

Model

Here all information is collected from specific tabs and combined to create a wholistic model of FTC expense per year. Net FTC = Gross FTC - RUC

Budget (V3) 2026-27		2024-25	Forecast years				
			2025-26	2026-27	2027-28	2028-29	2029-30
Diesel							
Total Diesel Clearances	ML	34,189	34,876	35,485	36,317	37,261	38,226
Eligible Use	%	70.1%	66.4%	66.0%	66.51%	66.4%	66.4%
Eligible Diesel	ML	23,966	23,151	23,431	24,155	24,745	25,390
FTC credit rate (wght. Avg)	\$/L	0.506	0.520	0.542	0.554	0.567	0.581
Crediting Rate	%	100%	100%	100%	100%	100%	100%
Diesel FTC	\$m	12,127	12,027	12,705	13,372	14,039	14,760
Petrol							
Petrol Growth (assumed)	%		2%	2%	2%	2%	2%
Petrol (assumed use)	ML	16,341	16,341	16,400	16,434	16,469	16,505
Eligible use	%	7.85%	7.65%	8.15%	8.25%	8.25%	8.17%
Eligible Petrol	ML	1,283	1,250	1,337	1,356	1,359	1,348
FTC credit rate (wght. avg)	\$/L	0.506	0.520	0.542	0.554	0.567	0.581
Crediting rate	%	100%	100%	100%	100%	100%	100%
Petrol FTC	\$m	649	649	725	751	771	784
Fuel Oil							
Fuel Oil Growth (assumed)	%		2%	2%	2%	2%	2%
Fuel Oil Clearances (assumed use)	ML	184	187	191	195	199	203
Eligible use	%	30%	20%	20%	20%	20%	20%
Eligible Fuel Oil	ML	55	37	38	39	40	41
FTC credit rate (wght. avg)	\$/L	0.506	0.520	0.542	0.554	0.567	0.581
Crediting rate	%	100%	100%	100%	100%	100%	100%
Fuel Oil FTC	\$m	28	19	21	22	23	24
LPG							
LPG (assumed use)	ML	221	221	221	221	221	221
Eligible Use	%	20%	20%	20%	20%	20%	20%
Eligible LPG	ML	44	44	44	44	44	44
FTC credit rate (wght. avg)	\$/L	0.165	0.170	0.177	0.181	0.185	0.189
LPG FTC crediting rate	%	100%	100%	100%	100%	100%	100%
LPG FTC	\$m	7	8	8	8	8	8
Gross FTC	\$m	12,811	12,703	13,459	14,152	14,840	15,576
Less RUC	\$m	2,272	2,414	2,415	2,419	2,423	2,427
Net FTC aggregate forecast	\$m	10,539	10,289	11,044	11,733	12,418	13,149

Eligible fuels (ML)	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Budget 2026-27	25,348	24,483	24,850	25,594	26,188	26,823

Assumption	Value	Source	Scenario net change	
Excise reduction %	61%	Legislated reduction in excise rates		
Price elasticity of demand				
s 22				
Diesel	0	Treasury assumption		
Volumes adjustment				
s 22				
Diesel	0.0%	Treasury assumption	Diesel	0.0%
Excise reduction (volumes adjustment)				
s 22				
Diesel	0.0%	Treasury assumption		
Proportion of fuel eligible for FTCs				
ATO FTC Diesel proportion				
Diesel	66.4%			

s 22

	2025-26	2026-27	2027-28	2028-29	2029-30	Total	s 22
s 22							
Gross fuel tax credits	1,870	0	0	0	0	1,870	
RUC	-744	0	0	0	0	-744	
Net fuel tax credits	1,126	0	0	0	0	1,126	

	2025-26	2026-27	2027-28	2028-29	2029-30	Total	s 22
s 22							
Gross fuel tax credits	1850	0	0	0	0	1,850	
RUC	-750	0	0	0	0	-750	
Net fuel tax credits	1150	0	0	0	0	1,150	

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Proportion of year impacted	25%
Diesel baseline volume adjustment	0%
NTC 2025-26 RUC revenue	2,974,728,186

3 Month RUC estimate

<u>Baseline</u>	
On-road HV fuel use	2,295,314,958
Rate	32.4
RUC revenue	\$743,682,046
<u>Scenario</u>	
On-road HV fuel use	2,295,314,958
Rate	0
RUC revenue	\$0
Difference	-\$744

Estimated Fuel tax credits

Source: Treasury analysis

Assumptions

Proportion of fuel eligible for FTCs on a gross basis

Diesel 66.4%

Baseline

Financial year	Month	Diesel	HA_Diesel	Total FTC
2025-26	April	896,330,342	4,050,635	900,380,978
2025-26	May	981,505,015	3,373,795	984,878,809
2025-26	June	1,182,464,008	3,322,870	1,185,786,878

Scenario

Financial year	Month	Diesel	HA_Diesel	Total FTC
2025-26	April	350,465,164	1,579,283	352,044,447
2025-26	May	383,768,461	1,440,389	385,208,850
2025-26	June	462,343,427	1,709,110	464,052,537

Baseline and Scenario Clearances

Source: Fuels forecasting model

Date: MYEFO 2025-26

Assumptions

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Baseline

Financial year	Month	s 22	Diesel	s	s 22
2025-26	April	s 22	2,565,413,812	s 22	
2025-26	May	s 22	2,809,194,783	s 22	
2025-26	June	s 22	3,384,365,511	s 22	

Scenario

Financial year	Month	s 22	Diesel	s	s 22
2025-26	April	s 22	2,565,413,812	s 22	
2025-26	May	s 22	2,809,194,783	s 22	
2025-26	June	s 22	3,384,365,511	s 22	

Baseline and Scenario Excise Rates

Source: Fuels forecasting model

Date: Budget 2026-27

Assumptions

Excise reduction percentage 61%

Baseline

Financial year	Month	Excise rate	Diesel	Excise rate	Excise rate
2025-26	April	s 22	s 22	0.5262	s 22
2025-26	May	s 22	s 22	0.5262	s 22
2025-26	June	s 22	s 22	0.5262	s 22

Scenario

Financial year	Month	Excise rate	Diesel	Excise rate	Excise rate
2025-26	April	s 22	s 22	0.2057	s 22
2025-26	May	s 22	s 22	0.2057	s 22
2025-26	June	s 22	s 22	0.2057	s 22