }^{3}$ | 12,458 | 45,915,614 | 11,097,317 | 5,884 | 34,814,565 | 8,778,957 | 2,429 | 33,074,030 | 8,655,543 |
| Aged homes | 128 | 1,642,046 | 396,569 | 116 | 1,087,978 | 273,630 | 86 | 670,009 | 175,407 |
| Nursing homes | 115 | 733,224 | 176,308 | 98 | 729,623 | 183,227 | 87 | 521,801 | 136,593 |
| Hospitals | 428 | 8,908,845 | 2,152,298 | 401 | 7,999,808 | 2,029,047 | 406 | 7,004,780 | 1,851,535 |
| Other medical | 35 | 449,460 | 108,232 | 38 | 472,450 | 119,249 | 25 | 169,293 | 44,320 |
| Agriculture | 190,973 | 1,288,123,787 | 408,479,958 | 190,861 | 1,264,846,318 | 420,946,819 | 217,115 | 1,563,433,122 | 539,406,245 |
| Fishing | 9,044 | 277,931,170 | 87,853,471 | 9,512 | 273,395,725 | 91,671,278 | 10,539 | 310,791,670 | 107,042,911 |
| Forestry | 5,223 | 108,069,856 | 34,093,523 | 5,551 | 109,746,522 | 36,415,469 | 6,125 | 110,187,475 | 37,977,282 |
| Rail transport ${ }^{4}$ | п.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| Marine transport ${ }^{4}$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| Like fuels ${ }^{5}$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| Total | 226,364 | 4,149,294,375 | 1,253,501,298 | 220,242 | 4,135,053,734 | 1,314,877,239 | 245,336 | 4,789,109,032 | 1,587,639,827 |

TABLE 14.121: Diesel fuel rebate scheme (DFRS) - quantity and estimated value of claims paid, by industry/operation,
1994-95 to 2002-03 financial years

|  | 1997-98 |  |  | 1998-99 |  |  | 1999-2000 |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Industry/operation ${ }^{2}$ | Claims paid | Litres paid | Total amount | Claims paid | Litres paid | Total amount | Claims paid | Litres paid | Total amount |
|  | no. | litres | \$ | no. | litres | \$ | no. | litres | \$ |
| Mining | 7,189 | 2,386,000,205 | 772,568,926 | 6,956 | 2,419,917,510 | 804,838,140 | 6,828 | 2,282,891,374 | 753,590,026 |
| Electricity generation ${ }^{3}$ | 1,935 | 29,999,111 | 7,949,457 | 1,884 | 30,421,659 | 8,053,084 | 1,784 | 29,428,169 | 7,805,650 |
| Aged homes | 74 | 474,805 | 125,425 | 61 | 416,758 | 110,460 | 61 | 483,057 | 131,239 |
| Nursing homes | 58 | 335,493 | 88,612 | 61 | 518,317 | 137,541 | 46 | 476,624 | 127,850 |
| Hospitals | 288 | 6,393,987 | 1,688,929 | 251 | 5,210,585 | 1,381,958 | 212 | 4,384,788 | 1,176,882 |
| Other medical | 22 | 257,446 | 68,124 | 16 | 126,343 | 33,527 | 20 | 159,189 | 40,730 |
| Agriculture | 185,746 | 1,430,564,766 | 496,947,297 | 177,868 | 1,446,674,595 | 504,910,542 | 205,142 | 1,725,537,786 | 609,712,021 |
| Fishing | 8,748 | 274,923,062 | 95,367,788 | 8,238 | 280,513,982 | 98,112,489 | 8,070 | 274,994,070 | 97,241,711 |
| Forestry | 5,169 | 95,134,260 | 33,097,769 | 5,272 | 111,175,342 | 38,946,500 | 5,338 | 118,205,565 | 41,664,679 |
| Rail transport ${ }^{4}$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| Marine transport ${ }^{4}$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| Like fuels ${ }^{5}$ | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| Total | 209,229 | 4,224,083,135 | 1,407,902,327 | 200,607 | 4,294,975,091 | 1,456,524,240 | 227,501 | 4,436,560,622 | 1,511,490,786 |

TABLE 14.12': Diesel fuel rebate scheme (DFRS) - quantity and estimated value of claims paid, by industry/operation, 1994-95 to 2002-03 financial years

|  | 2000-01 |  |  | 2001-02 |  |  | 2002-03 |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Industry/operation ${ }^{2}$ | Claims paid | Litres paid | Total amount | Claims paid | Litres paid | Total amount | Claims paid | Litres paid | Total amount |
|  | no. | litres | \$ | no. | litres | \$ | no. | litres | \$ |
| Mining | 6,856 | 2,491,469,105 | 922,239,506 | 7,256 | 2,577,258,486 | 979,992,265 | 7,362 | 2,905,670,618 | 1,113,605,175 |
| Electricity generation ${ }^{3}$ | 1,959 | 30,483,460 | 10,567,571 | 2,115 | 29,426,857 | 10,806,312 | 2,407 | 36,908,956 | 14,145,938 |
| Aged homes | 60 | 581,140 | 203,700 | 86 | 512,389 | 196,076 | 91 | 773,214 | 296,346 |
| Nursing homes | 51 | 342,901 | 115,237 | 61 | 343,261 | 130,493 | 40 | 200,661 | 76,906 |
| Hospitals | 164 | 4,270,599 | 1,411,346 | 154 | 4,440,350 | 1,691,158 | 130 | 3,825,824 | 1,466,307 |
| Other medical | 9 | 74,959 | 25,055 | 19 | 88,351 | 33,854 | 29 | 98,980 | 37,936 |
| Agriculture | 189,151 | 1,470,582,599 | 549,180,749 | 175,956 | 1,529,873,461 | 550,721,376 | 176,084 | 1,512,174,341 | 579,570,304 |
| Fishing | 7,606 | 257,885,743 | 96,390,570 | 8,638 | 267,735,979 | 101,481,043 | 7,613 | 255,666,175 | 97,988,083 |
| Forestry | 6,465 | 136,557,726 | 50,840,712 | 6,285 | 120,392,176 | 45,326,007 | 6,071 | 120,302,990 | 46,108,014 |
| Rail transport ${ }^{4}$ | 317 | 469,998,482 | 177,654,066 | 453 | 580,291,651 | 221,522,966 | 444 | 687,997,687 | 263,685,936 |
| Marine transport ${ }^{4}$ | 3,520 | 189,888,908 | 72,381,854 | 4,664 | 350,862,096 | 133,692,597 | 4,793 | 322,706,649 | 123,682,400 |
| Like fuels ${ }^{5}$ | 65 | 379,243,066 | 28,659,473 | 194 | 654,859,038 | 49,609,316 | 230 | 682,347,720 | 51,813,188 |
| Total | 216,223 | 5,431,378,688 | 1,909,669,838 | 205,881 | 6,116,084,095 | 2,095,203,463 | 205,294 | 6,528,673,815 | 2,292,476,533 |

Notes:

1. This table is the same as FRGS detailed table 1 which can be viewed/downloaded in PDF, XLS and CSV format from the attached CD-ROM or from the online version of this publication on the Tax Office website.
2. Rebates paid to the different industries and operations show rebates paid for diesel fuel use only.
3. Rebates paid to the different industries and operations show rebates paid for diesel fuel use only.
4. July 2002, DFRS rebates categorised in this table as 'electricity generation' include those
5. From 1 July 2002, DFRS rebates categorised in this table as 'electricity generation' include those paid for diesel fuel purchased for the generation of electricity at retail and hospitality businesses where there is no ready
access to a commercial supply of electricity. This category was formerly referred to as 'residential' in past editions of Taxation statistics.
access to a commercial supply of electricity. This category was formerly referred to as 'residential' in past editions of Taxation statistics.
6. The DFRS was amended on 1 July 2000. It was extended to provide a rebate for diesel and like fuels purchased and used by eligible busing
7. As part of the diesel fuel rebate scheme extension, all businesses undertaking eligible activities can receive a full rebate of the customs and excise duty paid on like fuels, aside from diesel. The rebate paid to the
TABLE 14.13': Diesel and alternative fuels grants scheme (DAFGS) - quantity and value of claims paid, by industry, 2000-01 to 2002-03 financial years

| Industry | Claims paid no. | Litres paid litres | Total amount \$ | Claims paid no. | Litres paid litres | Total amount \$ | Claims paid no. | Litres paid litres | Total amount \$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Transport \& storage | 104,012 | 1,697,469,511 | 313,018,707 | 130,293 | 2,232,036,594 | 411,733,423 | 111,995 | 2,414,789,991 | 445,522,828 |
| Wholesale trade | 28,691 | 478,542,213 | 87,716,218 | 31,762 | 553,356,018 | 102,343,250 | 25,848 | 550,980,901 | 101,955,086 |
| Construction | 16,418 | 93,007,804 | 16,918,677 | 23,015 | 140,274,458 | 25,875,914 | 17,954 | 183,702,762 | 33,978,234 |
| Manufacturing | 4,526 | 77,515,676 | 14,581,729 | 6,303 | 115,984,754 | 21,418,364 | 5,229 | 120,838,876 | 22,347,114 |
| Agriculture | 21,389 | 59,546,122 | 10,732,390 | 30,865 | 97,309,208 | 17,935,431 | 21,851 | 108,384,902 | 20,036,369 |
| Government administration \& defence | 2,599 | 45,223,394 | 8,020,822 | 3,565 | 70,685,590 | 12,722,404 | 2,840 | 74,237,958 | 13,296,994 |
| Retail trade | 7,663 | 35,627,701 | 6,420,241 | 10,678 | 53,119,598 | 9,803,670 | 8,395 | 58,463,718 | 10,806,714 |
| Personal \& other services | 2,796 | 32,083,029 | 4,016,519 | 6,719 | 43,611,162 | 8,052,176 | 5,410 | 50,156,179 | 9,273,580 |
| Forestry | 2,034 | 31,298,487 | 5,760,443 | 2,432 | 40,487,853 | 7,482,028 | 1,862 | 41,453,968 | 7,671,675 |
| Property \& business services | 5,521 | 21,946,673 | 5,781,561 | 3,799 | 30,262,900 | 5,578,237 | 3,236 | 34,624,420 | 6,403,713 |
| Mining | 1,415 | 15,466,413 | 2,797,282 | 1,829 | 20,469,293 | 3,783,530 | 1,386 | 25,081,381 | 4,641,935 |
| Communication services | 252 | 12,134,769 | 2,228,509 | 459 | 16,037,937 | 2,967,544 | 459 | 19,088,249 | 3,532,823 |
| Electricity, gas \& water supply | 555 | 6,141,639 | 1,100,148 | 671 | 10,009,463 | 1,839,660 | 525 | 13,406,866 | 2,474,662 |
| Cultural \& recreational services | 938 | 5,408,202 | 975,820 | 1,096 | 7,327,139 | 1,352,936 | 840 | 7,984,288 | 1,476,802 |
| Health \& community services | 790 | 3,236,627 | 596,504 | 918 | 4,280,766 | 791,904 | 661 | 5,252,874 | 972,307 |
| Education | 631 | 1,454,900 | 262,042 | 899 | 2,459,104 | 452,709 | 606 | 2,542,220 | 470,556 |
| Accommodation, cafés \& restaurants | 347 | 1,601,820 | 288,394 | 521 | 2,674,249 | 494,557 | 375 | 2,498,571 | 462,372 |
| Fishing | 437 | 1,856,555 | 336,228 | 583 | 2,114,808 | 390,453 | 388 | 2,282,763 | 422,437 |
| Finance \& insurance | 89 | 991,343 | 178,928 | 205 | 1,833,920 | 338,682 | 189 | 1,748,304 | 323,611 |
| Industry not stated | 39,565 | 415,013,844 | 75,795,447 | 58,485 | 635,696,662 | 117,459,316 | 45,348 | 660,132,620 | 122,109,471 |
| Multiple industries ${ }^{2}$ | 414 | 4,348,963 | 799,640 | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| Total | 241,082 | 3,039,915,685 | 558,326,249 | 315,097 | 4,080,031,476 | 752,816,188 | 255,397 | 4,377,651,811 | 808,179,283 |

Notes:
The symbol 'n.a.' used in this publication means not applicable or not available.

1. This table is the same as FRGS detailed table 2 which can be viewed/downloaded in PDF, XLS and CSV format from the attached CD-ROM or from the online version of this publication on the Tax Office website.
2. Refers to claimants (entities) who ticked more than one industry in their Australian business number application form.
Table 14.14': Fuel rebate and grant schemes (FSGS) - quantity and value of claims paid by state/territory, 2000-01 to 2002-03 financial years

|  | 2000-01 |  |  | 2001-02 |  |  | 2002-03 |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| State/Territory ${ }^{2}$ | Claims paid | Litres paid | Total amount ${ }^{4}$ | Claims paid | Litres paid | Total amount | Claims paid | Litres paid |  |
|  | No. | Litres | \$'000 | No. | Litres | \$'000 | No. | Litres | \$'000 |
| VIC | n.a. | n.a. | n.a. | 3,730 | 6,334,672,283 | 89,452 | 3,901 | 6,487,555,832 | 85,111 |
| NSW (includes ACT) | n.a. | n.a. | n.a. | 7,472 | 4,725,814,165 | 54,165 | 7,933 | 5,929,218,636 | 62,805 |
| QLD | n.a. | n.a. | n.a. | 8,017 | 2,457,847,860 | 30,774 | 9,120 | 3,013,601,767 | 37,485 |
| WA | n.a. | n.a. | n.a. | 2,903 | 1,032,145,175 | 14,315 | 2,963 | 1,154,167,312 | 15,717 |
| SA | n.a. | n.a. | n.a. | 2,612 | 818,289,469 | 11,809 | 2,624 | 1,147,878,252 | 13,985 |
| TAS | n.a. | n.a. | n.a. | 1,749 | 424,316,729 | 4,532 | 2,014 | 463,826,328 | 4,612 |
| NT | n.a. | n.a. | n.a. | 815 | 204,941,388 | 3,426 | 711 | 230,101,377 | 3,391 |
| Not stated | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 6 | 178,304 | 3 |
| Total ${ }^{3}$ | n.a. | n.a. | 221,000 | 27,299 | 15,998,027,069 | 208,472 | 29,272 | 18,426,527,808 | 223,109 |

The symbol 'n.a.' used in this publication means not applicable or not available.

1. This table is the same as FRGS detailed table 3 which can be viewed/downloaded in PDF, XLS and CSV format from the attached CD-ROM or from the online version of this publication on the Tax Office website. 2. State/territory is based on the claimant's business address and does not necessarily reflect where the fuel was actually sold to the motorist or end user.
2. Total amount may differ slightly from the sum of components due to rounding.
3. Amount reported for the 2000-01 financial year is rounded to millions. An unrounded figure is not available.
TABLE 14.15: Product stewardship oil scheme (PSO) - quantity and value of benefits paid by state/territory, 2001-02 to 2002-03 financial years ${ }^{1}$

| State/Territory ${ }^{2}$ | Claims paid ${ }^{3}$ | Litres paid | Total amount | Claims paid ${ }^{2}$ | Litres paid | Total amount |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | No. | Litres | \$ | No. | Litres | \$ |
| QLD | 88 | 84,738,436 | 4,325,485 | 68 | 78,378,899 | 4,102,898 |
| NSW (including ACT) | 142 | 43,205,443 | 1,462,419 | 172 | 47,347,503 | 3,198,542 |
| VIC | 85 | 27,392,193 | 930,088 | 88 | 33,379,107 | 1,213,852 |
| WA | 41 | 24,723,391 | 1,010,382 | 43 | 14,967,784 | 642,048 |
| SA \& NT | 23 | 5,959,219 | 182,714 | 23 | 9,422,570 | 289,706 |
| TAS | 39 | 8,736,931 | 262,039 | 37 | 6,920,292 | 212,770 |
| Total | 418 | 194,755,613 | 8,173,127 | 431 | 190,416,155 | 9,659,816 |

The symbol 'n.a.' used in this publication means not applicable or not available.

1. This table is the same as FRGS detailed table 4 which can be viewed/downloaded in PDF, XLS and CSV format from the attached CD-ROM or from the online version of this publication on the Tax Office website. 2. State/teritory is based on the claimant's business address and does not necessarily reflect where the fuel was actually recycled or processed.
2. While there were only 40 registered recylers in 2001-02, and 49 registered in 2002-03, recyclers can lodge more than one claim per year.

In recent years the Tax Office has worked in conjunction with community groups, industry representatives and tax practitioners on a range of activities. These activities are aimed at maintaining the integrity of the tax system, encouraging and improving record keeping practices among businesses, and reducing (as much as possible) compliance costs for business, particularly small business. Providing financial ratios or 'benchmarks' is one such activity.

Financial ratio data related to gross profit, net profit and wages to turnover provides useful indicators of business activity and performance for tax practitioners, the business community and the Tax Office. The data is widely used in external publications and can be calculated from income tax return data.

The industry benchmark detailed tables contain financial ratio benchmark data for each entity type and most business activities (see box 15.2). The ratios calculated for each business activity have been used to produce two sets of mean average ratio values. The first set includes both profit-making and loss-making entities. It provides a benchmark figure for an entire business activity/industry division or group (box 15.2). The second set of ratios excludes businesses that return a loss, providing an industry average for 'profitable' businesses only.

## BOX 15.1: Ratios calculated

Gross profit ratio: total business income minus cost of sales, divided by total business income.

Net profit ratio: total business income minus total expenses, divided by total business income.

Wages to turnover ratio: salary and wages paid, divided by total business income.

## SOURCE OF INDUSTRY BENCHMARKS/ INDUSTRY FINANCIAL RATIOS

The data for Taxation statistics 2001-02 was compiled before all processing for the 2001-02 income year was completed. The data used to calculate the ratios for the business activities and entities was sourced from statistics collected from 2002 individual, company, partnership and trust income tax returns processed by 31 October 2003.

The names of the business activity groups used in the tables are based on the Australian and New Zealand Standard Industry Classification (ANZSIC) system. The numerical codes corresponding to these business activity names are referred to as business activity codes. For this edition of Taxation statistics, the industry benchmark tables show ratios for business activities at the ANZSIC division and group (threedigit) levels (see box 15.2).

## BOX 15.2: Business activity codes

A complete list of the activities and the corresponding codes for the 2001-02 income year are in our publication Business industry codes 2002. There is a copy of this publication on the attached CD-ROM and on our website at www.ato.gov.au

The publication lists industries under ANZSIC' divisions and groups. For example, under the ANZSIC division 'Agriculture, forestry and fishing', the following groups of business activities are listed:

- Horticulture, forestry and fishing
- Grain, sheep and beef cattle farming
- Dairy cattle farming
- Poultry farming
- Other livestock farming
- Other crop growing
- Services to agriculture
- Hunting and trapping
- Forestry and logging
- Marine fishing, and
- Aquaculture.

Under these groups, more specific business activities are listed with their corresponding Tax Office-ANZSIC five-digit code.
The first three digits of this code is the ANZSIC group code. For example, under poultry farming, 10 activities are listed with the corresponding codes:

- chicken farming - for meat (01410)
- duck farming (01410)
- game bird farming (01410)
- goose farming (01410)
- poultry farming - for meat (01410)
- poultry hatchery operation - meat breeds (01410)
- turkey farming (01410)
- egg farm operation (01420)
- poultry farming - for eggs (01420), and
- poultry hatchery operation - egg breeds (01420).

All 10 activities have ' 014 ' as the first three digits of their business activity/industry code. This is their ANZSIC group code.
In this edition of Taxation statistics, the industry benchmark tables show ratios for business activities at the ANZSIC division and group (three-digit) levels. That is, a mean ratio is calculated for each ANZSIC division and for each ANZSIC group within a division. For example, a mean ratio will be calculated and presented for all business activities classified under 'poultry farming' (all businesses with '014' as the first three digits of their business activity code). Ratios are not calculated/ presented separately for the five-digit Tax Office-ANZSIC business activities: 'duck farming', 'goose farming', 'egg farm operation' and other activities listed under 'poultry farming'.

However, ratios may not be available for some ANZSIC groups (three-digit level) and/or entities because:

- there is insufficient data to calculate the ratios
- there are data quality problems, and/or
- the data cannot be shown for confidentiality reasons.

1. For more information on the Australian and New Zealand Standard Industry Classification (ANZSIC) system, division and group levels, see the Australian Bureau of Statistics (ABS) publication Australian and New Zealand Standard Industrial Classification (ANZSIC), Cat. No. 1292.0. This publication can be viewed on the ABS website at www.abs.gov.au

## THE PURPOSE OF BENCHMARKS

Benchmarks help tax advisers identify averages for groups of activities and, therefore, businesses that vary significantly from those averages. Tax advisers can use this information to determine the reasons for any variation and identify action that should be taken to correct problems and improve business practices - in particular those related to record keeping.

The business community and business owners generally may use benchmarks to compare the performance of their business with industry averages.
For example, a low gross profit ratio may indicate to a business owner that:

- their job quotes or prices are lower than those of their competitors
- they are paying too much for their stock purchases
- there is wastage of materials due to overestimating job requirements
- they do not have enough sales in higher profit margin lines (poor sales mix)
- they need to improve merchandising or product displays, or
- their stock level is too high and it may be better to buy stock as needed to improve their cash flow.

A low net profit ratio may indicate that some operating expenses are high compared to industry averages. A business owner might need to look at:

- the location of their business and rent expenses
- the level of contractor and subcontractor expenses
- the number of employees and their effectiveness
- the cost of business motor vehicles, and
- the cost of other major overheads.

A high wages to turnover ratio for a business owner might suggest that quotes for jobs are too low. This ratio could also be an indicator of the efficiency of labour used in a business. In particular, an owner may consider:

- the rate at which employees produce income
- the time taken to complete jobs, and
- the pay rates of employees.

The business community may also use these ratios when evaluating job tenders. The gross profit and net profit ratios of a business compared to the industry average may be one factor that is taken into account in deciding whether a particular tender is successful.

For the Tax Office, providing access to benchmark information is part of a commitment to being more open and up-todate in our operations and forms part of our industry-based project approach to compliance. In providing benchmarks for businesses, we aim to have a more direct impact on taxpayer behaviour before tax returns are prepared and lodged.
Feedback from tax professionals indicates that the use of benchmarks in preparing tax returns is increasing.

Once tax returns are lodged, we use benchmarks - together with a range of other information - to identify any compliance issues and any clients that may require further assistance or monitoring. The wages to turnover ratio, in particular, provides a relevant measure in those industries where cash wages are common. We may also use benchmarks to compare
taxpayers and may seek further information from clients whose ratios vary substantially from their industry averages.

## BOX 15.3: Terminology

Cost of sales: for income tax purposes, cost of sales is defined as the cost of anything produced, manufactured, acquired or purchased for manufacture, sale or exchange in deriving the gross proceeds or earnings of the business. In some cases, other expenses such as salary and wages and rent are included in the cost of sales figure, which overstates the cost of sales amount.

Industry: income tax returns allow for only one business industry code to be shown. For entities involved in more than one business, it is not possible to separately identify the amount of income and expenses attributed to the major business activity.

Salary and wage expenses: this return label is not used in calculating taxable income. It is a non-compulsory information label and is therefore more likely to contain errors.

## RATIOS

The data shows that the net profit ratios of companies and trusts are generally lower than those of partnerships and individuals. This is because the salary and wages income returned is generally a business expense for the owners of a company or working beneficiaries of a trust. However, in a partnership the income returned to the partners comes in the form of a distribution of net income after business expenses are deducted. A similar situation occurs for individuals.

For the same reason, the wages to turnover ratios for individuals and partnerships are lower than those of companies and trusts.

## EXCLUSIONS AND CONSIDERATIONS

When analysing a large population, the inclusion of some cases can produce misleading results. For example, income tax return labels used in the calculations may not have been completed or not completed correctly, or the ratios for an individual entity are exceptional and would distort the calculation of a true industry average.

In an attempt to improve the quality of the end product, certain exclusion criteria have been developed and applied. (There is a list and explanation of these exclusion criteria in all the industry benchmark tables.)

Despite the application of these exclusion criteria, it is still important to recognise that the benchmarks developed are not definitive and should not be used in isolation. For example, there is a range of legitimate reasons as to why businesses vary from industry averages and, conversely, businesses with ratios close to the industry average may have compliance problems or other financial difficulties. Also, an average ratio calculated using a large population is generally more reliable than one calculated from a small population.

Benchmarks are most useful as a guide when considered over a period of time or in conjunction with other information. For example, the age of the business and its performance over a number of years should also be taken into account when considering the viability of a business.

## FUTURE DEVELOPMENTS

Tax reforms introduced a range of measures aimed at improving compliance. Activity statements, for example, provide a source of up-to-date trading information.
Activity statement data helps us identify and address issues likely to have a negative impact on revenue as they emerge, rather than after they become ingrained business practice.
A current Tax Office project is using activity statement data to assess the performance of businesses against eight separate financial ratios in order to establish industry level benchmarks or norms. Businesses whose performance against those ratios suggests they may be operating outside their industry norms are identified for closer analysis and, if necessary, for follow-up.
We are continuing to refine this methodology and propose to include activity statement benchmark data as part of the industry benchmarks provided in future editions of Taxation statistics.

## DETAILED TABLES

## BOX 15.4: Using and finding industries/business activities in the detailed tables

Before viewing/downloading the industry benchmark tables from the CD-ROM or from the online version of this publication on our website at www.ato.gov.au, we recommend that users first read the other parts of this chapter (particularly box 15.2) and the exclusion criteria explanatory notes included in all the industry benchmark tables. These explain what the ratios are, what items were used to calculate them, how the ratios were calculated and how to properly interpret the ratios.

In most cases, people who use the industry benchmark tables are after ratios for a specific industry/business activity. To find ratios for a particular industry, we recommend users to download our publication Business industry codes 2002 before downloading the tables. By going through this document, users will have a better idea as to which industry a business, service or activity will be classified under, and the industry code assigned to the business, service or activity.

After downloading this booklet, users may download the detailed tables in their preferred format (XLS, PDF or CSV) and then follow the instructions included with the tables.

There are three main types of industry benchmark detailed tables. They all contain gross profit ratios, net profit ratios and wages to turnover ratios for business activity/industry (ANZSIC) divisions and groups listed in our publication Business industry codes 2002.

The tables are:

Table 1
(Parts A to l) This table calculates gross profit, net profit and wages to turnover ratios for profitable and all entities falling under different business activity/industry (ANZSIC) divisions or groups. Each ANZSIC division or group is classified by business status - 'commenced business' (businesses that just started) and 'established business'. Industry ratios are therefore calculated for 'commenced' and 'established' business entities.
Note: Ratios may not be available for some business (ANZSIC) group codes and/or entities because there is insufficient data to calculate the ratios, there are data quality problems or the data cannot be shown for confidentiality reasons.
Table 2 Industry benchmarks, by state/territory, 2001-02 income year
(Parts A to l) This table calculates gross profit, net profit and wages to turnover ratios for profitable and all entities falling under different business activity/industry (ANZSIC) divisions or groups. Each ANZSIC division or group is classified by state/territory. Industry ratios are therefore calculated for business entities in different states/territories.
Note: Ratios may not be available for some business (ANZSIC) group codes and/or entities in certain states/territories because there is insufficient data to calculate the ratios, there are data quality problems or the data cannot be shown for confidentiality reasons.
Table 3 Industry benchmarks, by total business income/total income, 2001-02 income year
(Parts A to l) This table calculates gross profit, net profit and wages to turnover ratios for profitable and all entities falling under different business activity/industry (ANZSIC) divisions or groups. Each ANZSIC division or group is ranged by total business income for individual, partnership and trust benchmark tables and ranged by total income for company benchmark tables. Industry ratios are therefore calculated for business entities falling under different ranges of total business income or total income, depending on the entity.
Note: Ratios may not be available for some business (ANZSIC) group codes and/or entities because there is insufficient data to calculate the ratios, there are data quality problems, or the data cannot be shown for confidentiality reasons.

Tables 1 to 3 contain the benchmark data. Each of these tables is divided into a number of smaller sections to help locate specific information. Part A contains benchmark ratios calculated for broad industries (or ANZSIC division). The ratios for fine industries (or ANZSIC groups) are presented in Parts $\mathbf{B}$ to $\mathbf{H}$, according to broad industry headings, as follows:

| Part B: | Agriculture, forestry and fishing |
| :---: | :---: |
|  | This part contains ratios for business activities with codes beginning with the digits: 011, 012, 013, 014, 015 016, 021, 022, 030, 041 and 042. |
| Part C: | Manufacturing |
|  | This part contains ratios for business activities with codes beginning with the digits: 211, 212, 213, 214, 215 $216,217,218,219,221,222,223,224,225,226,231,232,233,241,242,243,251,252,253,254,255$, 256, 261, 262, 263, 264, 271, 272, 273, 274, 275, 276, 281, 282, 283, 284, 285, 286, 291, 292 and 294. |
| Part D: | Wholesale trade |
|  | This part contains ratios for business activities with codes beginning with the digits: 451, 452, 453, 461, 462 , 471, 472, 473 and 479. |
| Part E: | Mining; electricity, gas and water supply |
|  | This part contains ratios for business activities with codes beginning with the digits: 110, 120, 131, 141, 142, 151, 361, 362 and 370. |
| Part F: | Construction; transport and storage; communication |
|  | This part contains ratios for business activities with codes beginning with the digits: 411, 412, 421, 422, 423, 424, 425, 611, 612, 620, 630, 640, 650, 661, 662, 663, 664, 670, 711 and 712. |
| Part G: | Finance and insurance; property and business services |
|  | This part contains ratios for business activities with codes beginning with the digits: 731, 732, 733, 734, 741, $742,751,752,771,772,773,774,781,782,783,784,785$ and 786. |
| Part H: | Education; cultural and recreational services; personal and other services; health and community services |

This part contains ratios for business activities with codes beginning with the digits: $841,842,843,844,911$, 912, 921, 922, 923, 924, 925, 931, 932, 933, 951, 952, 961, 962, 963, 861, 862, 863, 864, 871 and 872.

## Part I: $\quad$ Retail trade; accommodation, cafes and restaurants

This part contains ratios for business activities with codes beginning with the digits: 511, 512, 521, 522, 523, $524,525,526,531,532,571,572,573$ and 574.

Tables 1 to 3 also contain instructions on how to find industries and ratios in the tables and information on how the ratios were calculated, particularly the exclusion criteria used to calculate the ratios.

Each entity - individuals (or personal taxpayers), companies, partnerships and trusts - has its own respective tables 1 to 3, with each table having 9 parts (A to I).

A complete list of industry benchmark tables for all the entities is listed below. Overall, there are 108 industry benchmark tables (counting each part as a table).

## INDIVIDUALS

Table IN1: Individual industry benchmarks, by business status, 2001-02 income year (parts A to l)
Table IN2: Individual industry benchmarks, by state/territory, 2001-02 income year (parts A to I)
Table IN3: Individual industry benchmarks, by total business income, 2001-02 income year (parts A to I)

## COMPANIES

Table CO1: Company industry benchmarks, by business status, 2001-02 income year (parts A to I)
Table CO2: Company industry benchmarks, by state/territory, 2001-02 income year (parts A to I)
Table CO3: Company industry benchmarks, by total income, 2001-02 income year (parts A to I)

## PARTNERSHIPS

Table PA1: Partnership industry benchmarks, by business status, 2001-02 income year (parts A to I)
Table PA2: Partnership industry benchmarks, by state/territory, 2001-02 income year (parts A to I)
Table PA3: Partnership industry benchmarks, by total business income, 2001-02 income year (parts A to I)

## TRUSTS

Table TR1: Trust industry benchmarks, by business status, 2001-02 income year (parts A to I)
Table TR2: Trust industry benchmarks, by state/territory, 2001-02 income year (parts A to I)
Table TR3: Trust industry benchmarks, by total business income, 2001-02 income year (parts A to I)

## APPENDIX:

ANNUAL TAX RETURN FORMS

INDIVIDUAL (OR PERSONAL TAXPAYERS) TAX RETURN, 2001-02 INCOME YEAR


## INDIVIDUAL (OR PERSONAL TAXPAYERS) TAX RETURN, 2001-02 INCOME YEAR

Individual tax return 2002
Taxpayer's signature

## Income

1 Salary or wages
Your main salary and wage occupation
$\square$


| Tax withheld | Gross payment |  |
| :---: | :---: | :---: |
| $) \quad .00$ | C | . 00 |
| $) \quad .00$ | D] | . 00 |
| . 00 | E | . 00 |
| $) \quad .00$ | F | . 00 |
| $) \quad .00$ | G\| | . 00 |
| . 00 | K | . 00 |
| . 00 | R | . 00 |
| . 00 | H | . 00 |
| ) .00 | 1 | . 00 |
| Excessive component | N/ | . 00 |
| $) \quad .00$ | A | . 00 | and payments like Newstart, youth allowance and

austudy payment

6 Commonwealth of Australia government pensions and allowances


7 Other Australian pensions or annuities-including superannuation pensions

| Type |  | . 00 | J | . 00 |
| :---: | :---: | :---: | :---: | :---: |
| 8 Attributed per |  | . 00 | 0 | . 00 |
| Total tax withheld | Add up the boxes. \$ | . 00 |  |  |

9 Total reportable fringe benefits amounts $\mathbf{W} \square .00$
10 Gross interest


11 Dividends

| Gross |
| :---: |
| interest |
| L |


| 11 Dividends |  | $\begin{gathered} \text { Unfranked } \\ \text { amount } \end{gathered} \mathbf{S}$ | . 00 |
| :---: | :---: | :---: | :---: |
|  |  | Franked amount $\qquad$ | . 00 |
|  | TFN amounts withheld from dividends | $\left.\right\|_{\text {credit }} ^{\text {Imputation }} \mathbf{U}$ | . 00 |
| (I) Only used by taxpayers completing the supplementary section |  |  |  |
| Transfer the amount from TOTAL SUPPLEMENTARY SECTION INCOME OR LOSS on page 8 and write it here |  |  | . 00 |
| TOTAL INCOME OR LOSS |  | ment amounts and unt in the boxes. | . 00 |

IN-CONFIDENCE-when completed

## INDIVIDUAL (OR PERSONAL TAXPAYERS) TAX RETURN, 2001-02 INCOME YEAR

Page 3
Individual tax return 2002

| Taxpayer's signature |
| :--- |
| $\begin{array}{l}\text { Attach all requested attachments here. Place the employee's tax return copy o } \\ \text { PAYG payment summaries on top followed by any other attachments. }\end{array}$ |
| Dens |

## Deductions

D1 Work related car expenses
D2 Work related travel expenses
D3 Work related uniform, occupation specific or protective clothing, laundry and dry cleaning expenses

D4 Work related self-education expenses
D5 Other work related expenses
D6 Deduction for project pool
D7 Low value pool deduction
D8 Interest and dividend deductions
D9 Gifts or donations

D10 Deductible amount of undeducted purchase price (UPP) of an Australian pension or annuity. Deductible amount of UPP of a foreign pension \begin{tabular}{l}
TFN <br>

\hline  <br>

\hline
\end{tabular} RN: 100102

## INDIVIDUAL (OR PERSONAL TAXPAYERS) TAX RETURN, 2001-02 INCOME YEAR



## Medicare levy related items

M1 Medicare levy reduction or exemption
If you complete this item and you had a spouse during 2001-02 you must complete
Spouse details-married or de facto on page 5 .
Reduction based on family income
Number of dependent children and students


M2 Medicare levy surcharge (MLS)

THIS ITEM IS COMPULSORY-if you do not complete this question you may be
charged the full Medicare levy surcharge.

For the whole period 1 July 2001 to 30 June 2002, were you and all your dependants (including your spouse)-if you had any-covered by private patient HOSPITAL cover?

If yes, you must complete Private health insurance policy details above.
If no, read below.
If you are liable for the surcharge for the whole period 1 July 2001 to 30 June 2002 you must write $\mathbf{0}$ at label A
If you are liable for the surcharge for part of the period 1 July 2001 to 30 June 2002 you must write the number of days
you were NOT liable at label $\mathbf{A}$.
If you are NOT liable for the surcharge for the whole period 1 July 2001 to 30 June 2002 you must write $\mathbf{3 6 5}$ at label A.


If you had a spouse during 2001-02 (and you printed $\mathbf{N}$ at label $\mathbf{E}$ ), complete Spouse details-married or de facto on page 5. If you were covered by private patient hospital cover at any time during 2001-02 you must complete Private health insurance policy details above.

## Adjustments

A1 Under 18 excepted net income
A2 Part-year tax-free threshold
You must read the information on $\mathbf{A 2}$ in the tax return instructions before completing this item.

## Date




Income while a full-time student $\mathbf{O}$00

A3 Amount on which family trust distribution tax has been paid
You must read the information on A3 in the tax return instructions before completing this item.
X00

A4 Amount on which ultimate beneficiary non-disclosure tax was payable You must read the information on A4 in the tax return instructions before completing this item.
.00

## INDIVIDUAL (OR PERSONAL TAXPAYERS) TAX RETURN, 2001-02 INCOME YEAR



## Spouse details-married or de facto

Only provide these details if you had a spouse-married or de facto-during 2001-02 and you completed any of the following items: 6 (Commonwealth of Australia pension or allowances), T1, T2, M1, M2 (and at label E you printed $\mathbf{N}$ ), T5 (supplementary section).


## INDIVIDUAL (OR PERSONAL TAXPAYERS) TAX RETURN, 2001-02 INCOME YEAR

Individual tax return 2002

| Taxpayer's signature |
| :--- |
|  |

Refer to the tax return instructions before you complete item 12. If you are required to complete item $\mathbf{1 2}$ include deferred non commercial business losses from the prior year at either labels $\mathbf{X}$ or $\mathbf{Y}$ as appropriate. Refer to the tax return instructions for the relevant code.

## Supplementary section

## Income

12 Partnerships and trusts

| Distribution from partnerships | N | . 00 |
| :---: | :---: | :---: |
| Distribution from trusts | L | . 00 |
| Landcare operations and deduction for decline in value of water facility | 1 | . 00 |
| Other deductions relating to distribution | X | . 00 |

Note: If you have a net loss from a partnership business activity, complete items P3 and P9 in the Business and professional items section of this tax return in addition to item 12.

Non-primary production
Net primary production distribution $\qquad$



Share of credits from income
Share of credit for tax withheld where Australian Business Number not quoted

Share of imputation credit from franked dividends
Share of credit for TFN amounts withheld from interest, dividends and unit trust distributions

Share of credit for tax paid by trustee


S
13 Personal services income (PSI)


14 Net income or loss from business

Tax withheld-voluntary agreement
D

Tax withheld where Australian Business Number not quoted

Tax withheld-labour hire or other specified payments F 00


F

## INDIVIDUAL (OR PERSONAL TAXPAYERS) TAX RETURN, 2001-02 INCOME YEAR

Individual tax return 2002
Taxpayer's signature

RN: 100102

15 Deferred non-commercial business losses

| Item P9 on page 11 |
| :--- |
| must be completed |
| before you complete |
| this item. |


| Your share of deferred losses <br> from partnership activities | $\boldsymbol{F}$ | $\boxed{\mathbf{0 0}}$ |
| ---: | ---: | ---: |
| Deferedel losses from <br> sole trader activities | G | $\mathbf{. 0 0}$ |
|  |  |  | Total deferred losses H $\quad .00$

16 Net farm management deposits or withdrawals
$E \square \quad .00 / \square F$

17 Capital gains
Did you have a CGT event during the year?
 Print $\mathbf{Y}$ for yes or $\mathbf{N}$ for no

A00

You must also print $\mathbf{Y}$ at label $\mathbf{G}$ if you received a distribution of a capital gain from a trust.

| Total current year capital gains | H | . 00 |
| :---: | :---: | :---: |
| Net capital losses carried forward to later income years | V | . 00 |

18 Foreign entities

| Did you have either a direct or indirect interest in a controlled foreign company (CFC)? | I | Print $\mathbf{Y}$ for yes or $\mathbf{N}$ for no. | CFC income | K | . 00 |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Have you ever, either directly or indirectly, caused the transfer of property-including money-or services to a non-resident trust estate? | W | Print $\mathbf{Y}$ for yes or $\mathbf{N}$ for no. | Transferor trust income | B | . 00 |
| Did you have an interest in a foreign investment fund (FIF) or a foreign life assurance policy (FLP)? | J | Print $\mathbf{Y}$ for yes or $\mathbf{N}$ for no. | FIF and FLP income | C | . 00 |

19 Foreign source income and foreign assets or property
Assessable foreign source income $\mathbf{E} \quad .00$



21 Bonuses from life insurance companies and friendly societies


IN-CONFIDENCE-when completed

## INDIVIDUAL (OR PERSONAL TAXPAYERS) TAX RETURN, 2001-02 INCOME YEAR



## INDIVIDUAL (OR PERSONAL TAXPAYERS) TAX RETURN, 2001-02 INCOME YEAR

Individual tax return 2002
Taxpayer's signature

## Business and professional items section

| S1 | Simplified tax system (STS) | ection Are you eligible to enter the STS? | G | YES |
| :---: | :---: | :---: | :---: | :---: |
|  | Complete all 3 labels in this item if you are eligible to enter the STS and are electing to do so. Leave all 3 labels blank if you are not entering the STS. | Are you electing to enter the STS? Is your business grouped with another business? | $\begin{aligned} & \mathrm{H} \\ & \mathrm{l} \end{aligned}$ | YES YES |

P1 Personal services income (PSI)
Only complete item P1 if you earned PSI as a sole trader.
Part A
Did you have a prescribed payments system payee declaration that was in force and received by the Commissioner as at 13 April 2000? Print $\mathbf{X}$ in the appropriate box.
B
NO Read on.
YES $\square$ Go to item P2.
Did you satisfy the results test? Print $\mathbf{X}$ in the appropriate box.
$\mathbf{P} \quad$ NO $\quad$ Read on.
YES $\square$ Go to item P2.
Have you received a personal services business determination(s) that was in force for the whole of the period you earned PSI? Print $\mathbf{X}$ in the appropriate box.
C
No Read on.
YES $\square$ Go to item P2.

Did you receive $\mathbf{8 0 \%}$ or more of your PSI from one source? Print $\mathbf{X}$ in the appropriate box.
Q NO Read on.
YES Go to Part B.
If you received less than $\mathbf{8 0 \%}$ of your PSI from each source for the whole of the period you earned PSI and you
satisfied any of the following personal services business tests, indicate which business test(s) you satisfied. Print $\mathbf{X}$ in
the appropriate box(es). Refer to the tax return instructions before you complete this question.
Unrelated clients test D1
If you printed $\mathbf{X}$ at D1, E1 or F1, proceed to P2 below, otherwise go to part B.

Part B


Transfer the amount at label $\mathbf{A}$ to label $\mathbf{A}$ item $\mathbf{1 3}$ on page 6.
P2 Description of main business or professional activity
$\square$
P3 Number of business activities
Industry code A
B
P4 Status of your business-print $\mathbf{X}$ in one box only Ceased business C1
P5 Business name of main business and Australian Business Number (ABN)


IN-CONFIDENCE—when completed

INDIVIDUAL (OR PERSONAL TAXPAYERS) TAX RETURN, 2001-02 INCOME YEAR


## INDIVIDUAL (OR PERSONAL TAXPAYERS) TAX RETURN, 2001-02 INCOME YEAR

Individual tax return 2002
Taxpayer's signature

RN: 100102
TFN

|  |  |  |  |  |  |  |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- |
|  |  |  |  |  |  |  |

## P9 Business loss activity details

Note: If you incurred a net loss from more than 3 business activities this year show the 3 activities with the highest losses. If you print loss code 8 at labels $\mathbf{G}, \mathbf{M}$ or $\mathbf{S}$ you must complete item $\mathbf{1 5}$ on page 7.

Activity 1

| Activity 1 Description of activity $\mathbf{D}$ |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Industry code $\quad \begin{aligned} & \text { Partnership (P) or } \\ & \text { sole trader (S) }\end{aligned}$ | $\begin{aligned} & \text { Type of loss } \\ & \mathbf{G} \square \end{aligned}$ | Deferred non-commercial loss from the prior year |  |  | Net loss |  |
|  |  | H | . 00 | 1 | . 00 | F |
| Activity 2 Description of activity J |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| Industry code $\quad$Partnership (P) or <br> sole trader (S) | Type of loss |  | mmerci <br> ar |  |  |  |
| $\mathbf{K} \square 1+1$ | $\mathbf{M} \square$ | N | . 00 | 0 | . 00 | F |
| Activity 3 |  |  |  |  |  |  |
| Description of activity $\mathbf{P}$ |  |  |  |  |  |  |
| Industry code Partnership (P) or <br> sole trader (S) | Type of loss |  | ommerc <br> ear | Net loss |  |  |
| Q | $\mathbf{S}$ | T | . 00 | U | . 00 | F |
| P10 STS depreciating assets | For completion by STS taxpayers only. STS taxpayers are not required to complete a Capital allowances schedule 2002. |  |  |  |  |  |
|  | cost assets han \$1000) |  | $\begin{aligned} & \text { ssets } \\ & \text { eears) } \end{aligned}$ | Long life pool assets <br> (25 years or more) |  |  |
| STS depreciation deduction A | . 00 | B | . 00 | C | . 00 |  |

Other business and professional items

| P11 | Trade debtors | E | . 00 |
| :---: | :---: | :---: | :---: |
| P12 | Trade creditors | F | . 00 |
|  |  |  |  |
| P13 | Total salary and wage expenses | G | . 00 |
| P14 | Payments to associated persons | H | . 00 |
| P15 | Intangible depreciatingassets first deducted | 1 | . 00 |
| P16 | Other depreciating assets first deducted | J | . 00 |
| P17 | Termination value of intangible depreciating assets | D | . 00 |
| P18 | Termination value of other depreciating assets | K | . 00 |
| P19 | Trading stock election Print $\mathbf{Y}$ for yes or leave blank. | P |  |

Hours taken to prepare and complete the Business and professional items section $\mathbf{S}$

## INDIVIDUAL (OR PERSONAL TAXPAYERS) TAX RETURN, 2001-02 INCOME YEAR

## Consent to use part or all of your 2002 tax refund to repay your spouse's family tax benefit (FTB) overpayment

You must read the information on family tax benefit in the tax return instructions before completing FTB claimant's details.

Only complete the details below if:

- you were the spouse of an FTB claimant on 30 June 2002 and your income was taken into account in their claim-check with your spouse-AND
- your spouse has given you authority to quote on your tax return their customer reference number (CRN). If your spouse does not know their CRN they can contact the Family Assistance Office AND
- your spouse expects to have an FTB overpayment for 2002 AND
- you expect to receive a tax refund for 2002 AND
- you consent to use part or all of your tax refund to repay your spouse's FTB overpayment.

Note: An FTB overpayment can only be raised after reconciliation has been completed. If an FTB overpayment is raised after your refund has been sent to you the ATO will not be able to use your refund to repay the FTB overpayment.

## Spouse's CRN




Spouse's date of birth $\quad$ Day Month $\quad$ Year
I consent to the ATO using part or all of my 2001-02 tax refund to repay the 2002 FTB overpayment of my spouse, whose details I have provided above. I have obtained my spouse's permission to quote their CRN.


## Taxpayer's declaration

Read and sign the declaration after completing your tax return, including the supplementary section, business and professional items section and other schedules if applicable.
I declare that:

- the information provided to my registered tax agent for the preparation of this tax return is true and correct and
- I understand the ATO has the right to review my tax return and, for a period of up to 6 years, to issue me with a revised assessment if a review shows any inaccuracies in income or entitlements that change my assessment
- I authorise my registered tax agent to lodge this tax return.

| Your signature | Date |  | Month |  |
| :---: | :---: | :---: | :---: | :---: |

## Important: The tax law imposes heavy penalties for giving false or misleading information.

Privacy: It is not an offence not to quote your tax file number (TFN). However, your assessment will be delayed if you do not quote your TFN. The ATO is authorised by the Income Tax Assessment Act 1936 and the Income Tax Assessment Act 1997 and the A New Tax System (Family Assistance) (Administration) Act 1999 to ask for information on this tax return. We need this information to help us to administer the taxation laws. We may give this information to other government agencies authorised by law to receive it-for example, benefit payment agencies such as Centrelink, the Department of Education, Science and Training and the Department of Family and Community Services; law enforcement agencies such as the National Crime Authority; and other agencies such as the Child Support Agency, the Australian Bureau of Statistics and the Reserve Bank of Australia.

## Tax agent's certificate

I,
declare that this tax return has been prepared in accordance with information supplied by the taxpayer, that the taxpayer has given me a declaration stating that the information provided to me is true and correct and that the taxpayer has authorised me to lodge the tax return.



COMPANY TAX RETURN, 2001-02 INCOME YEAR

Company tax return 2002
Page 2
Public officer's signature

| Public officer's signature |
| :--- |

RN: 100102
TFN

|  |  |  |  |  |  |  |  |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- |
|  |  | $\perp$ |  | $\perp$ | $\perp$ | 1 | $\perp$ |

## Information statement To be completed by all companies

6 Calculation of total profit or loss Income


## Expenses



Royalty expenses overseas $\mathbf{U}$


Repairs and maintenance $\mathbf{Z}$
All other expenses $\mathbf{S}$
Total expenses $\mathbf{Q}$
Operating profit or loss


7 Reconciliation to taxable income or loss

| Total profit or loss amount shown at label T, item 6 |  |
| :---: | :---: |
| Did you have a CGT event during the year? | Print $\mathbf{Y}$ for yes or $\mathbf{N}$ for no. |
| Do you need to complete a CGT schedule 2002? |  |
| Also answer yes at label $\mathbf{G}$, if the company received a distribution of a capital gain from a trust. |  |

Add: $\quad$ Net capital gain $\mathbf{A}$
Non-deductible exempt income expenditure Other assessable income B Non-deductible expenses W
R\&D accounting expenditure claimed under R\&D concession
 Less: Section 46FA deduction C for flow-on dividends
Deduction for decline in value of depreciating assets Immediate deduction for capital expenditure Deduction for project pool $\qquad$

$\square$
s 1

## Z

nt J

## K

## t) L

 ( $100 \%$, 125\% R concession claim Landcare operations and deduction for decline in value of water facility Deduction for environmental protection expenses 0 Offshore banking unit adjustment $\mathbf{P}$

Exempt income V

 IN-CONFIDENCE-when completed

COMPANY TAX RETURN, 2001-02 INCOME YEAR

Company tax return 2002

|  |
| :--- |
| Public officer's signature |

8 Financial and other information
Do the 21 September 1999
prepayment changes apply?
Print $\mathbf{Y}$ for yes or $\mathbf{N}$ for no.
If you printed $\mathbf{Y}$, complete labels $\mathbf{X}$ and $\mathbf{Y}$.


A Losses schedule 2002 must also be completed and attached if the sum of labels $\mathbf{U}$ and $\mathbf{V}$ is greater than $\$ 100000$ or, the company transferred out or has transferred in a loss, failed the continuity of ownership test for a loss, or the company has a foreign loss or film loss.
11 Personal services income Does your income include an individual's personal services income? $\mathbf{N}$


If you printed $\mathbf{Y}$ at label $\mathbf{N}$ and $\mathbf{N}$ at label $\mathbf{O}$, complete and attach a Personal services income schedule 2002.
If you printed $\mathbf{Y}$ at label $\mathbf{N}$, were you a PPS entity as at 13 April 2000? $\mathbf{O}$ or $\mathbf{N}$ for no.


COMPANY TAX RETURN, 2001-02 INCOME YEAR




Australian $\begin{array}{r}\text { or specify period if part year or approved substitute pider in the the }\end{array}$ Partnership and trust tax returns 2002 instructions (the instructions) available from the Australian Taxation Office.

Have you attached any 'other attachments'?



Interposed entity election status
If the partners have made or are making one or more interposed entity elections from a day in the 2001-02 income year or an earlier income year, print the appropriate election status code for the partnership and, if making one or more elections from a day in the 2001-02 income year, complete and attach each of the Interposed entity election(s) 2002.
TFN of former partnership
If the partnership arose as a result of a reconstitution.

Important: Before making this declaration please check to ensure that all income has been disclosed and the tax return is true and correct in every detail. If you are in doubt about any aspect of the tax return, place all the facts before the Australian Taxation Office. The income tax law imposes heavy penalties for false or misleading statements in tax returns.
Declaration: I declare that the information in this tax return is true and correct.


PARTNERSHIP TAX RETURN, 2001-02 INCOME YEAR


PARTNERSHIP TAX RETURN, 2001-02 INCOME YEAR


PARTNERSHIP TAX RETURN, 2001-02 INCOME YEAR


## PARTNERSHIP TAX RETURN, 2001-02 INCOME YEAR



PARTNERSHIP TAX RETURN, 2001-02 INCOME YEAR



## Trust tax return 2002

1 July 2001 to 30 June 2002

Taxation Office $\begin{aligned} & \text { Notes to assist in the preparation of this tax return are provided in the } \\ & \text { Partnership and trust tax returns } 2002 \text { instructions (the instructions) } \\ & \text { available from the Australian Taxation Office. }\end{aligned}$ available from the Australian Taxation Office.

Family trust/interposed entity election status
If the trustee(s) has/have made or is/are making or revoking a family trust election and/or made or making one or more interposed entity elections for the 2001-02 income year or an earlier income year, print the appropriate election status code for the trust and, if making one or more elections or revoking a family trust election for the 2001-02 income year, complete and attach a Family trust election and/or family trust revocation 2002 and/or each of the Interposed entity election(s) 2002.

| Type of trust <br> Print the code representing the type of trust. | Print $\mathbf{X}$ if also an item 1.5 charitable trust in section 50-5 of ITAA 1997. | If code $\mathbf{D}$, write the date of death. |  | $\begin{gathered} \text { Year } \\ \perp \quad 1 \quad 1 \end{gathered}$ |
| :---: | :---: | :---: | :---: | :---: |
| Is any tax payable by the trustee? | Print $\mathbf{Y}$ for yes or $\mathbf{N}$ for no. | Final tax | urn |  |
| Electronic funds transfer (EFT)——Do you want to use EFT for your refund this year? |  | Print $\mathbf{Y}$ for yes or $\mathbf{N}$ for no. |  |  |
| If you printed $\mathbf{Y}$, complete the account details. Do not provide details if they are the same as last year. | BSB number | Account number |  |  |
|  | Account name |  |  |  |

Important: Before making this declaration check to ensure that all income has been disclosed and the tax return is true and correct in every detail. If you are in doubt about any aspect of the tax return, place all the facts before the Australian Taxation Office. The income tax law imposes heavy penalties for false or misleading statements in tax returns. This declaration and all attached documents must be signed by a trustee or public officer.
Declaration: I declare that the information in this tax return is true and correct.

Tax agent's declaration declare that this tax return has been prepared in accordance with


## TRUST TAX RETURN, 2001-02 INCOME YEAR



TRUST TAX RETURN, 2001-02 INCOME YEAR


## TRUST TAX RETURN, 2001-02 INCOME YEAR

Trust tax return 2002
Page 4
Trustee's signature
$\square$


Deductions


## Foreign income

19 Attributed foreign income
Did you have either a direct or indirect interest in a foreign trust, controlled foreign company or transferor trust?
Did you have an interest in a foreign
investment fund (FIF) or a foreign life assurance policy (FLP)?

Broad-exemption
M .00

T


If you printed $\mathbf{Y}$ to either question, complete and attach a Schedule 25A 2002
Do you need to complete a Losses schedule 2002?
20 Other assessable foreign source income-other than income shown at item 19


| 21 | Total of items 17 to 20 | Add the $\square$ boxes | . 00 |
| :---: | :---: | :---: | :---: |
| 22 | Tax losses deducted | C | . 00 |
| 23 | Total net income or loss | Subtract item 22 from item 21 | . 00 |
| 24 | Losses information | Tax losses carried forward to later income years | . 00 |
|  |  | Net capital losses carried forward to later income years | . 00 |
|  | A Losses schedule 2002 must also be completed and attached if the sum of labels $\mathbf{U}$ and $\mathbf{V}$ is greater than $\$ 100000$ or, the trust has a foreign loss or film loss or, if it is a listed widely held trust and failed the majority ownership test for a loss. |  |  |
| 25 Landcare and water facility tax offset |  | Water facility tax offset claimed F | . 00 |
|  |  | Landcare and water facility tax offset brought forward from prior years | . 00 |

## Overseas transactions

26 Overseas transactions
Was the aggregate amount of your transactions or dealings with international related parties (including the value of any property/service transferred or the balance of any loans) greater
than $\$ 1$ million?
W
Print $\mathbf{Y}$ for yes

If you printed Y, complete and attach a Schedule 25A 2002.
Was any beneficiary who was not a resident of Australia at any time during the income year,
'presently entitled' to a share of the income of the trust?
If yes, attach the information requested in the instructions.

## TRUST TAX RETURN, 2001-02 INCOME YEAR

Trust tax return 2002

| Trustee's signature |
| :--- |

27 Personal services income Does your income include an individual's personal services income? $\mathbf{N}$
If you printed $\mathbf{Y}$ at label $\mathbf{N}$ and $\mathbf{N}$ at label $\mathbf{O}$, complete and attach a Personal services income schedule 2002.
If Yes to label $\mathbf{N}$, were you a PPS entity as at 13 April 2000? $\mathbf{O}$
If Yes to label $\mathbf{N}$, were you a PPS entity as at 13 April 2000? 0

Page 5 RN: 100102
TFN


## Key financial information

| 28 | All current assets | F | . 00 | 31 | Total liabilities | J | . 00 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 29 | Total assets | G | . 00 | 32 | Proprietors' funds |  | . 00 |
| 30 | All current liabilities | 1 | . 00 |  |  |  |  |

## Business and professional items

The following information must be filled in for all trusts carrying on a business.
33 Business name of main business


For completion by STS taxpayers only. STS taxpayers are not required to complete a Capital allowances schedule 2002.


Medicare levy surcharge and 30\% private health insurance tax offset
If the trust is liable for the Medicare levy surcharge or entitled to the $30 \%$ private health insurance tax offset, refer to the instructions. IN-CONFIDENCE-when completed


FUND TAX RETURN, 2001-02 INCOME YEAR


Contact email address
If applicable.


IN-CONFIDENCE-when completed

FUND TAX RETURN, 2001-02 INCOME YEAR

## Page 2

Fund income tax and regulatory return 2002
RN: 100102
Trustee's signature $\square$


1 Superannuation fund number

2 Date of establishment of fund or trust
3 Status of fund or trust-print X in the applicable boxes.


B | Day | Month | Year |  |
| :---: | :---: | :---: | :---: |
| 1 | 1 | 1 | 1 |

| Resident | C1 $\square$ |
| ---: | :--- | | Superannuation |
| ---: |
| fund | D1 $\square$

Membership industry classification $\quad$ M E1 Approved
depositfund

4 Type of fund or trust-print X in the applicable box.


5 Family trust/interposed entity election status
If the trust or fund has made or is making a family trust election and/or made or making one or more interposed entity elections for the 2001-02 income year or an earlier income year, print the appropriate election status code for the fund or trust in the box to the right of label I and, if making one or more elections or revoking a family trust election for the 2001-02 income year, complete and attach the Family trust election 2002 and/or Family trust revocation 2002 and/or each of the Interposed entity election(s) 2002.

6 Is the fund or trust complying in accordance with section 45,47 or 48 of The Superannuation Industry (Supervision) Act 1993?
Print $\mathbf{Y}$ for Yes or $\mathbf{N}$ for No.

Income tax calculation and information statement
8 Calculation statement


IN-CONFIDENCE—when completed

FUND TAX RETURN, 2001-02 INCOME YEAR


IN-CONFIDENCE-when completed

## FUND TAX RETURN, 2001-02 INCOME YEAR




Overseas transactions or interest/Thin capitalisation/Foreign source income-the following questions must be answeredprint $\mathbf{Y}$ for yes or $\mathbf{N}$ for no at questions 14 to 23 . If you answer $\mathbf{Y}$ for yes at items 15 or 16, complete and attach a Schedule 25 A 2002.

International related party dealings/Transfer pricing
14 Did you have any transactions or dealings with international related parties (irrespective of whether they were on revenue or capital account)? Such transactions or dealings include the transfer of tangible or intangible property and any new or existing financial arrangements.
15 Was the aggregate amount of the transactions or dealings with international related parties (including the value of property transferred or the balance outstanding on any loans) greater than $\$ 1$ million?
16 Overseas interests
Did you have an overseas branch or a direct or indirect interest in the foreign trust, controlled foreign entity, transferor trust, foreign investment fund or foreign life policy?
17 Thin capitalisation
Did the thin capitalisation provisions apply as outlined in the Fund tax return 2002 instructions and the Guide to thin capitalisation? If Yes, complete the Thin capitalisation schedule 2002.

18 Foreign source income
Was the amount of foreign tax credits paid or carried forward greater than $\$ 100000$ OR
Was the amount of assessable foreign income greater than $\$ 500000$ ?
19 Exempt current pension income
If there is an amount of exempt current pension income, has the trustee of the fund obtained the relevant actuary's certificate or certificates required by section 273A, 273B or 283 as a condition of exemption? Answer this question ONLY if there is an amount of exempt current pension income.
20 Death or disability deduction
Is the fund or trust claiming a deduction for premiums for death or disability cover under section 279 that requires an actuary's certificate to be obtained?
If so, has the fund or trust obtained the relevant certificate?

## 21 Transfer of taxable contributions

Has the fund or trust, with consent of the transferee, transferred taxable contributions to a life assurance company, registered organisation or pooled superannuation trust?
If so, show the names of the transferee or transferees and the amount of contributions transferred to each.


22 Exempt income claim
(a) Is the fund or trust a continuously complying fixed interest approved deposit fund claiming to have part of its income treated as exempt under section 290A?
(b) Is the reckoning date at which the components in the formula in subsection 290A(2) were determined, at a date other than the beginning of the income year?
If so, state the reckoning date.


23 Payments to contributing employers and associates
Has the fund or trust made a payment or transferred a benefit that is included in the assessable income of the recipient under section 82AAQ?

IN-CONFIDENCE-when completed

## FUND TAX RETURN, 2001-02 INCOME YEAR



FUND TAX RETURN, 2001-02 INCOME YEAR


## FUND TAX RETURN, 2001-02 INCOME YEAR



Trustee declaration: I declare that the information in this tax return is true and correct.


This declaration and all attached documents must be signed by a trustee.


## Tax agent's declaration

## I,

declare that this tax return has been prepared in accordance with information supplied by the trustee, that the trustee has given me a declaration stating that the information provided to me is true and correct and that the trustee has authorised me to lodge the tax return.


FRINGE BENEFITS TAX RETURN, 2002-03 FBT YEAR


6 Previous name and/or postal address
If the employer name and/or postal address has changed, print it exactly as shown on the last FBT return lodged. A CHANGE OF NAME MUST BE SUPPORTED BY A CERTIFIED COPY OF THE DOCUMENTARY EVIDENCE.


FRINGE BENEFITS TAX RETURN, 2002-03 FBT YEAR

7 Current business/trading name and/or address
If your business/trading name and/or address has changed since last year,
or this is your first FBT return, print the details here.


8 Previous name of trustee or senior partner
If your organisation is a trust or partnership, and your details have changed, show the name of the trustee or the senior partner of your organisation as shown on the last FBT return lodged.



FRINGE BENEFITS TAX RETURN, 2002-03 FBT YEAR

14 Calculated fringe benefits taxable amounts-Refer to the 2003 FBT return guide for more information.
A Type 1 aggregate amount
B Type 2 aggregate amount

Whole dollars only
C Aggregate non-exempt amount (Hospitals and PBI's only)

$\oplus$

15 Fringe benefits taxable amount $(A+B)$ or $C$
16 Amount of tax payable ( $48.5 \%$ of item 15 amount)
17 Aggregate non-rebatable amount-Refer to the 2003 FBT return guide for more information.
18 Amount of rebate: $48 \%$ of (item 16 amount less item17 amount)
19 Sub-total (item 16 amount less item 18 amount)


20 Less instalment amounts reported on activity statements-Refer to the 2003 FBT return guide for more information.
21 Payment due-SEND THIS AMOUNT WITH YOUR PAYMENT ADVICE. or
22 Credit due to you
F
23 DETAILS OF FRINGE BENEFITS PROVIDED


24 Tax agent's declaration
I,
declare that this return has been prepared in accordance with information supplied by my client, that my client has given me a declaration stating that the information provided to me is true and correct and that my client has authorised me to lodge the return.

## Signature of agent

NOTE: Where the agent is a partnership or a company, this certificate must be signed in the name of the partnership or company by a person who is registered as a nominee of that partnership or company. That person's name must be appended.

## 25 Employer's declaration

Privacy-The ATO is authorised by the Fringe Benefits Tax (Assessment) Act 1986 and the Taxation Administration Act 1953 to ask for information on this return. We need this information to help us to administer the taxation laws. We may give this information to other government agencies authorised by law to receive it-for example, the Australian Bureau of Statistics and the Reserve Bank of Australia.
Employer's declaration where the employer lodges the return
I,
declare that the information in this return is true and correct.

("proprietor, partner, public officer, trustee or, for government departments and authorities, the delegated officer)


[^20]GST ANNUAL RETURN, 2002-03 FINANCIAL YEAR


## How to pay

Bpay: contact your bank, credit union or building society to make this payment from your cheque or savings account. Quote biller code 75556 and your EFT code (shown on the other side of this payment slip) as the customer reference number.

Direct credit: transfer funds directly to the Tax Office using computer based banking software.

Direct debit: have your payment deducted from your nominated bank account (excluding credit cards).


Mail payments: mail this payment slip together with your cheque / money order using the envelope provided. Please do not use pins or staples. Do NOT send cash.

D POST
Post Office: payments can be made at any Post Office by cash, cheque or EFTPOS (subject to daily limits). A $\$ 3,000$ cash limit applies. Your payment slip must be presented with your payment.

- Cheques/money orders should be made payable to the 'Deputy Commissioner of Taxation' and crossed 'Not Negotiable'.
- All cheques must be tendered in Australian currency.
(1) Payments cannot be made by credit card or in person at any Tax Office branch or shopfront.

GST ANNUAL RETURN, 2002-03 FINANCIAL YEAR

## How to complete this section

- Calculate your GST on sales (1A) and GST on purchases (1B) for the period shown on the front using information from your accounts or by using the GST calculation sheet
- If you have a Wine equalisation tax obligation, complete 1 C \& 1 D (if appropriate)
- If you have a Luxury car tax obligation, complete 1 E \& 1 F (if appropriate)
- Add the amounts reported at 1 A on your BAS form(s) for the period shown on the front. Write the amount at 1 H
- Complete 2A \& 2B
- Complete the 'Payment or refund' section


## Summary

Amounts you owe the Tax Office

$\square$

## Amounts the Tax Office owes you



## Payment or refund?

Is $\mathbf{2 A}$ more than $\mathbf{2 B}$ ?
(indicate with $\mathbf{X}$ )
hen write the result of 2A minus 2B at 9 . This amount is payable to the Tax Office.

No, then write the result of $2 B$ minus $2 A$ at 9 . This amount is refundable to you (or offset against any other tax debt you have).

Your payment or refund amount
$\square$
(D) Do not use symbols such as $+,-, 1, \$$

Declaration I declare that the information given on this form is true and correct, and that I am authorised to make this declaration. The tax invoice requirements have been met.

Signature
Date
Activity statement instructions are available from www. ato.gov.au or can be ordered by phoning 1328 . 66 . The Tax Office is authorised by the tax laws to collect this information to administer those laws and may pass information to other government agencies. More information about privacy and access to your tax information is available from www.ato.gov.au


## GST INFORMATION REPORT, 2002-03 FINANCIAL YEAR

## 0



## Annual GST information report

Wen completing this form, please

- use a BLACK pen only (to help with processing)
- leave boxes blank if not applicable (do not use N/A NIL)
- show whole dollars only do not show centsi
- do not use symbols such as +, -:/: S



## Why have you received this annual GST

 information report?You now need to complete this form to report the following GST information for the period shownat the top of this form.

## How to complete this form

- Complete the boxes (G2, G3, G10 \& G11) that apply to your business using information from your accounts or by using the GST calculation sheet
- You rnust report ariounts for the ertire periad shown at the top of this form
- See the instructions for information about what to report at each box


GST actouning metog


Aun-tavial Purchate G11 $\qquad$

Declaration I daelare that the intomation given on the formis true a it arerect, and that I am a sthorised to rase tris daclaratian. The tax inwice recuirements have been me..
$\qquad$
 Deails are given en page i of the acrivity stacement instructions. For a capy ptone the Tax Reform Iffa ine on 132478

## APPENDIX: <br> SCHEDULES

CAPITAL GAINS TAX SCHEDULE, 2001-02 INCOME YEAR


Capital gains tax (CGT) schedule 2002
Signature as prescribed in tax return
Part F Applying the CGT discount on capital gains



 $\square \begin{aligned} & \text { Print } \mathbf{Y} \text { for yes, } \\ & \text { or } \mathbf{N} \text { for no. }\end{aligned}$ Part O Cost base adjustments resulting from debt forgiveness-Division 139-to be completed by companies only

OQ $\begin{array}{r}\text { Interest in } \\ \text { debtor } \\ \mathbf{R} \\ \text { Print } \mathbf{Y} \text { for yes, } \\ \text { or } \mathbf{N} \text { for no. }\end{array} \begin{array}{r}\text { Total cost base } \\ \text { adjustment }\end{array} \mathbf{S}$
Part P Cost base adjustments resuling from loss transfers-Subdivision $170-\mathrm{C}$-to be compelece by companies only
 $00 \begin{gathered}\text { CGT event } \\ \text { for interest } \\ \text { in transieree }\end{gathered} \mathbf{V} \square \begin{gathered}\text { Print } \mathbf{Y} \text { for yes, } \\ \text { or for no. }\end{gathered} \begin{gathered}\text { Total cost tase } \\ \text { adjustment } \\ \mathbf{W}\end{gathered}$ in transteree Interest in
$\mathbf{P}$ $\begin{aligned} & \text { Print } \mathbf{Y} \text { for yes, } \\ & \text { or } \mathbf{N} \text { for no. }\end{aligned}$ Total cost $\mathbf{Q}$
for interest $\mathbf{T} \square$ or $\mathbf{N}$ for no. base reduction U in transferor
Page 4

## LOSSES SCHEDULE, 2001-02 INCOME YEAR



## Losses schedule 2002

Completed by companies, trusts or superannuation funds and attached to their 2002 tax return. Notes to assist in the preparation of this schedule are provided in the Losses schedule 2002 instructions available from the Australian Taxation Office.

Tax file number 1

$\square$
Signature as prescribed in tax return

## Part A Losses carried forward to the 2002-2003 income year-excludes foreign source losses and film losses

## 1 Tax losses carried forward to later income years

| Year of loss |  |  |
| :---: | :---: | :---: |
| 2001-2002 | B | OQ |
| 2000-2001 | C | OQ |
| 1999-2000 | D | - 0 |
| 1998-1999 | E | OQ |
| 1997-1998 | $F$ | OQ |
| 1996-1997 <br> and earlier income years | G | OQ |
| TOTAL | U | OQ |

Transfer the amount at label $\mathbf{U}$ to the corresponding label on your tax return.

## 2 Net capital losses carried forward to later income years

| Year of loss |  |  |
| :---: | :---: | :---: |
| 2001-2002 | H | P0 |
| 2000-2001 | 1 | OQ |
| 1999-2000 | J | OQ |
| 1998-1999 | K | .00 |
| 1997-1998 | L | .00 |
| 1996-1997 and earlier income year | M | D0 |
| TOTAL | V | . 00 |

IN-CONFIDENCE-when completed


Part B Ownership and same business test-Company and listed widely held trust only
Item 3 of Part B must be completed if a loss is being carried forward to later income years and the same business test has to be satisfied in relation to that loss. Do not complete items 1, 2 or 4 of Part B if, in the 2001-2002 income year, no loss has been claimed as a deduction or, in the case of companies, losses have not been transferred in or out.

1 Whether continuity of majority ownership test passed
Note: If the entity has deducted, transferred in or transferred out (as applicable) in the 2001-2002 income year a loss incurred in any of the listed years, answer $\mathbf{Y}$ for yes or $\mathbf{N}$ for no to indicate whether the entity has satisfied the continuity of majority ownership test in respect of that loss.


2 Amount of losses deducted, transferred in or transferred out, for which the continuity of majority ownership test is not passed but the same business test is satisfied-excludes foreign source losses and film losses


3 Losses carried forward for which the same business test must be satisfied before they can be deducted in later years-excludes foreign source losses and film losses


4 Do 'current year loss' provisions apply?
Is the company required to calculate its taxable income or tax loss for the year under Subdivision 165-B or its net capital gain or net capital loss for the year under Subdivision 165-CB of the Income Tax Assessment Act 1997 (ITAA 1997)?

## Part C Unrealised losses-Company ony

Note: These questions relate to the operation of Subdivision 165-CC of ITAA 1997.
Has a changeover time occurred in relation to the company after 1.00 p.m. by legal time in the Australian Capital Territory on 11 November 1999?
If you printed $\mathbf{N}$ at label L , do not complete labels $\mathbf{M}, \mathbf{N}$ or $\mathbf{O}$.
At the changeover time did the company satisfy the maximum net asset value test under section 152-15 of ITAA 1997?

If you printed $\mathbf{N}$ at label $\mathbf{M}$, has the company determined it had an unrealised net loss at the changeover time?

If you printed $\mathbf{Y}$ at label $\mathbf{N}$, what was the amount of unrealised net loss calculated under section 165-115E of ITAA 1997?
$\square$ Print $\mathbf{Y}$ for yes or $\mathbf{N}$ for no.

Part D Life insurance entities
0

Virtual PST net capital losses carried forward to later income years

## LOSSES SCHEDULE, 2001-02 INCOME YEAR



2 Net capital losses transferred in


F

The amount at label P must equal the corresponding label on your CGT schedule 2002, if one is required.

3 Tax losses transferred out


4 Net capital losses transferred out


5 Consideration for transfer of loss
Has any consideration been paid, credited or otherwise provided in respect of any loss transferred?
R Print $\mathbf{Y}$ for yes

## LOSSES SCHEDULE, 2001-02 INCOME YEAR

| Signature as prescribed in tax return | Losses schedule 2002 | Tax file number |
| :---: | :---: | :---: |
|  |  | 1 \| | 1 1 | 1 1 |
|  |  | RN: 100102 |

Part F Film losses


Part G Foreign source losses
1 Prior year foreign source losses deducted-excludes losses of CFCs


2 Current year foreign source losses-excludes losses of CFCs

| Interest income | E | 00 |
| :---: | :---: | :---: |
| Modified passive income | F | 00 |
| Offshore banking income | G | 00 |
| All other foreign source income | H | 00 |

3 Foreign source losses carried forward-excludes losses of CFCs

| Interest income | 1 | 00 |
| :---: | :---: | :---: |
| Modified passive income | J | OQ |
| Offshore banking income | K | D0 |
| All other foreign source income | L | OQ |

4 Controlled foreign company (CFC) losses

| Prior year CFC losses deducted | M | 00 |
| :---: | :---: | :---: |
| Current year CFC losses | N | O 0 |
| CFC losses carried forward | 0 | O2 |

F

## BUSINESS ACTIVITY STATEMENTS

## C

## BUSINESS ACTIVITY STATEMENTS



## Fringe benefits tax (FBT) instalment

## F1 \$

Write the F1 amount at 6A in the Summary section OR if varying this amount, complete F2, F3, F4

for the year Varied amount for the quarter
$\qquad$
 . 86 $d$

Reason code for variation F4 I am authorised to make this declaration. The tax invoice requirements have been met.

Signature
Date administer those laws and may pass information to other government agencies. More information about privacy and access to your tax information is available from www.ato.gov.au


## BUSINESS ACTIVITY STATEMENTS



How to pay


Bear: contact your bank, credit union or building society to make this payment from your cheque or savings account. Quote biller code 75556 and your EFT code (shown on the other side of this payment slip) as the customer reference number.

Direct credit: transfer funds directly to the Tax Office using computer based banking software.

Direct debit: have your payment deducted from your nominated bank account (excluding credit cards).


Mail payments: mail this payment slip together with your cheque / money order using the envelope provided. Please do not use pins or staples. Do NOT send cash.


Post Office: payments can be made at any Post 0ffice by cash, cheque or EFTPOS (subject to daily limits). A \$3,000 cash limit applies. Your payment slip must be presented with your payment.

- Cheques/money orders should be made payable to the 'Deputy Commissioner of Taxation' and crossed 'Not Negotiable'.
- All cheques must be tendered in Australian currency.
(I) Payments cannot be made by credit card or in person at any Tax Office branch or shopfront.


## BUSINESS ACTIVITY STATEMENTS



Fringe benefits tax (FBT) instalment

F1 \$
Write the $F 1$ amount at $6 A$ in the Summary section below OR if varying this amount, complete F2, F3, F4

for the year
Varied amount for
the quarter
F2


Write the F3 amount at 6A in the Summary section below Reason code for variation F4

## Amounts the Tax Office owes you



## Payment or refund?

Is 8 A more than $\mathbf{8 B}$ ?
(indicate with X )

$\square$ Yes, | then write the result of 8 A minus $\mathbf{8 B}$ at 9 . This amount is |
| :--- |
| payable to the Tax Office. |


$\square$ No, | then write the result of 8 B minus 8 A at 9 . This amount is |
| :--- |
| refundable to you (or offset against any other tax debt you have). |

Declaration I declare that the information given on this form is true and correct, and that I am authorised to make this declaration. The tax invoice requirements have been met.

Signature
Date
Please return this completed form to


Activity statement instructions are available from www. ato gov.au or can be ordered by phoning 1328 . 66 . The Tax Office is authorised by the tax laws to collect this information to administer those laws and may pass information to other government agencies. More information about privacy and access to your tax information is available from www.ato.gov.au


## INSTALMENT ACTIVITY STATEMENT



## How to pay



Bpar: contact your bank, credit union or building society to make this payment from your cheque or savings account. Quote biller code 75556 and your EFT code (shown on the other side of this payment slip) as the customer reference number.


EFF DIRECT Credit Direct credit: transfer funds directly to the Tax Office using computer based banking software.

Direct debit: have your payment deducted from your nominated bank account (excluding credit cards).


Mail payments: mail this payment slip together with your cheque / money order using the envelope provided. Please do not use pins or staples. Do NOT send cash.
POST Post Office: payments can be made at any Post Office by cash cheque or EFTPOS (subject to daily limits). A $\$ 3,000$ cash limit applies. Your payment slip must be presented with your payment.

- Cheques/money orders should be made payable to the 'Deputy Commissioner of Taxation' and crossed 'Not Negotiable'.
- All cheques must be tendered in Australian currency.
(1) Payments cannot be made by credit card or in person at any Tax Office branch or shopfront.


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[^0]:    1. The statistics for the 2001-02 income year were sourced from 2002 individual income tax returns processed by 31 October 2003. The statistics are not necessarily complete. Therefore caution should be exercised in making comparisons between the statistics for the 2001-02 and prior income years.
[^1]:    1. Definitions for the different types of work related expenses are in the personal tax glossary on the attached CD-ROM.
    2. Components do not add to total number of taxpayers claiming work related expenses as taxpayers may claim more than one type of work related expense. Total amounts claimed may differ slightly from the sum of components due to rounding.
[^2]:    1. The term 'net business income' in this table and section refers to the sum of net business income primary production, net business income non-primary production, distribution from partnerships primary production, distribution from partnerships non-primary production, distribution from trusts primary production and net farm management withdrawals and deposits.
    2. The industry groups are classified based on the Australian and New Zealand Standard Industry Classification (ANZSIC) system. Fine industries included under these broad industry groupings may be found in personal tax detailed table 4. There is a complete listing of all fine industries listed under each broad industry group and the corresponding code in the Tax Office publication, Business industry codes 2002.
    3. Refers to the number of taxpayers who declared net business income greater than or less than $\$ 0$.
    4. Refers to the number of taxpayers who declared net business income greater than $\$ 0$.
    5. The column 'No. of taxpayers with net business income as a major source' shows the number of taxpayers whose net business income was greater than each of the following groups of income: salary and wages, superannuation and annuities, investment income, other non government income, and government cash benefits. The income groups of personal services income, net capital gains, losses and other payments are not included in this comparison.
    6. Refers to taxpayers who declared losses from primary production, losses from non-primary production and total deferred losses.
    7. Includes taxpayers classified under the government, administration and defence code and those who did not state their industry.
[^3]:    1. This box presents only general descriptions of the above terms. It does not provide full technical or legal definitions.
    2. An instalment rate is a percentage figure that approximates the tax payable on a company's (or any other entity's) business and investment income. The Tax Office calculates the instalment rate from information contained in the company's latest income tax assessment.
[^4]:    1. Definitions of items are in the company tax glossary on the attached CD-ROM.
    2. An amount of $\$ 0$ indicates a value of less than $\$ 500,000$.
    3. Also referred to as 'Contractor, subcontractor and commission expenses'
    4. Total amount may differ slightly from the sum of components due to rounding. The total expenses amount is the sum of components as shown by the taxpayer on their annual income tax return. It is not necessarily the total calculated by the Tax Office during assessment.
[^5]:    1. See box 4.2 for definitions of the different company types.
    2. Only taxable companies would have net tax payable amounts as taxable companies are defined as companies with net tax payable greater than $\$ 0$.
    3. Average net tax figures are derived from actual (not rounded) net tax figures and taxable company numbers.
    4. A $\$ 0$ net tax payable amount may indicate an amount less than $\$ 500,000$.
[^6]:    Plea Please refer to the 'Trust tax' chapter and the Taxation included on the Taxation statistics 2001-02 CD-ROM. in order to meet privacy regulations, the following measures have been applied.
    In order to meet privacy regulations, the following measures have been appled.
     1 and 5 . Number (no.) totals are the sum of the indicated cell values in a table. Number indicators and totals may vary between tables.
    (b) Amount totals are the sum of the indicated cell values in a table. Amounts and totals may vary between tables.
    (c) Statistics for some items may not be included in some tables.

    1. This table is the same as trust tax detailed table 3 which can be viewed or downloaded from the CD-ROM or from the online version of this publication on the Tax Office website.
    
    
    expenditure
    o introduced. rs before
     4. The drought investment allow
    2. In the 2001-02 income year 'Depreciable assets purchased' was replaced by 'Intangible depreciating assets first deducted' and 'Other depreciating assets first deducted'.
    3. In the 2001-02 income year 'Depreciable assets sold' was replaced by 'Termination value - intangible depreciating assets' and 'Termination value - other depreciating assets',
    4. In 2000-01 the diesel fuel rebate scheme (DFRS) was extended to provide the full rebate to rail transport and marine transport and to cover the use of other like fuels. The diese

    Under DAFGS (or on-road scheme) grants are provided for the on-road use of fuel by businesses and other entities. As both diesel fuel rebates and diesel and alternative fuel
    payments labels on the 2001 and the 2002 trust income tax returns, assessable government industry payments in 2000-01 and 2001-02 are significantly higher compared to payments.

[^7]:    1. This box presents only general descriptions of the above terms. It does not provide full technical or legal definitions
[^8]:    1. Refers to the 'Taxable income' item (label A) in the 'Calculation statement' section of the 2002 annual fund income tax return, page 2 .
    2. Refers to fund taxpayers with tax payable (or net tax) greater than $\$ 0$.
    3. Refers to fund taxpayers with tax payable (or net tax) equal to $\$ 0$.
[^9]:    1. Refers to the 'Taxable income' item (label A) in the 'Calculation statement' section of the 2002 annual fund income tax return, page 2
    2. Refers to funds with net tax payable greater than $\$ 0$.
    3. Average amounts are calculated from actual (not rounded) figures.
    4. Tax payable on net capital gains is estimated (based on entity type and tax rates)
[^10]:    Notes: website. It is also included on the Taxation statistics 2001-02 CD-ROM.

    The symbol 'n.a.' used in this publication means not applicable or not available.
    .
    㲘
    4. Amounts (\$) reported for the 1992-93 to 1995-96 FBT years are rounded to thousands. Actual amount figures are not available.
    5. The statistics for the 1996-97 to 1999-2000 FBT years only include FBT returns (or payers) with aggregate taxable amount greater than $\$ 0$.
    6. The statistics for the 2000-01 to 2002-03 years only include FBT returns (or payers) with net FBT payable (referred to as the 'subtotal' label in the FBT return) greater than \$0. 7. Net FBT = FBT payable - FBT rebates

[^11]:    1. Includes withholders that did not state their industry and/or stated multiple industries.
    2. Total amount may differ slightly from the sum of components due to rounding.
[^12]:    1. This table is the same as PAYG withholding detailed table 1 which can be viewed/downloaded from the attached CD-ROM or from the online version of this publication on our website.
    2. PAYG withholding amounts reported for 2000-01 excludes mining withholding tax collections and non-resident interest, dividends and royalty withholding tax collections.
    3. A share of $0.0 \%$ indicates a share less than $0.05 \%$.
    4. Total amount may differ slightly from the sum of components due to rounding.
[^13]:    1. This box presents only general descriptions of the above terms. It does not provide the full technical or legal definitions.
[^14]:    1. An excise surcharge on tobacco and petroleum was introduced in 1997 to replace the various state business franchise fees previously levied on these products. Surcharges were no longer payable following the introduction of GST on 1 July 2000. Although excise collections for 2000-01 still include some surcharge payments, they relate to clearances made in June 2000.
[^15]:    1. Excise rates on beer, spirits, liqueurs and other alcoholic drinks not subject to wine equalisation tax were increased on 1 July 2000 to offset the removal of wholesale sales tax.
[^16]:    1. Excise rates on beer, spirits, liqueurs and other alcoholic drinks not subject to wine equalisation tax were increased on 1 July 2000 to offset the removal of wholesale sales tax. In addition, from 1 February 2001 imported spirits used to make ready to drink beverages by mixing with Australian-manufactured soft drinks and other ingredients have also been subject to excise duty, (rather than customs duty).
[^17]:    5. Data for 1996-97 and 1997-98 is from the QSP financial system data but does not include refunds.
    6. Data for 1998-99 is from the Customs' QSP financial system. Data includes refunds.
    7. Data is based on information from the Customs' QSP financial system and from the Tax Office SAP system and includes refunds.
[^18]:    1. From 2000-01 onwards, total rebates paid include rebates payable to diesel fuel and like fuels used for marine and rail transport, and like fuels used for other specific off-road uses. From 2001-02 onwards, total rebates paid include rebates payable to diesel fuel purchased for the generation of electricity at retail and hospitality businesses where there is no ready access to a commercial supply of electricity.
[^19]:    1. State/territory is based on the claimant's business address and does not necessarily reflect where the fuel was actually recycled or processed.
    2. Recyclers can lodge more than one claim per year.
[^20]:    This return will not be regarded as having been lodged unless the appropriate declaration has been signed by the tax agent or the employer.

