

**PORTFOLIO SUPPLEMENTARY ADDITIONAL  
ESTIMATES STATEMENTS NO. 2 2008-09**

Appropriation Bill (No. 5) 2008-09

And

Appropriation Bill (No. 6) 2008-09

TREASURY PORTFOLIO

EXPLANATION OF SUPPLEMENTARY  
ADDITIONAL ESTIMATES 2008-09

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**TREASURER**

**PO BOX 6022  
PARLIAMENT HOUSE  
CANBERRA ACT 2600**

**Telephone: 02 6277 7340  
Facsimile: 02 6273 3420**

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President of the Senate  
Australian Senate  
Parliament House  
CANBERRA ACT 2600

Speaker  
House of Representatives  
Parliament House  
CANBERRA ACT 2600

Dear Mr President  
Dear Mr Speaker

I hereby submit Portfolio Supplementary Additional Estimates Statements No. 2 in support of the supplementary appropriations being sought for the Treasury Portfolio through the Appropriation Bills (No. 5) and (No. 6) 2008-09.

These statements have been developed, and are submitted to the Parliament, as a statement on the funding requirements being sought for the Portfolio.

I present these statements by virtue of my ministerial responsibility for accountability to the Parliament and, through it, the public.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Wayne Swan', written in a cursive style.

WAYNE SWAN



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## USER GUIDE

The purpose of the Portfolio Supplementary Additional Estimates Statements No. 2 (PSAES) is to explain Appropriation Bills (No. 5) and (No. 6) 2008-09. This document serves to inform senators and members of parliament and the public of the proposed allocation of supplementary appropriations to Government outcomes by agencies within the Treasury portfolio.

The PSAES are declared by the Appropriation Bills (No. 5) and (No. 6) to be a 'relevant document' to the interpretation of the Bill according to section 15AB of the *Acts Interpretation Act 1901*.

Whereas the PSAES are focused on explaining the supplementary additional estimates appropriations, information on total 2008-09 Budget resourcing, planned performance, and a full set of agency budgeted financial statements can be found in the 2008-09 Portfolio Budget Statements which accompanied the 2008-09 annual appropriation Bills and the 2008-09 Portfolio Additional Estimates Statements which accompanied the 2008-09 annual Appropriation Bills (No. 3) and (No. 4).





# **TREASURY PORTFOLIO**

## **SUPPLEMENTARY ADDITIONAL ESTIMATES STATEMENTS No. 2**



# AUSTRALIAN TAXATION OFFICE

## 1.1 OVERVIEW OF SUPPLEMENTARY ADDITIONAL APPROPRIATIONS SOUGHT

The Australian Taxation Office (ATO) is seeking \$14.8 million in 2008-09 and \$5.0 million in 2009-10 to implement a public information campaign for the Nation Building and Jobs Plan – Tax Bonus for working Australians, and the Small Business and General Business Tax Break.

The Government will provide \$7.7 billion to eligible taxpayers as a Tax Bonus. The Bonus of up to \$900 will be available to eligible Australian resident taxpayers who paid tax in the 2007-08 financial year after taking into account available tax offsets and imputation credits. The ATO will receive \$51.0 million for the implementation of the Tax Bonus and is seeking additional funding of \$2.3 million in 2008-09 and \$2.7 million in 2009-10 to implement an expanded public information campaign to ensure information is available to the 8.7 million taxpayers expected to receive the Bonus.

The Government will provide an additional \$2.7 billion to Australian businesses as a Small Business and General Business Tax Break. The temporary business tax break will provide an additional tax deduction of 30 per cent of the cost of eligible new depreciating assets which started to be held under a contract, or started to be constructed, after 12.01 am AEDT 13 December 2008 and before the end of June 2009 and installed ready for use by the end of June 2010. For eligible new depreciating assets acquired under contract, or started to be constructed between 1 July 2009 and 31 December 2009 and installed ready for use by the end of December 2010, an additional tax deduction of 10 per cent of cost will apply. For both periods, small businesses will be able to claim the deduction for eligible assets costing \$1,000 or more. For other businesses, a minimum expenditure threshold of \$10,000 applies. The ATO is seeking funding of \$12.5 million in 2008-09 and \$2.3 million in 2009-10 to implement a public information campaign for this initiative.

A public information campaign will raise awareness of the benefits of these initiatives by providing information to the community and encouraging people to take appropriate action to receive these payments and deductions.

## 1.2 AGENCY RESOURCE STATEMENT

The Agency Resource Statement details the resourcing for the ATO at Supplementary Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2008-09 Budget year, including variations through Appropriation Bill (No. 5), special appropriations and special accounts.

**Table 1.1: Agency resource statement — Supplementary Additional Estimates through Appropriation Bill (No. 5)**

	Estimate at Supplementary + Estimates	Proposed Supplementary = Estimates	Total Estimate at Supplementary Estimates	Total Available Appropriation
	2008-09 \$'000	2008-09 \$'000	2008-09 \$'000	2007-08 \$'000
<b>Ordinary annual services</b>				
<b>Departmental outputs</b>				
Prior year amounts available	177,385	-	177,385	-
Departmental outputs	2,899,597	2,180 <sup>1</sup>	2,901,777	2,793,733
Receipts from other sources	62,038	-	62,038	52,525
<b>Total departmental outputs</b>	<b>3,139,020</b>	<b>2,180</b>	<b>3,141,200</b>	<b>2,846,258</b>
<b>Administered expenses</b>				
Outcome 1	11,500	12,650 <sup>1</sup>	24,150	677
<b>Total administered outputs</b>	<b>11,500</b>	<b>12,650</b>	<b>24,150</b>	<b>677</b>
<b>Total ordinary annual services</b>	<b>A 3,150,520</b>	<b>14,830</b>	<b>3,165,350</b>	<b>2,846,935</b>
<b>Other services</b>				
<b>Departmental non-operating</b>				
Equity injections	79,729	-	79,729	56,471
Previous years' outputs	2,886	-	2,886	-
<b>Total other services</b>	<b>B 82,615</b>	<b>-</b>	<b>82,615</b>	<b>56,471</b>
<b>Total available annual appropriations (A+B)</b>	<b>3,233,135</b>	<b>14,830</b>	<b>3,247,965</b>	<b>2,903,406</b>
<b>Special appropriations</b>				
<i>A New Tax System (Family Assistance) (Administration) Act 1999 (s233)</i>	-	-	-	2,278,462
<i>Product Grants and Benefits Administration Act 2000 - cleaner fuel grants</i>	10,100	-	10,100	11,582
<i>Product Grants and Benefits Administration Act 2000 Product Stewardship Waste (Oil) Scheme</i>	21,000	-	21,000	36,531
<i>Superannuation Guarantee (Administration) Act 1992</i>	255,000	-	255,000	352,312
<i>Taxation Administration Act 1953 s16 (Non-refund items)</i>	15,969,700	-	15,969,700	7,856,762
<b>Total special appropriations</b>	<b>C 16,346,700</b>	<b>-</b>	<b>16,346,700</b>	<b>10,635,649</b>
<b>Total appropriations excluding special accounts (A+B+C)</b>	<b>19,579,835</b>	<b>14,830</b>	<b>19,594,665</b>	<b>13,539,055</b>

**Table 1.1: Agency resource statement — Supplementary Additional Estimates through Appropriation Bill (No. 5) (continued)**

	Estimate at Supplementary Estimates	+ Proposed Supplementary Estimates	= Total Estimate at Supplementary Estimates	Total Available Appropriation
	2008-09 \$'000	2008-09 \$'000	2008-09 \$'000	2007-08 \$'000
<b>Special accounts</b>				
Opening balance	159,626	-	159,626	52,687
Non-appropriation receipts to special accounts	81,900	-	81,900	108,506
<b>Total special account</b>	<b>D 241,526</b>	<b>-</b>	<b>241,526</b>	<b>161,193</b>
<b>Total resourcing (A+B+C+D)</b>	<b>19,821,361</b>	<b>14,830</b>	<b>19,836,191</b>	<b>13,700,248</b>
Less receipts from other sources credited to special accounts	28,900	-	28,900	34,425
<b>Total net resourcing for the ATO</b>	<b>19,792,461</b>	<b>14,830</b>	<b>19,807,291</b>	<b>13,665,823</b>

1. Appropriation Bill (No. 5) 2008-09.

### 1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures funded through the Appropriation Bill (No. 5), with the affected output group identified.

**Table 1.2: Agency measures through Appropriation Bill (No. 5)**

	Output Group	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000
<b>Expense measure</b>					
Nation Building and Jobs Plan - Communication					
Administered expense	1.1	12,650	4,720	-	-
Departmental outputs	1.1	2,180	250	-	-
<b>Total</b>		<b>14,830</b>	<b>4,970</b>	<b>-</b>	<b>-</b>

## 1.4 SUPPLEMENTARY ADDITIONAL ESTIMATES AND VARIATIONS

Table 1.3 details the changes to the resourcing for the ATO resulting from Appropriation Bill (No. 5), by Outcomes, Administered Items and Departmental outputs.

**Table 1.3: Supplementary Additional Estimates and variations to outcomes — measures**

	Output Group	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000
<b>Outcome 1</b>					
Increase in estimates (administered)					
Nation Building and Jobs Plan -					
	Communication	1.1	12,650	4,720	-
Increase in estimates (departmental)					
Nation Building and Jobs Plan -					
	Communication	1.1	2,180	250	-
<b>Net Impact on estimates for Outcome 1</b>			<b>14,830</b>	<b>4,970</b>	-

## 1.5 BREAKDOWN OF SUPPLEMENTARY ADDITIONAL ESTIMATES BY APPROPRIATION BILL, OF FUNDING SOUGHT

The following table details the Supplementary Additional Estimates sought for the ATO through Appropriation Bill (No. 5).

**Table 1.4: Appropriation Bill (No. 5) 2008-09**

	Actual 2007-08 \$'000	Estimate at Supplementary Estimates 2008-09 \$'000	Proposed Supplementary Estimates 2008-09 \$'000	Reduced estimates 2008-09 \$'000	Revised 2008-09 \$'000
<b>ADMINISTERED ITEMS</b>					
<b>Outcome 1</b>					
Effectively managed and shaped systems that support and fund services for Australians and give effect to social and economic policy through the tax, superannuation, excise and other related systems	677	11,500	12,650	-	24,150
<b>Total</b>	677	11,500	12,650	-	24,150
<b>DEPARTMENTAL OUTPUTS</b>					
<b>Outcome 1</b>					
Effectively managed and shaped systems that support and fund services for Australians and give effect to social and economic policy through the tax, superannuation, excise and other related systems	2,793,733	2,899,597	2,180	-	2,901,777
<b>Total</b>	2,793,733	2,899,597	2,180	-	2,901,777
<b>Total administered and departmental</b>	<b>2,794,410</b>	<b>2,911,097</b>	<b>14,830</b>	<b>-</b>	<b>2,925,927</b>

