

AUSTRALIAN TAXATION OFFICE

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AUSTRALIAN TAXATION OFFICE

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Australian Taxation Office's (ATO) vision is to be a leading tax and superannuation administration, known for its contemporary service, expertise and integrity. The ATO will contribute to the economic and social wellbeing of Australians by fostering willing participation in the tax and superannuation systems.

The ATO is changing the way it works to deliver the best possible experience with the tax and superannuation systems for its clients, staff and partners. This work will support a whole-of-government experience for the Australian community.

Services and interactions will be professional, contemporary, and tailored to take into account different circumstances, making it easy for clients and staff to get things right and hard not to. The ATO will take a risk-based approach, and interactions will be based on the behaviours and choices exhibited by taxpayers in their dealings with us. With access to the right information in a more timely way, the ATO will be more transparent and provide the community with greater certainty of their entitlements, obligations and position in the tax and superannuation systems.

The ATO will continue to build community confidence by supporting everyone to pay the right amount of tax at the right time. This includes individuals, small and large business including multinational enterprises conducting economic activity in Australia.

Critically, the integrity of the system will be maintained by supporting those who choose to do the right thing and dealing with those who do not. Ultimately, client experience and participation in the tax and superannuation systems will be the true measure of success.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the ATO for its operations and to deliver programs and services on behalf of the government.

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by administered (on behalf of the government or the public) and departmental (for the entity's operations) classification.

For more detailed information on special accounts and special appropriations, please refer to *Budget Paper No. 4 – Agency Resourcing*.

Information in this table is presented on a resourcing (i.e. appropriations/cash available) basis, whilst the 'Budgeted expenses for Outcome 1' table in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: Australian Taxation Office resource statement — Budget estimates for 2016-17 as at Budget May 2016

	2015-16 <i>Estimated actual</i> \$'000	2016-17 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	383,106	217,050
Departmental appropriation	3,189,396	3,191,265
s74 retained revenue receipts (b)	100,681	152,374
Departmental capital budget (c)	115,390	111,619
Annual appropriations - other services - non-operating (d)		
Prior year appropriations available	33,710	59,738
Equity injection	142,486	54,429
Total departmental annual appropriations	3,964,769	3,786,475
Special accounts (e)		
Opening balance	6,290	4,216
Appropriation receipts (f)	13,190	13,111
Total special accounts	19,480	17,327
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	<i>(19,480)</i>	<i>(17,327)</i>
Total departmental resourcing	3,964,769	3,786,475
Administered		
Annual appropriations - ordinary annual services (a)		
Outcome 1	611	5,303
Total administered annual appropriations	611	5,303
Special appropriations		
<i>Public Governance, Performance and Accountability Act 2013 - s77</i>	100,000	100,000
<i>Product Grants and Benefits Administration Act 2000</i>		
Cleaner fuel grants	8,000	-
Product stewardship for oil	63,000	66,000
<i>Superannuation Guarantee (Administration) Act 1992</i>	364,000	347,000
<i>Taxation Administration Act 1953 - section 16 (Non-refund items)</i>	11,012,338	11,081,386
Total administered special appropriations	11,547,338	11,594,386
Special accounts (e)		
Opening balance	101,216	130,316
Appropriation receipts (g)	59,500	38,300
Non-appropriation receipts	2,614,000	3,220,000
Total special account receipts	2,774,716	3,388,616
<i>less administered appropriations drawn from annual/special appropriations and credited to special accounts</i>	<i>(59,500)</i>	<i>(38,300)</i>
Total administered resourcing	14,263,165	14,950,005
Total resourcing for ATO	18,227,934	18,736,480
	2015-16	2016-17
Average staffing level (number)	17,781	18,320

Prepared on a resourcing (i.e. appropriations available) basis.

Please note: All figures shown above are GST exclusive — these may not match figures in the cash flow statement.

- (a) Appropriation Bill (No.1) 2016-17.
- (b) Estimated retained revenue receipts under section 74 of the PGPA Act.
- (c) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (d) Appropriation Bill (No.2) 2016-17.
- (e) Excludes 'Special Public Money' held in accounts like Other Trust Monies accounts (OTM), Services for Other Government and Non-agency Bodies accounts (SOG) or Services for Other Entities and Trust Monies accounts (SOETM). For further information on special appropriations and special accounts, please refer to *Budget Paper No. 4 — Agency Resourcing*. Please also see Table 2.1.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.
- (f) Amounts credited to the special account from ATO's Departmental annual appropriations.
- (g) Amounts credited to the special account from ATO's Administered annual and special appropriations.

Third party payments from and on behalf of other entities

	<i>2015-16 Estimated actual \$'000</i>	<i>2016-17 Estimate \$'000</i>
Payments made on behalf of another entity (as disclosed in the respective entity's resource statement)	5,958	6,001
Payments made to other entities for the provision of services (disclosed above)	154,028	160,036
Receipts received from other entities for the provision of services (disclosed above in s74 Retained revenue receipts section above)	77,336	129,796
Payments made to corporate entities within the Portfolio Reserve Bank Australia	74,432	120,130

1.3 BUDGET MEASURES

Budget measures below relating to the ATO are detailed in *Budget Paper No. 2* and are summarised below.

**Table 1.2: Entity 2016-17 Budget measures
Measures announced since the 2015-16 MYEFO**

	Program	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
Expense measures						
Applying GST to low value goods imported by consumers						
Departmental expenses	1.1	-	4,210	3,595	3,270	2,567
Australian Taxation Office - Functional and Efficiency Review						
Departmental expenses	1.1	-	520	(7,414)	(7,449)	(7,496)
eInvoicing						
Departmental expenses	1.1	-	-	-	-	-
Higher Education Reform - further consultation						
Departmental expenses	1.1	(655)	(388)	265	-	-
National Register of Foreign Ownership of Water Entitlements						
Departmental expenses	1.1	-	-	-	-	-
Superannuation Reform Package						
- introduce a \$1.6 million superannuation transfer balance cap						
Departmental expenses	1.1	-	4,400	-	-	-
- introducing a Low Income Superannuation Tax Offset (LISTO)						
Administered expenses	1.11	-	-	100,000	100,000	100,000
Departmental expenses	1.1	-	-	994	1,132	1,141
- reforming the taxation of concessional superannuation contributions						
Departmental expenses	1.1	-	-	900	2,200	1,100
Tax Integrity Package						
- establishing the Tax Avoidance Taskforce						
Departmental expenses	1.1	-	48,815	203,303	212,578	214,213
Trans-Pacific Partnership - implementation						
Administered expenses	1.5	-	400	-	-	-
Total expense measures						
Administered		-	400	100,000	100,000	100,000
Departmental		(655)	57,557	201,643	211,731	211,525

Measures announced since the 2015-16 MYEFO (continued)

	Program	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
Capital measures						
Applying GST to low value goods imported by consumers						
Departmental capital	1.1	-	146	-	-	-
International Trade Agreements - government procurement reforms						
Departmental capital	1.1	-	300	-	-	-
Superannuation Reform Package						
- introducing a Low Income Superannuation Tax Offset (LISTO)						
Departmental capital	1.1	-	-	1,847	-	-
- reforming the taxation of concessional superannuation contributions						
Departmental capital	1.1	-	2,800	-	-	-
Ten Year Enterprise Tax Plan - implementing a new suite of collective investment vehicles						
Departmental capital	1.1	-	2,000	-	-	-
Total capital measures		-	5,246	1,847	-	-

Prepared on a Government Finance Statistics (fiscal) basis. Figures displayed as a negative represent a decrease in funds and a positive represent an increase in funds.

(a) The lead entity for measure titled Pause indexation HELP debtors is Department of Education and Training. The full measure description and package details appear in *Budget Paper No. 2* under the Education and Training portfolio.

Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

Note:

From 1 July 2015, performance reporting requirements in the Portfolio Budget Statements sit alongside those required under the enhanced commonwealth performance framework. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports from October 2016 – to provide an entity's complete performance story.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Changes to program structure

The ATO has made changes to its program structure for 2016-17.

- The Australian Valuation Office (AVO) program, ceased trading on 30 June 2014. As such, there are no objectives, deliverables or purposes for this program. The AVO special account lapses on 1 October 2016.
- The ATO had responsibility for the Baby Bonus program (previously program 1.15) which ceased on 30 June 2009. Residual claims have also ceased, with a small number of prior year amendments contributing to a negligible number of payments made under this program in 2015-16.
- The Cleaner Fuels Grant Scheme, Conservation Tillage Refundable Tax Offset, Seafarer Tax Offset, Education Tax Refund and First Home Saver Accounts Scheme (previously program 1.7, 1.8, 1.14, 1.16 and 1.17 respectively) are now grouped together under 1.18 Other Administered. These changes have resulted in re-numbering of the remaining administered programs.

The revised program structure is shown in Table 2.1.

Table 2.1: Changes to the outcome and program structures since the last portfolio statement

Program No.	Program title	Description of change
1.4	Australian Valuation Office	Ceased trading on 30 June 2014 ^(a) .
1.7	Cleaner Fuels Grant Scheme	PBS program reference amended and combined with program 1.18.
1.8	Conservation Tillage Refundable Tax Offset	PBS program reference amended and combined with program 1.18.
1.14	Seafarer Tax Offset	PBS program reference amended and combined with program 1.18.
1.16	Education Tax Refund	PBS program reference amended and combined with program 1.18.
1.17	First Home Saver Accounts Scheme	PBS program reference amended and combined with program 1.18.
1.4	Australian Charities and Not for profits Commission	PBS program reference amended from 1.5.
1.5	Australian Screen Production Incentive	PBS program reference amended from 1.6.
1.6	Exploration Development Incentive	PBS program reference amended from 1.7.
1.7	Fuel Tax Credits Scheme	PBS program reference amended from 1.8.
1.8	National Rental Affordability Scheme	PBS program reference amended from 1.9.
1.9	Product Stewardship for Oil	PBS program reference amended from 1.10.
1.10	Research and Development Tax Incentive	PBS program reference amended from 1.11.
1.11	Low Income Superannuation Contribution	PBS program reference amended from 1.12.
1.12	Private Health Insurance Rebate	PBS program reference amended from 1.13.
1.13	Superannuation Co-contribution	PBS program reference amended from 1.14.
1.14	Superannuation Guarantee Scheme	PBS program reference amended from 1.15.
1.15	Targeted Assistance Through the Taxation system	PBS program reference amended from 1.16.
1.16	Interest on Overpayment and Early Payments of Tax	PBS program reference amended from 1.17.
1.17	Bad and Doubtful Debts	PBS program reference amended from 1.18.
1.18	Other Administered	New program name

(a) The AVO special account lapses on 1 October 2016.

Outcome 1: Confidence in the administration of aspects of Australia's taxation and superannuation systems through helping people understand their rights and obligations, improving ease of compliance and access to benefits, and managing non-compliance with the law

Linked programs

Australian Financial Security Authority

- Program 1.1 – Personal Insolvency and Trustee Services

Contribution to Outcome 1 made by linked programs

Australian Financial Security Authority exchanges information with the ATO and administers the bankruptcy notices and payment arrangements to support this service.

Australian Prudential Regulation Authority

- Program 1.1 – Australian Prudential Regulation Authority

Contribution to Outcome 1 made by linked programs

Australian Prudential Regulation Authority (APRA) exchanges information with the ATO on superannuation matters. APRA also contributes to the governance and management of the Standard Business Reporting program.

Australian Securities and Investments Commission

- Program 1.1 – Australian Securities and Investment Commission

Contribution to Outcome 1 made by linked programs

Australian Securities and Investments Commission (ASIC) exchanges information with the ATO in relation to self-managed superannuation fund auditor registration, and financial crime intelligence. ASIC contributes to the management and governance of Standard Business Reporting program.

Australian Transaction Reports and Analysis Centre

- Program 1.1 – AUSTRAC

Contribution to Outcome 1 made by linked programs

Australian Transaction Reports and Analysis Centre (AUSTRAC) exchanges information with the ATO and delivers financial crime intelligence that assist key stakeholder agencies to make operational and intelligence decisions. The AUSTRAC call centre is incorporated into the ATO call centre environment.

Department of Education and Training

- Program 2.4 – Higher Education Loan Program
- Program 2.8 – Building Skills and Capacity

Contribution to Outcome 1 made by linked programs

Department of Education and Training exchanges information with the ATO in relation to the Higher Education Loans Program and Trade Support Loans.

<p>Department of the Treasury</p> <ul style="list-style-type: none"> • Program 1.1 – Department of the Treasury <p>Contribution to Outcome 1 made by linked programs</p> <p>Department of the Treasury (Treasury) contributes to the administration of the National Tax Equivalent Regime. Treasury also exchanges information and provides advice to the ATO relating to foreign investment proposal.</p>
<p>Department of Health</p> <ul style="list-style-type: none"> • Program 4.1 – Medical Benefits • Program 4.4 – Private Health Insurance <p>Contribution to Outcome 1 made by linked programs</p> <p>Department of Health (DoH) contributes to the administrative arrangements for the Government’s Private Health Insurance Rebate. DoH also works with the ATO to deliver the Multi-agency Data Integration Project.</p>
<p>Department of Human Services</p> <ul style="list-style-type: none"> • Program 1.1 – Services to the Community – Social Security and Welfare • Program 1.2 – Services to the Community – Health • Program 1.3 – Child Support <p>Contribution to Outcome 1 made by linked programs</p> <p>Department of Human Services supports individuals, families and communities to achieve greater self-sufficiency by providing administration and payments services on behalf of the ATO.</p>
<p>Department of Immigration and Border Protection</p> <ul style="list-style-type: none"> • Program 3.1 – Border-Revenue Collection <p>Contribution to Outcome 1 made by linked programs</p> <p>Department of Immigration and Border Protection exchanges information with the ATO and collects border revenue for the Tourist Refund Scheme, Excise Equivalent Goods, Goods and Services Tax, Luxury Car Tax and Wine Equalisation Tax on behalf of the ATO.</p>
<p>Department of Industry, Innovation and Science</p> <ul style="list-style-type: none"> • Program 1.1 – Supporting Science and Commercialisation • Program 1.2 – Growing Business Investment and Improving Business Capability • Program 1.3 – Program Support <p>Contribution to Outcome 1 made by linked programs</p> <p>Department of Industry, Innovation and Science work together with the ATO to enable the growth and productivity for globally competitive industries through supporting science and commercialisation, growing business investment and improving business capability and streamlining regulation.</p>
<p>Department of the Environment</p> <ul style="list-style-type: none"> • Program 1.6 – Management of Hazardous Wastes, Substances and Pollutants • Program 2.1 – Reducing Australia’s Greenhouse Gas Emissions <p>Contribution to Outcome 1 made by linked programs</p> <p>Department of the Environment (DoE) contributes to the joint administration of the Product Stewardship of Oil Program. DoE also exchanges information with the ATO to confirm trees meet certain conditions when a taxpayer claims a deduction under the Carbon Sink Forest measure.</p>

Budgeted expenses for Outcome 1

Table 2.2 shows how much the ATO intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

Table 2.2: Budgeted expenses for Outcome 1

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
Program 1.1: Australian Taxation Office					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	611	5,303	8,797	272	-
Administered total	611	5,303	8,797	272	-
Departmental expenses					
Departmental appropriation	3,010,545	3,014,715	3,032,707	2,957,297	2,861,577
s74 Retained revenue receipts (a)	95,887	144,952	63,041	62,144	62,809
Expenses not requiring appropriation in the Budget year (b)	197,054	202,793	207,948	213,238	218,668
Departmental total	3,303,486	3,362,460	3,303,696	3,232,679	3,143,054
Total expenses for program 1.1	3,304,097	3,367,763	3,312,493	3,232,951	3,143,054
Program 1.2: Tax Practitioners Board					
Departmental expenses					
Departmental appropriation	16,978	16,895	15,903	15,509	15,061
Departmental total	16,978	16,895	15,903	15,509	15,061
Total expenses for program 1.2	16,978	16,895	15,903	15,509	15,061
Program 1.3: Australian Business Register					
Departmental expenses					
Departmental appropriation	148,683	146,544	140,371	137,322	133,854
Departmental total	148,683	146,544	140,371	137,322	133,854
Total expenses for program 1.3	148,683	146,544	140,371	137,322	133,854
Program 1.4: Australian Charities and Not-for-profits					
Departmental expenses					
Special accounts	13,190	13,111	12,235	11,887	11,492
Departmental total	13,190	13,111	12,235	11,887	11,492
Total expenses for program 1.4	13,190	13,111	12,235	11,887	11,492
Program 1.5: Australian Screen Production Incentive					
Administered expenses					
Special appropriations	367,500	307,400	300,000	264,000	264,000
Administered total	367,500	307,400	300,000	264,000	264,000
Total expenses for program 1.5	367,500	307,400	300,000	264,000	264,000

Table 2.2: Budgeted expenses for Outcome 1 (continued)

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
Program 1.6: Exploration Development Incentive					
Administered expenses					
Special appropriations	22,000	30,000	-	-	-
Administered total	22,000	30,000	-	-	-
Total expenses for program 1.6	22,000	30,000	-	-	-
Program 1.7: Fuel Tax Credits Scheme					
Administered expenses					
Special appropriations	6,116,900	6,236,000	6,465,900	6,723,700	7,069,700
Administered total	6,116,900	6,236,000	6,465,900	6,723,700	7,069,700
Total expenses for program 1.7	6,116,900	6,236,000	6,465,900	6,723,700	7,069,700
Program 1.8: National Rental Affordability Scheme					
Administered expenses					
Special appropriations	182,538	224,586	230,578	236,707	238,286
Administered total	182,538	224,586	230,578	236,707	238,286
Total expenses for program 1.8	182,538	224,586	230,578	236,707	238,286
Program 1.9: Product Stewardship for Oil					
Administered expenses					
Special appropriations	63,000	66,000	70,000	72,000	74,000
Administered total	63,000	66,000	70,000	72,000	74,000
Total expenses for program 1.9	63,000	66,000	70,000	72,000	74,000
Program 1.10: Research and Development Tax Incentive					
Administered expenses					
Special appropriations	2,885,000	2,901,000	3,290,000	3,567,000	3,873,000
Administered total	2,885,000	2,901,000	3,290,000	3,567,000	3,873,000
Total expenses for program 1.10	2,885,000	2,901,000	3,290,000	3,567,000	3,873,000
Program 1.11: Low Income Earner Superannuation Contribution					
Administered expenses					
Special appropriations	742,400	718,400	100,000	100,000	100,000
Administered total	742,400	718,400	100,000	100,000	100,000
Total expenses for program 1.11	742,400	718,400	100,000	100,000	100,000
Program 1.12: Private Health Insurance Rebate					
Administered expenses					
Special appropriations	272,000	249,000	255,000	255,000	246,000
Administered total	272,000	249,000	255,000	255,000	246,000
Total expenses for program 1.12	272,000	249,000	255,000	255,000	246,000
Program 1.13: Superannuation Co-contribution Scheme					
Administered expenses					
Special appropriations	165,000	159,000	158,000	157,000	154,000
Administered total	165,000	159,000	158,000	157,000	154,000
Total expenses for program 1.13	165,000	159,000	158,000	157,000	154,000

Table 2.2: Budgeted expenses for Outcome 1 (continued)

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
Program 1.14: Superannuation Guarantee Scheme					
Administered expenses					
Special appropriations	364,000	347,000	337,000	331,000	340,000
Administered total	364,000	347,000	337,000	331,000	340,000
Total expenses for program 1.14	364,000	347,000	337,000	331,000	340,000
Program 1.15 Targeted Assistance Through the Taxation System					
Administered expenses					
Special appropriations	22,000	26,000	10,000	9,000	9,000
Administered total	22,000	26,000	10,000	9,000	9,000
Total expenses for program 1.15	22,000	26,000	10,000	9,000	9,000
Program 1.16: Interest on Overpayment and Early Payments of Tax					
Administered expenses					
Special appropriations	230,000	230,000	275,000	275,000	275,000
Administered total	230,000	230,000	275,000	275,000	275,000
Total expenses for program 1.16	230,000	230,000	275,000	275,000	275,000
Program 1.17: Bad and Doubtful Debts and Remissions					
Administered expenses					
Expenses not requiring appropriation in the Budget year (b)	5,791,408	6,498,000	7,064,000	7,689,000	8,138,000
Administered total	5,791,408	6,498,000	7,064,000	7,689,000	8,138,000
Total expenses for program 1.17	5,791,408	6,498,000	7,064,000	7,689,000	8,138,000
Program 1.18: Other Administered					
Administered expenses					
Cleaner Fuels Grant Scheme (Special appropriation)	8,000	-	-	-	-
Conservation Tillage Refundable Tax Offset (Special appropriation)	-	-	-	-	-
Seafarer Tax Offset (Special appropriation)	7,000	-	-	-	-
Education Tax Refund (Special appropriation)	-	-	-	-	-
First Home Saver Accounts Scheme (Special appropriation)	-	-	-	-	-
Administered total	15,000	-	-	-	-
Total expenses for program 1.18	15,000	-	-	-	-

Table 2.2: Budgeted expenses for Outcome 1 (continued)

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	611	5,303	8,797	272	-
Special appropriations	11,447,338	11,494,386	11,491,478	11,990,407	12,642,986
Expenses not requiring appropriation in the Budget year (b)	5,791,408	6,498,000	7,064,000	7,689,000	8,138,000
Administered total	17,239,357	17,997,689	18,564,275	19,679,679	20,780,986
Departmental expenses					
Departmental appropriation	3,176,206	3,178,154	3,188,981	3,110,128	3,010,492
s74 Retained revenue receipts (a)	95,887	144,952	63,041	62,144	62,809
Special accounts	13,190	13,111	12,235	11,887	11,492
Expenses not requiring appropriation in the Budget year (b)	197,054	202,793	207,948	213,238	218,668
Departmental total	3,482,337	3,539,010	3,472,205	3,397,397	3,303,461
Total expenses for Outcome 1	20,721,694	21,536,699	22,036,480	23,077,076	24,084,447
	2015-16	2016-17			
Average staffing level (number)	17,781	18,320			

(a) Estimated expenses incurred in relation to receipts retained under *section 74 of the PGPA Act*.

(b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make good expenses and audit fees.

Figures displayed as a negative represent a decrease in funds and a positive represent an increase in funds. Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Table 2.3: Performance criteria for Outcome 1

The table below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2016-17 Budget measures have created new programs or materially changed existing programs.

<p>Outcome 1</p> <p>Confidence in the administration of aspects of Australia’s taxation and superannuation systems through helping people understand their rights and obligations, improving ease of compliance and access to benefits, and managing non-compliance with the law</p>		
<p>Program 1.1 — Australian Taxation Office</p> <p>The ATO’s objective is to administer aspects of Australia’s tax and superannuation systems by:</p> <ul style="list-style-type: none"> • providing clients with certainty, engaging early and being professional, respectful and fair; • focusing on desired cultural traits and encouraging engagement to deliver improved services; • providing interactions which are easy to access, minimising red tape and reducing compliance costs; • ensuring correct and timely registrations, lodgments, reporting and payments; • undertaking activities to ensure appropriate collection of revenue for government to support and fund services for the community; and • improving efficiency, productivity and performance. 		
<p>Delivery</p>	<p>The ATO effectively manages and shapes the tax and superannuation systems that support and fund services for Australians, by:</p> <ul style="list-style-type: none"> • collecting revenue; • administering the goods and services tax on behalf of the Australian States and Territories; and • administering major aspects of Australia’s superannuation system. 	
<p>Purposes</p>	<p>The ATO contributes to the economic and social wellbeing of Australians through:</p> <ul style="list-style-type: none"> • ensuring integrity in the system; • encouraging willing participation; • collecting appropriate revenue; and • demonstrating productivity. 	
<p>Performance information</p>		
<p>Performance criteria -Integrity</p>	<p>2015-16 targets</p>	<p>2016-17 and the forward estimates targets</p>
<p>An increase in trust and confidence by providing clients with certainty, engaging early and being professional, respectful and fair. Measured by:</p>		
<p>Satisfaction — Community satisfaction with ATO performance</p>	<p>Year-to-date result (31 December 2015): 74%</p>	<p>Target: Greater than or equal to 2015-16.</p>
<p>Fairness — Perceptions of fairness in disputes</p>	<p>Year-to-date result (31 December 2015): 60%</p>	<p>Target: Greater than or equal to 2015-16</p>
<p>Professionalism — People surveyed agreed that ATO listens to and responds to feedback</p>	<p>Performance criteria not included in 2015-16</p>	<p>Target: Greater than or equal to 2015-16</p>

Performance criteria -Integrity	2015-16 targets	2016-17 and the forward estimates targets
Create a client focused and future oriented workforce by focusing on desired cultural traits and encouraging engagement to deliver improved services. Measured by:		
Culture — Level of employee engagement	Performance criteria not included in 2015-16	Target: Greater than or equal to 2015-16
Improve the client experience by providing interactions which are easy to access, minimising red tape and reducing compliance cost. Measured by:		
Ease — People surveyed agree the ATO makes it easy to access services and information	Performance criteria not included in 2015-16	Target: Greater than or equal to 2015-16
Digital — Proportion of inbound interactions received digitally	Performance criteria not included in 2015-16	Target: 85%
Compliance cost — Adjusted average cost of managing tax affairs	Latest result (2014-15): Average cost of \$293 and adjusted median of \$131	Target: Remain steady
Increase in clients meeting their obligations by ensuring correct and timely registrations, lodgments, reporting and payments. Measured by:		
Registration — Proportion of companies and individuals registered in the system	Year-to-date result (31 December 2015): Slight improvement in both categories compared to 2014-15	Target: The ATO aims to ensure that all entities that are required to participate in the tax and superannuation system are registered on the ATO client register.
Lodgment — Proportion of activity statements and income tax returns lodged on time	Year-to-date results (31 December 2015): Tax returns 81.7% Activity statements 78.4%	Target: Tax returns 83.4% Activity statements 78.7%
Payment — Proportion of liabilities paid on time by value	Year-to-date result (31 December 2015): Overall 90.4%	Target: Overall 85%
Superannuation — Adjusted employer superannuation contributions as a proportion of adjusted salary and wages	Forecast: 9.5%	Target: 9.5%
Correct reporting — Tax gap as a proportion of revenue	Latest result (2013-14): 4.9% GST gap — a slight downward trend over time	Target: Reduce the gap to a level as low as practicable given the nature and complexity of the law and the resources available. Note: prior to 2016-17, this PBS measure referred only to the GST gap.

Performance criteria -Integrity	2015-16 targets	2016-17 and the forward estimates targets
Increase in clients paying the right tax at the right time by undertaking activities to ensure appropriate collection of revenue for government to support and fund services for the community. Measured by:		
Tax assured — Proportion of the tax base where the ATO has justified trust that it is accurate	Performance criteria not included in 2015–16	Target: Under development
Audit yield — Cash collected from direct compliance activities	Latest result (2014-15): \$9.6 billion	Target: \$6.2 billion
Total revenue effects — Cash collected from all compliance activities	Performance criteria not included in 2015-16	Target: Under development
Debt — Ratio of collectable debt to net tax collections	Year-to-date result (31 December 2015): 5.5%	Target: Below 6%
Expected revenue — Proportion of revenue collected compared with forecast	Performance criteria not included in 2015-16	Target: +/- 2.5%
Decrease administrative costs by improving efficiency, productivity and performance. Measured by:		
Budget — ATO manages its operating budget to balance	Performance criteria not included in 2015-16	Target: +/-0.6%
Cost of collection — Cost to collect net \$100	Latest result (2014-15): \$0.84 per net \$100 and \$0.66 per gross \$100	Target: Consistent with trend
Expenditure — Tax administration expenditure as % of gross domestic product	Performance criteria not included in 2015-16	Target: 0.2%
Expenditure — Non-tax expenditure as % of total expenditure	Performance criteria not included in 2015-16	Target: Consistent with trend
Cost per transaction	Performance criteria not included in 2015-16	Target: Under development

Performance criteria ceased from 2015-16	2015-16 targets	2016-17 and the forward estimates targets
Proportion of draft legislation which is assured before introduction to Parliament	Forecast: The ATO has consulted with Treasury on all draft legislation at the appropriate time	Not applicable, ceased 2015-16
Proportion of self-managed superannuation funds contraventions compared to the total number of self-managed superannuation funds.	Latest result (2014-15): 2.5%	Not applicable, ceased 2015-16
Time-cost index for business and superannuation funds to prepare and complete key tax forms	Latest result (2014-15): Continued variability in the index for superannuation funds, based on significant changes in the sector	Not applicable, ceased 2015-16
Material changes to Program 1.1 resulting from the following measures:		
<ul style="list-style-type: none"> Corporate Tax Avoidance Taskforce 		

Program 1.2 — Tax Practitioners Board

The Tax Practitioners Board (TPB) has general administration of the *Tax Agent Services Act 2009* (TASA) and is responsible for the regulation of tax practitioners. These include tax agents, business activity statement (BAS) agents and tax (financial) advisers. The TPB's objective is to ensure that tax agent services provided by tax practitioners to the public, are in accordance with appropriate standards of professional and ethical conduct.

Delivery	<p>The TPB engages and works collaboratively with key stakeholders to:</p> <ul style="list-style-type: none"> ensure tax practitioners maintain appropriate knowledge and skills to provide competent services; ensure tax practitioners are aware of and understand their obligations by communicating with them, issuing clear guidance and employing transparent processes in administering the TASA; and respond promptly and effectively to complaints about tax practitioners.
Purposes	The TPB's purpose is to regulate tax practitioners in a fair, consistent and practical way under the TASA to protect consumers, thereby strengthening the integrity of the tax practitioner profession.

Performance information

Performance criteria(a)	2015-16 and the forward estimates targets
Administer a system for the registration of tax agents, BAS agents and tax (financial) advisers (collectively known as tax practitioners)	<p>Forecast (2015-16): Achieving service standards and key business priorities as outlined in the 'TPB Strategic Plan 2015-16'</p> <p>Target: Maintain and improve service standards</p>

Performance criteria(a)	2015-16 and the forward estimates targets
Maintain a public register of registered and deregistered tax practitioners	<p>Forecast (2015-16): Public register is available 99.7% of the time</p> <p>Target: Meet 98% internal service standard</p>
Maintain an effective complaints handling and review process	<p>Forecast (2015-16) and target: Complaints process is transparent and publicly accessible for both complainants and practitioners</p>
Action to deter non-compliant or illegal behaviour	<p>Forecast (2015-16) and target: All actions taken in accordance with the law</p>
Number and types of sanctions applied	<p>Forecast (2015-16) and target: All sanctions applied in accordance with the law</p>
Improvement in the number of registration and renewal applications processed without requiring further applicant interaction	<p>Forecast (2015-16): 72%</p> <p>Target: Improvement</p>
Proportion of complaints resolved within service standard	<p>Forecasts (2015-16):</p> <ul style="list-style-type: none"> • 90% of complaints received completed within 150 days • 95% of complaints received completed within 210 days <p>Targets:</p> <ul style="list-style-type: none"> • 80% of complaints received completed within 150 days • 90% of complaints received completed within 210 days
Significant majority of registered tax practitioners meet the TPB's professional indemnity insurance requirements	<p>Forecast (2015-16): Over 60%</p> <p>Target: Improvement</p>
Tax practitioners' and other stakeholders' satisfaction with communication and consultation by the TPB	<p>Forecast (2015-16): Conduct regular consultative forums during the year with key industry stakeholders. These forums form a major avenue for consultation and feedback</p> <p>Target: Feedback from practitioners and other stakeholders indicates continuing satisfaction with communication and consultation by the TPB</p>
Regular publication on the TPB website of guidance to registered tax practitioners on their rights and obligations	<p>Forecast (2015-16): Publish over 40 information sheets and other guidance material and issue five eNews for tax practitioner subscribers</p> <p>Target: Publish information sheets and other guidance material, and eNews for tax practitioner subscribers</p>

<p>Program 1.3 — Australian Business Register</p> <p>The Commissioner of Taxation is also the Registrar of the Australian Business Register (ABR). The Registrar has separate and distinct responsibilities as outlined in section 28 of the <i>A New Tax System (Australian Business Number) Act 1999</i>.</p> <p>The ABR contributes to improving the wellbeing of Australian people by facilitating the use of integrated digital services, technologies and processes to reduce administrative costs for business.</p> <p>The ABR program encompasses:</p> <ul style="list-style-type: none"> • The ABR: a comprehensive national business dataset; • A secure authentication system giving business easy-to-use access to online government services; and • Standard Business Reporting (SBR): SBR defines a common language for business information and standards for electronic information sharing. It is used in business record-keeping software to support running the business and reduce the burden of reporting to government. 		
Delivery	<p>The ABR program works with government, software developers, the business community and other key stakeholders in facilitating more streamlined online interactions between business and government and ultimately business and business. This will be achieved through increased use of a complete and single source of business information and broader adoption and use of consistent information exchange standards.</p>	
Purposes	<p>The ABR program contributes to improving the wellbeing of the Australian people through enhanced business productivity by:</p> <ul style="list-style-type: none"> • reducing the administrative cost to business in their dealings with other businesses and in complying with government regulation; • influencing government policy development and implementation, through advocating the use of whole-of-government services, technologies and processes to minimise the administrative impact on business; and • encouraging the broader use of the national business register information, and the ABN as the key identifier for business. 	
Performance information		
Performance criteria	2015-16 targets	2016-17 and the forward estimates targets
Increased use of the ABR as the national business dataset by government agencies and the community	Year-to-date result (29 February 2016): 87 (an increase of four)	Targets: 2016-17: 50% increase 2017-18: 20% increase
Reduction in the unintended administrative costs to business of complying with government regulation	Forecast: Estimated annual savings to business of \$1.14 billion	Target: Estimated annual savings to business of \$1.39 billion (2016-17) and \$1.41 billion (2017-18)
Increase in the number of government agencies using the ABR database as their own	Performance criteria not included in 2015–16	Target: Annual increase of three government agencies using the ABR as their own
Increase in the number of government agencies implementing and using SBR	Performance criteria not included in 2015–16	Target: Annual increase of three government agencies using the ABR as their own

Performance criteria	2015-16 targets	2016-17 and the forward estimates targets
Improvement in the quality of key data in the ABR	Forecast: 10% increase in the accuracy of key data	Performance criteria not included
Proportion of ABN applicants obtaining a decision online at the point of application	Forecast: 75% of applicants for the month of June obtain an ABN decision on the spot	Performance criteria not included

Program 1.4 — Australian Charities and Not-for-profits Commission

The Australian Charities and Not-for-profits Commission (ACNC) is the independent regulator of charities at the Commonwealth level established by the *Australian Charities and Not-for-profits Act 2012* (ACNC Act). The ACNC Act gave the ACNC the following objects:

- to maintain, protect and enhance public trust and confidence in the Australian not-for-profit sector;
- to support and sustain a robust, vibrant, independent and innovative Australian not-for-profit sector; and
- to promote the reduction of unnecessary regulatory obligations on the Australian not-for-profit sector.

The ACNC Commissioner (the Commissioner) has a number of statutory functions and regulatory powers contained in the ACNC Act and accompanying legislation and regulations. A not-for-profit organisation that wishes to access certain Commonwealth concessions (including tax concessions, exemptions and benefits) must first be registered as a charity by the ACNC. The ACNC provides a range of guidance material and help services to registered charities to assist them to understand their obligations under the ACNC Act, which includes ensuring they are able to meet core minimum standards of governance. The ACNC also looks into complaints against charities and initiates compliance action against charities that contravene the ACNC Act or governance standards.

The ACNC maintains a free public register of information about charities for the public, funders, donors and governments. The ACNC Charity Register enables charities to demonstrate transparency by publishing information in a central repository and it gives the public free access to information about individual charities and their governance. This information promotes the important contribution that charities make to Australian society and around the world and serves as a vehicle to promote and maintain public confidence in the charitable sector.

The ACNC works with other Commonwealth, state and territory government agencies to reduce red tape for charities. The ACNC aims to harmonise and simplify reporting for charities and align regulatory obligations.

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| Delivery | <ul style="list-style-type: none"> • maintaining and enhancing public trust and confidence in charities ; • supporting charities to be healthy and sustainable; • making it easier for charities by driving regulatory and reporting simplification; and • developing an independent, transparent and well-governed organisation which is enhanced by a positive culture. |
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| Purposes | <ul style="list-style-type: none"> • to maintain, protect and enhance public trust and confidence in the Australian not-for-profit sector; • to support and sustain a robust, vibrant, independent and innovative Australian not-for-profit sector; and • to promote the reduction of unnecessary regulatory obligations on the Australian not-for-profit sector. |
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Performance information		
Year	Performance criteria	Targets / Forecasts
2015-16	Number of charitable status determinations made within agreed timeframes	Forecast: 95% of determinations meet agreed timeframes
	Maintenance of a free to access public charity register	Forecast: Met
	Provision of guidance to assist charities to understand and meet their regulatory obligations and to assist the public to understand the work of the charity sector	Forecast: Met
	Number of investigations into non-compliance with the ACNC Act and actions taken	Forecast: 80 investigations completed
	ACNC deregulation target met	Forecast: Met
	Analysis of charity information and provision of research reports to the community	Forecast: Met
	Proportion of registration determinations delivered within agreed timeframes	Forecast: Agreed service standards met
	Proportion of complaints and concerns of non-compliance with the ACNC Act addressed within agreed timeframes	Forecast: Agreed service standards partially met
	Proportion of advice, education and guidance delivered within agreed timeframes	Forecast: Agreed service standards partially met
	Percentage of charities' annual information statements submitted compared to the number of registered charities	Forecast: Improved
	Number of visits to website, and charity register	Forecast: Improved

Year	Performance criteria	Targets / Forecasts
2016-17	Maintaining and enhancing public trust and confidence in charities by ensuring:	
	<ul style="list-style-type: none"> registered charities meet their Annual Information Statement reporting obligations 	Target: 95% of all charities complete their Annual Information Statement
	<ul style="list-style-type: none"> charities identified as no longer entitled to registration are removed from the register 	Target: 100% of charities that are assessed as no longer entitled to be registered are removed from the register
	<ul style="list-style-type: none"> charity registration applications are processed according to published service standards 	Target: Applications are processed within the agreed service standards published on the ACNC website
	<ul style="list-style-type: none"> concerns raised about charities are processed according published service standards 	Target: Compliance processes complaints according to the agreed service standards published on the ACNC website
	Supporting charities to be healthy and sustainable by ensuring:	
	<ul style="list-style-type: none"> enquiries are responded to according to published service standards 	Target: Enquiries are responded to within the agreed service standards published on the ACNC website
	<ul style="list-style-type: none"> targeted guidance is developed to meet the needs of charities 	Target: Met
	<ul style="list-style-type: none"> charity Annual Information Statement data is analysed and at least one report is published to demonstrate the contribution Australian charities make to the community 	Target: Met
	Making it easier for charities by driving regulatory and reporting simplification:	
	<ul style="list-style-type: none"> where possible agreements are negotiated with state and territory agencies to work towards harmonising regulatory and reporting obligations for charities 	Target: Demonstrated progress
	<ul style="list-style-type: none"> reporting for charities in highly regulated education, health, aged care and disability sectors is simplified and duplication eliminated wherever possible 	Target: Demonstrated progress

Year	Performance criteria	Targets / Forecasts
2016-17 (continued)	Developing an independent, transparent and well-governed organisation which is enhanced by a positive culture will be demonstrated by:	
	<ul style="list-style-type: none"> employee census results improving each year it is conducted 	Target: Improvement
	<ul style="list-style-type: none"> implementing a cloud hosting system to improve IT system performance 	Target: Implemented
2017-18 and beyond	As per 2016-17	As per 2016-17

Programs 1.5 — 1.17 Administered programs

The ATO administers a range of payments and transfers on behalf of the Australian Government, including incentives and rebates delivered through the taxation and superannuation systems.

Delivery	Administered programs may be administered by the ATO with policy and delivery assistance from other Commonwealth agencies, or directly through the taxation and superannuation systems.
Purpose	The ATO contributes to the economic and social wellbeing of Australians through governing a range of programs that result in transfers and benefits back to the community.

Performance information

Program 1.5 — Australian Screen Production Incentive

The Australian Screen Production Incentive comprises three refundable film tax offsets: the Producer Offset, the Location Offset, and the Post, Digital and Visual Effects (PDV) Offset. These offsets are designed to ensure Australia remains competitive in attracting high budget film and television productions and are aimed at providing increased opportunities for Australian casts, crew, post-production companies and other services to participate in these productions. The Ministry for the Arts, along with Screen Australia and the ATO, have co-administration responsibilities for the program. Screen Australia has responsibility for the Producer Offset while the Ministry for the Arts has responsibility for the Location and PDV Offset.

Performance criteria	2015-16 targets	2016-17 and forward estimates targets
Number of tax offsets processed	Latest result (2014-15): 166	Target: The ATO aims to administer the Australian Screen Production Incentive program in accordance with the law
Value of tax offsets processed	Forecast: \$228 million	
Number of tax offsets issued compared to the number of tax offset entitlements	Latest result (2014-15): 166	
Value of tax offsets issued compared to the value of tax offset entitlements	Forecast: \$228 million	

Program 1.6 — Exploration Development Incentive		
<p>The Exploration Development Incentive will allow small mineral exploration companies with no taxable income to provide exploration credits, paid as a refundable tax offset, to their Australian resident shareholders for greenfield mineral exploration.</p>		
Performance criteria	2015-16 targets	2016-17 and forward estimates targets
Number of applications made by mining exploration companies	This measure is reported annually and does not yet have its first result.	Target: The ATO aims to administer the Exploration Development Incentive program in accordance with the law
Value of exploration expenditure sought to be converted into credits before ATO applies statutory cap on total credits		
Modulation factor provided by the ATO in sufficient time to allow allocation of capped exploration credits to shareholders		Target: By 31 December 2016

Program 1.7 — Fuel Tax Credits Scheme		
<p>The objective of the Fuel Tax Credits Scheme is to remove or reduce the incidence of fuel tax levied on taxable fuels by providing a credit for fuel used for:</p> <ul style="list-style-type: none"> • business activities in machinery, plant and equipment and heavy vehicles • the domestic generation of electricity by taxpayers not in business. 		
Performance criteria	2015-16 targets	2016-17 and forward estimates targets
Number of registered participants	Latest result (2014-15): Over 250,000 participants	Target: The ATO aims to administer the Fuel Tax Credits Scheme in accordance with the law
Value of claims	Latest result (2014-15): \$6.1 billion	
Proportion of payments processed within service standard timeframes	Forecast: 85%	Target: 85%

Program 1.8 — National Rental Affordability Scheme

The Department of Social Services has policy responsibility for the National Rental Affordability Scheme. The objectives are to:

- increase the supply of new affordable rental housing;
- reduce rental costs for low and moderate income households — National Rental Affordability Scheme homes rented to eligible tenants at a rate that is at least 20 per cent below the market value rent; and
- encourage large-scale investment and innovative delivery of affordable housing through the provision of the following incentives:
 - an Australian Government incentive per dwelling per year as a tax offset or direct payment
 - a State or Territory government incentive as a direct payment per dwelling per year or in-kind financial support.

Performance criteria	2015-16 targets	2016-17 and forward estimates targets
Number of tax offsets processed	Latest result (2014-15): Nearly 24,000	Target: 26,000
Value of tax offsets processed	Latest result (2014-15): Over \$82 million	Target: \$185 million
Ratio of claims made through the ATO compared to the Department of Social Services	Latest result (2014-15): 3:1	Target: 3:1

Program 1.9 — Product Stewardship for Oil

The objective of the Product Stewardship for Oil Program is to:

- provide incentives to increase used oil recycling; and
- encourage the environmentally sustainable management and re-refining of used oil and its re-use.

These objectives are met through the payment of a levy on producers and importers of petroleum based oils and their synthetic equivalents. Benefits are paid to oil recyclers as an incentive to undertake increased recycling of used oil.

The Department of the Environment has policy responsibility for the program, with the ATO administering the program on its behalf.

Performance criteria(a)	2015-16 targets	2016-17 and forward estimates targets
Number of claims processed	Latest result (2014-15): Over 480	Target: The ATO aims to administer the Product Stewardship for Oil program in accordance with the law
Number of participants registered	Latest result (2014-15): 37	
Value of payments processed	Latest result (2014-15): Over \$49 million	
Value of revenue collected	Latest result (2014-15): Over \$33 million	
Proportion of payments processed within service standard timeframes	Forecast: 85%	Target: 85%

Program 1.10 — Research and Development Tax Incentive		
<p>The Research and Development (R&D) Tax Incentive is an ongoing scheme designed to increase the level of research and development being conducted by Australian companies. The Department of Industry has the primary policy responsibility for the program with the aim of increasing both the number of companies investing in innovation and the value of innovation investment over time.</p> <p>The ATO has an important supporting role in processing claims through the tax system for the R&D offset.</p>		
Performance criteria(a)	2015-16 targets	2016-17 and forward estimates targets
Number of claims processed for 40% non-refundable research and development tax offset claimants	Latest result (2014-15): Over 1,700	Target: The ATO aims to administer the Research and Development Incentive program in accordance with the law
Number of claims processed for 45% refundable research and development tax offset claimants	Latest result (2014-15): Over 8,900	
Value of claims processed for 40% non-refundable research and development tax offset claimants	Latest result (2014-15): \$14.2 billion	
Value of claims processed for 45% refundable research and development tax offset claimants	Latest result (2014-15): \$5.2 billion	
Proportion of offsets processed within service standard timeframes	Latest result (2014-15): 51.4%	

Program 1.11 — Low Income Superannuation Contribution
<p>The Low Income Superannuation Contribution aimed to address some of the inequity in the superannuation system, where low income earners with a marginal rate of tax less than 15 per cent, pay a higher rate of tax on superannuation contributions than if they had received the money as salary and wages. The program started from the 2012-13 income year.</p> <p>The Bill to repeal low income superannuation contributions came into effect on 5 September 2014. Low Income Superannuation Contribution will continue to be payable for concessional contributions made up to and including the 2016-17 year, however, determinations will cease at 1 July 2019.</p> <p>The Treasury has policy responsibility for the program, while the ATO administers the program and provides information and support to individuals and superannuation funds through advice and education services.</p>

Performance criteria(a)	2015-16 targets	2016-17 and forward estimates targets
Number of beneficiaries of entitlements determined	Latest result (2014-15): 3.2 million	Target: The ATO aims to administer the Low Income Superannuation Contribution program in accordance with the law.
Value of entitlements determined	Latest result (2014-15): Over \$797 million determined and over \$791 million paid	
Value of entitlements paid		
Proportion of original contributions paid within 60 days	Forecast: 97%	Target: 97%

Program 1.12 — Private Health Insurance Rebate

The objective of the Private Health Insurance Rebate is to provide access to a benefit to eligible individuals with private health insurance and to act as an incentive to take up private health insurance.

The Department of Health has policy responsibility for the program, and the administration of the program is split between the ATO, the Department of Human Services and registered health insurers, depending on the claim method.

Performance criteria(a)	2015-16 targets	2016-17 and forward estimates targets
Number of claims processed Value of rebates processed Proportion of private health insurance rebates claimed through the tax system Liability imposed on, lodging eligible individuals	Forecast: Approximately 7.8 million tax returns with private health insurance details	Targets: Approximate number of tax returns with private health insurance details: 2016-17: 8.2 million 2017-18: 8.5 million 2018-19: 8.9 million

Program 1.13 — Superannuation Co-contribution Scheme		
<p>The Superannuation Co-contribution Scheme is to help low and middle income earners save for their retirement. Eligible individuals who make personal superannuation contributions to a complying superannuation fund or retirement savings account receive a co-contribution from the government up to certain limits.</p> <p>The Treasury has policy responsibility for the program, while the ATO administers the program and provides information and support to individuals and superannuation funds through marketing and education services.</p>		
Performance criteria(a)	2015-16 targets	2016-17 and forward estimates targets
Number of beneficiaries of entitlements determined	Latest result (2014-15): Over 500,000	Target: The ATO aims to administer the Superannuation Co-contribution Scheme in accordance with the law.
Value of entitlements determined and paid	Latest result (2014-15): Over \$161 million determined and over \$168 million paid	
Proportion of original co-contributions paid within 60 days	Forecast: 97%	Target: 97%

Program 1.14 — Superannuation Guarantee Scheme		
<p>Under the <i>Superannuation Guarantee (Administration) Act 1992</i> (SGAA), most employers must pay superannuation contributions into a complying superannuation fund or retirement savings account.</p> <p>Non-compliance with the SGAA by employers means that eligible employees will not receive their entitlements to, and benefits of, superannuation in their retirement.</p>		
Performance criteria(a)	2015-16 targets	2016-17 and forward estimates targets
Number of superannuation guarantee complaints leading to a superannuation liability being raised and those leading to no result	Latest result (2014-15): Over 14,000 complaints raised with 8,000 leading to no result	Target: The ATO aims to administer the Superannuation Guarantee Scheme in accordance with the law.
Number of employees who have had superannuation guarantee entitlements raised as a result of ATO compliance activities and voluntary disclosures	<p>Latest result (2014-15): Employees with entitlements raised</p> <ul style="list-style-type: none"> • over 132,000 through compliance activities • over 85,000 through voluntary disclosures 	
Number of employers whose records are checked and the number leading to a superannuation liability being raised	Latest result (2014-15): Over 21,000	

Performance criteria(a)	2015-16 targets	2016-17 and forward estimates targets
Proportion of employers for whom superannuation guarantee liabilities were raised by the ATO	Latest result (2013-14): 2.4%	
Value of superannuation guarantee charge: <ul style="list-style-type: none"> raised (including penalties and interest) collected 	Latest result (2014-15): Over \$734 million raised and over \$379 million collected	Targets: 2016-17: \$702 million raised, \$381 million collected 2017-18 and beyond: \$724 million raised and \$373 million collected (annually)
Value of superannuation guarantee entitlements distributed to individuals or superannuation funds	Latest result (2014-15): Over \$372 million	Targets: 2016-17: \$380 million 2017-18 and beyond: \$369 million (annually)
Value of superannuation guarantee debt on hand and the amount of superannuation guarantee debt irrecoverable at law or uneconomical to pursue	Latest result (2014-15): \$1.2 billion superannuation guarantee debt on hand and \$223.1 million superannuation debt written off	Targets: 2016-17: \$1.3 billion on hand and \$219 million written off 2017-18 and beyond: \$1.6 billion on hand and \$240 million written off (annually)

Program 1.15 — Targeted Assistance Through the Taxation system

Under the *Superannuation (Unclaimed Money and Lost Members) Act 1999*, superannuation funds must identify certain types of lost and former temporary resident accounts as unclaimed superannuation money and transfer amounts to the ATO every six months.

Since 1 July 2013, any unclaimed superannuation money payments from the ATO to individuals includes interest, at a rate equivalent to the consumer price index, to preserve the value of these accounts. While the Treasury has policy responsibility, the ATO administers the program.

Performance criteria(a)	2015-16 targets	2016-17 and forward estimates targets
Number of interest payments processed	Latest result (2014-15): Over 198,000	Target: The ATO aims to administer the Targeted Assistance Through the Taxation system program in accordance with the law.
Value of interest payments processed	Latest result (2014-15): \$3.4 million	
Proportion of unclaimed superannuation accounts where interest is paid to the account owner compared to total accounts transferred	Latest result (2014-15): 100%	

Program 1.16 — Interest on Overpayment and Early Payments of Tax		
<p>The objective of the program is to apply credit interest to taxpayers' accounts where they are entitled under the law.</p> <p>The application of credit interest is non-discretionary where an entitlement exists under the <i>Taxation (Interest on Overpayments and Early Payments) Act 1983</i>. Administered interest regimes include:</p> <ul style="list-style-type: none"> • interest on overpayments of tax; • delayed refund interest; and • interest on early payments of tax. 		
Performance criteria (a)	2015-16 targets	2016-17 and forward estimates targets
Number of clients entitled to credit interest due to processing performance	Not available	Target: The ATO aims to administer the Interest on Overpayments and Early Payments of Tax program in accordance with the law
Value of credit interest applied to client accounts due to processing performance	Latest result (2014-15): Over \$216 million	
Proportion of credit interest paid due to processing performance compared to all credit interest paid	Latest result (2014-15): 26.3%	

Program 1.17 — Bad and Doubtful Debts		
<p>The primary objective of the program is to help ensure that the value of tax receivables reported is a true and fair estimate of what can be collected on behalf of the Australian Government.</p> <p>The ATO may not be able to collect all tax liabilities due. The ATO estimates the amount it does not expect to recover and, in accordance with Australian Accounting Standards, creates an impairment allowance provision for this amount. This provision is one of the amounts offset against the gross total taxation receivables to determine the net total taxation receivables, which is a true and fair estimate of what can be collected on behalf of the Australian Government.</p>		
Performance criteria(a)	2015-16 targets	2016-17 and forward estimates targets
Value of provision for bad and doubtful debts	Latest result (2014-15): \$3.5 billion	Not applicable, ceased 2015-16.
Value of remissions	Latest result (2014-15): \$1.8 billion	
Penalty remissions as a proportion of penalty imposed	Latest result (2014-15): 41%	
Interest remissions as a proportion of interest imposed	Latest result (2014-15): 32%	
Provision for bad and doubtful debts as a proportion of total tax receivables	Forecast: Below 35%	Target: Below 35%

Program 1.18 — Other administered

Other administered includes the Cleaner Fuels Grant Scheme, the Conservation Tillage Refundable Tax Offset, the Seafarer Tax Offset, the Education Tax Refund and the First Home Saver Accounts Scheme.

The objective of the **Cleaner Fuels Grant Scheme** is to encourage the manufacture or importation of cleaner fuels that have a lower impact on the environment, by paying a grant in relation to the manufacture or importation of those cleaner fuels.

The **Conservation Tillage Refundable Tax Offset** is part of the Carbon Farming Futures Program, which was established to help farmers and landholders benefit from carbon farming.

The **Seafarer Tax Offset** commenced from 1 July 2012 and is designed to stimulate employment opportunities for Australian seafarers to gain maritime skills. The offset will provide a refundable tax offset for qualifying companies employing eligible seafarers.

The objective of the **Education Tax Refund** was to provide eligible claimants access to a benefit to assist with the cost of educating primary and secondary school children.

The **First Home Saver Accounts Scheme** aimed to increase the proportion of homes being purchased by first home buyers by helping them to save a deposit and supporting national savings levels through a combination of lower taxes and a government contribution. These accounts were offered by eligible financial institutions.

Delivery	<p>The Cleaner Fuels Grants Scheme closed on 1 July 2015. Clients can register for the Cleaner Fuels Grants Scheme and claim a grant until 30 June 2016 but only for fuel delivered into home consumption prior to 1 July 2015.</p> <p>The government has abolished the Conservation Tillage Refundable Tax Offset starting from 1 July 2014.</p> <p>The government has announced that the Seafarer Tax Offset will be abolished from 2015-16.</p> <p>All expenses arising from the Education Tax Refund have been recognised in prior years. However, the ATO will continue to make payments to claimants who lodge late claims in respect of years prior to 2011-12.</p> <p>Administration of the First Home Saver Accounts Scheme was split between the ATO, the Australian Prudential Regulation Authority and the Australian Securities and Investments Commission. The First Home Saver Account Scheme was effectively closed 1 July 2015 with residual payments continuing through to 30 June 2017.</p>
Purposes	<p>The ATO contributes to the economic and social wellbeing of Australians through governing a range of programs that result in transfers and benefits back to the community.</p>

Performance information

Performance criteria(a)	2015-16 targets	2016-17 and forward estimates targets
Cleaner Fuels Grant Scheme		
Number of claims processed	Latest result (2014-15): 817	Target: The ATO aims to administer the Interest on Cleaner Fuels Grant Scheme program in accordance with the law
Number of participants registered	Latest result (2014-15): 32	
Value of payments processed	Latest result (2014-15): Over \$171 million	

Performance criteria(a)	2015-16 targets	2016-17 and forward estimates targets
Cleaner Fuels Grant Scheme (continued)		
Proportion of payments processed within service standard timeframes	Forecast: 85%	Target: 85%
Conservation Tillage Refundable Tax Offset		
Performance criteria(a)	2015-16 targets	2016-17 and forward estimates targets
The Conservation Tillage Refundable Tax Offset was abolished from 1 July 2014. There are no performance criteria for the Conservation Tillage Refundable Tax Offset.	Forecast: Not applicable	Target: Not applicable
Seafarer Tax Offset		
Performance criteria(a)	2015-16 targets	2016-17 and forward estimates targets
Number of tax offsets processed	Latest result (2014-15): less than five	Target: The ATO aims to administer the Interest on Seafarer Tax Offset program in accordance with the law.
Value of tax offsets processed	Latest result (2014-15): more than \$8 million	
Survey all taxpayers who are eligible to claim the seafarers tax offset (previously: relevant taxpayers are aware of how to claim the offset).	Latest result (2014-15): 100%	Target: 100%
Education Tax Refund		
Performance criteria(a)	2015-16 targets	2016-17 and forward estimates targets
The Education Tax Refund scheme finished on 30 June 2012. There are no performance criteria for the Education Tax Refund Program.	Latest result (2014-15): Residual payments of \$3.9 million	Target: The ATO will continue to make residual payments under the scheme in accordance with the law.

First Home Saver Accounts Scheme		
Performance criteria(a)	2015-16 targets	2016-17 and forward estimates targets
Proportion of government contributions paid to eligible account holders within 60 days	Latest result (2014-15): 98%	Target: 92%
Number of government contributions paid	Latest result (2014-15): Over 37,000	Target: The ATO aims to administer the Interest on the First Home Saver Accounts Scheme program in accordance with the law
Value of government contributions paid	Latest result (2014-15): Over \$26.1 million	
Value of account balances	Latest result (2014-15): \$618 million	

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2016-17 budget year, including the impact of Budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences between entity resourcing and financial statements

The budgeted financial statements have been prepared on an accrual basis.

3.1.2 Explanatory notes and analysis of budgeted financial statements

Departmental comprehensive income statement (Table 3.1)

ATO is budgeting for a balanced operating result in 2016-17 before allowing for unfunded depreciation expenses of \$196.2 million. Under net cash funding arrangements, asset replacement is funded through capital appropriations.

Total operating revenue for 2016-17 is estimated at \$3.3 billion while expenditure is estimated to be \$3.5 billion, inclusive of \$196.2 million of unfunded depreciation. These budgeted amounts have increased since the 2015-16 Additional Estimates mainly due to new Budget expense measures, changes in own-source income and indexation movements.

Departmental balance sheet (Table 3.2)

ATO's budgeted net assets as at 30 June 2017 is expected to be \$257.6 million. This has decreased by \$12.6 million since the 2015-16 Additional Estimates due to increases in depreciation expense, offset by an increase in contributed equity as a net result of new capital measures.

Departmental cash flow (Table 3.4)

The cashflow in 2016-17 has been changed since the 2015-16 Additional Estimates, mainly due to new Budget measures, changes in expenses, movement of capital expenditure and changes in own-source revenue.

Departmental Capital Budget Statement (Table 3.5)

Total capital appropriations in 2016-17 have increased by \$7.0 million since the 2015-16 Additional Estimates, as a net result of new capital measures and indexation movements.

Total purchase of non-financial assets in 2016-17 have increased by \$25.4 million since the 2015-16 Additional Estimates are primarily due to movement of capital expenditure and new capital measures.

3.1.3 BUDGETED FINANCIAL STATEMENTS TABLES

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
EXPENSES					
Employee benefits	1,809,373	1,833,339	1,772,760	1,761,466	1,718,678
Suppliers	1,482,488	1,509,456	1,498,075	1,429,271	1,372,693
Depreciation and amortisation	190,476	196,215	201,370	206,660	212,090
Total expenses	3,482,337	3,539,010	3,472,205	3,397,397	3,303,461
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of	95,887	144,952	63,041	62,144	62,809
Other	6,578	6,578	6,578	6,578	6,578
Total own-source revenue	102,465	151,530	69,619	68,722	69,387
Net (cost of)/contribution by services	(3,379,872)	(3,387,480)	(3,402,586)	(3,328,675)	(3,234,074)
Revenue from Government	3,189,396	3,191,265	3,201,216	3,122,015	3,021,984
Surplus/(deficit) attributable to the Australian Government	(190,476)	(196,215)	(201,370)	(206,660)	(212,090)
Total comprehensive income/(loss) attributable to the Australian Government	(190,476)	(196,215)	(201,370)	(206,660)	(212,090)

Note: Impact of net cash appropriation arrangements

	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	-	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	190,476	196,215	201,370	206,660	212,090
Total comprehensive income/(loss) - as per the statement of comprehensive income	(190,476)	(196,215)	(201,370)	(206,660)	(212,090)

(a) From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5.

Prepared on Australian Accounting Standards basis

Table 3.2: Budgeted departmental balance sheet (as at 30 June)

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
ASSETS					
Financial assets					
Cash	46,087	46,087	46,087	46,087	46,087
Trade and other receivables	279,233	291,705	278,795	276,179	288,095
Total financial assets	325,320	337,792	324,882	322,266	334,182
Non-financial assets					
Building - Leasehold improvements	229,371	237,652	261,795	293,474	287,683
Plant and equipment	52,389	68,989	66,765	64,273	54,474
Intangibles - computer software	505,139	464,611	388,046	275,316	201,757
Other non-financial assets	114,191	108,314	103,071	99,393	98,448
Total non-financial assets	901,090	879,566	819,677	732,456	642,362
Total assets	1,226,410	1,217,358	1,144,559	1,054,722	976,544
LIABILITIES					
Payables					
Employees	12,829	21,216	20,665	20,570	35,771
Suppliers	227,149	224,793	223,980	224,473	226,504
Other payables	3,158	3,125	3,113	3,120	3,148
Total payables	243,136	249,134	247,758	248,163	265,423
Interest bearing liabilities					
Lease incentive received	100,964	89,072	77,390	65,709	54,497
Total interest bearing liabilities	100,964	89,072	77,390	65,709	54,497
Provisions					
Employee provisions	579,289	607,230	613,299	619,429	625,620
Other provisions	15,225	14,293	13,257	12,109	10,841
Total provisions	594,514	621,523	626,556	631,538	636,461
Total liabilities	938,614	959,729	951,704	945,410	956,381
Net assets	287,796	257,629	192,855	109,312	20,163
EQUITY*					
Contributed equity	1,344,121	1,510,169	1,646,765	1,769,882	1,892,823
Reserves	109,165	109,165	109,165	109,165	109,165
Retained surplus (accumulated deficit)	(1,165,490)	(1,361,705)	(1,563,075)	(1,769,735)	(1,981,825)
Total equity	287,796	257,629	192,855	109,312	20,163

*'Equity' is the residual interest in assets after deduction of liabilities.
Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2016-17)

	Retained earnings	Asset revaluation reserve	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2016				
Balance carried forward from previous period	(1,165,490)	109,165	1,344,121	287,796
Total opening balance	(1,165,490)	109,165	1,344,121	287,796
Comprehensive income				
Surplus/(deficit) for the period	(196,215)	-	-	(196,215)
Total comprehensive income	(196,215)	-	-	(196,215)
Transactions with owners				
Contributions by owners				
Equity injection - Appropriation	-	-	54,429	54,429
Departmental capital budget (DCB)	-	-	111,619	111,619
Total transactions with owners	-	-	166,048	166,048
Closing balance attributable to the Australian Government	(1,361,705)	109,165	1,510,169	257,629

Prepared on Australian Accounting Standards basis.

**Table 3.4: Budgeted departmental statement of cash flows
(for the period ended 30 June)**

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	3,356,557	3,163,030	3,199,477	3,122,684	3,008,305
Rendering of services	100,681	152,374	66,253	65,214	65,799
Receipts transferred from the OPA	249,822	247,230	246,336	246,879	249,113
Net GST received	132,822	132,239	123,769	114,312	108,339
Total cash received	3,839,882	3,694,873	3,635,835	3,549,089	3,431,556
Cash used					
Employees	1,951,805	1,796,755	1,766,371	1,755,288	1,696,684
Suppliers	1,638,255	1,650,888	1,623,128	1,546,922	1,485,759
Receipts transferred to the OPA	249,822	247,230	246,336	246,879	249,113
Total cash used	3,839,882	3,694,873	3,635,835	3,549,089	3,431,556
Net cash from/(used by) operating activities	-	-	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	47,835	61,267	59,261	67,510	23,741
Purchase of intangibles - computer software	185,959	119,301	87,463	55,607	99,200
Total cash used	233,794	180,568	146,724	123,117	122,941
Net cash from/(used by) investing activities	(233,794)	(180,568)	(146,724)	(123,117)	(122,941)
FINANCING ACTIVITIES					
Cash received					
Appropriations - contributed equity	233,794	180,568	146,724	123,117	122,941
Total cash received	233,794	180,568	146,724	123,117	122,941
Net cash from/(used by) financing activities	233,794	180,568	146,724	123,117	122,941
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	46,087	46,087	46,087	46,087	46,087
Cash and cash equivalents at the end of the reporting period	46,087	46,087	46,087	46,087	46,087

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement (for the period ended 30 June)

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	115,390	111,619	114,773	115,783	116,803
Equity injections - Bill 2	142,486	54,429	21,823	7,334	6,138
Total new capital appropriations	257,876	166,048	136,596	123,117	122,941
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	<i>257,876</i>	<i>166,048</i>	<i>136,596</i>	<i>123,117</i>	<i>122,941</i>
Total items	257,876	166,048	136,596	123,117	122,941
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	116,458	70,895	31,951	7,334	6,138
Funded by capital appropriation - DCB (b)	117,336	109,673	114,773	115,783	116,803
TOTAL	233,794	180,568	146,724	123,117	122,941

(a) Includes both current Bill 2 and prior Act 2/4/6 appropriations and special capital appropriations.

(b) Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental capital budgets (DCBs).

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2016-17)

	Building - Leasehold improvements \$'000	Plant and equipment \$'000	Intangibles - computer software \$'000	Total \$'000
As at 1 July 2016				
Gross book value	257,186	99,455	1,365,654	1,722,295
Accumulated depreciation/amortisation and impairment	(27,815)	(47,066)	(860,515)	(935,396)
Opening net book balance	229,371	52,389	505,139	786,899
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	1,840	-	69,055	70,895
By purchase - appropriation ordinary annual services (b)	33,530	25,897	50,246	109,673
Total additions	35,370	25,897	119,301	180,568
Other movements				
Depreciation/amortisation expense	(27,089)	(9,297)	(159,829)	(196,215)
Total other movements	(27,089)	(9,297)	(159,829)	(196,215)
As at 30 June 2017				
Gross book value	292,556	125,352	1,484,955	1,902,863
Accumulated depreciation/ amortisation and impairment	(54,904)	(56,363)	(1,020,344)	(1,131,611)
Closing net book balance	237,652	68,989	464,611	771,252

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2016-17.

(b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2016-17 for depreciation/amortisation expenses, DCBs or other operational expenses.

Prepared on Australian Accounting Standards basis.

Table 3.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
EXPENSES					
Suppliers	611	5,303	8,797	272	-
Subsidies	9,651,938	9,764,986	10,356,478	10,863,407	11,518,986
Personal benefits	1,179,400	1,126,400	513,000	512,000	500,000
Interest	230,000	230,000	275,000	275,000	275,000
Write-down and impairment of assets	5,791,408	6,498,000	7,064,000	7,689,000	8,138,000
Other expenses	386,000	373,000	347,000	340,000	349,000
Total expenses administered on behalf of Government	17,239,357	17,997,689	18,564,275	19,679,679	20,780,986
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Taxation revenue					
Income tax	269,432,397	284,551,686	307,982,216	331,207,431	354,391,431
Indirect tax	82,933,000	86,605,000	91,030,000	96,040,000	100,090,000
Other taxes	982,019	1,051,155	1,070,900	1,136,200	1,151,454
Total taxation revenue	353,347,416	372,207,841	400,083,116	428,383,631	455,632,885
Non-taxation revenue					
Other revenue	573,500	579,000	369,000	369,000	371,000
Total non-taxation revenue	573,500	579,000	369,000	369,000	371,000
Total own-sourced income administered on behalf of Government	353,920,916	372,786,841	400,452,116	428,752,631	456,003,885
Net cost of/(contribution by) services	(336,681,559)	(354,789,152)	(381,887,841)	(409,072,952)	(435,222,899)
Surplus/(deficit)	(336,681,559)	(354,789,152)	(381,887,841)	(409,072,952)	(435,222,899)

Prepared on Australian Accounting Standards basis.

Table 3.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	314,859	314,859	314,859	314,859	314,859
Taxation receivables	18,516,924	19,888,659	21,946,474	24,522,504	26,298,985
Accrued revenues	13,426,279	14,081,279	14,676,279	15,346,279	15,691,279
Total financial assets	32,258,062	34,284,797	36,937,612	40,183,642	42,305,123
Total assets administered on behalf of Government	32,258,062	34,284,797	36,937,612	40,183,642	42,305,123
LIABILITIES					
Payables					
Subsidies	4,437,526	4,717,176	5,009,368	5,320,497	5,711,476
Personal benefits	1,288,474	1,270,774	658,174	620,474	608,474
Other payables	881,472	904,872	918,072	910,572	901,572
Total payables	6,607,472	6,892,822	6,585,614	6,851,543	7,221,522
Provisions					
Taxation refunds provided	2,251,926	2,251,926	2,251,926	2,251,926	2,251,926
Other provisions	1,076,274	1,190,274	1,046,274	934,274	834,274
Total provisions	3,328,200	3,442,200	3,298,200	3,186,200	3,086,200
Total liabilities administered on behalf of Government	9,935,672	10,335,022	9,883,814	10,037,743	10,307,722
Net assets/(liabilities)	22,322,390	23,949,775	27,053,798	30,145,899	31,997,401

Prepared on Australian Accounting Standards basis.

**Table 3.9: Schedule of budgeted administered cash flows
(for the period ended 30 June)**

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Taxes	345,447,861	363,232,951	389,880,401	416,975,401	444,900,401
Other	1,373,019	1,296,455	867,400	868,200	883,403
Total cash received	346,820,880	364,529,406	390,747,801	417,843,601	445,783,804
Cash used					
Subsidies paid	9,307,602	9,485,336	10,064,286	10,552,278	11,128,007
Personal benefits	1,169,900	1,144,100	1,125,600	549,700	512,000
Payment to suppliers	611	5,303	8,797	272	-
Interest	230,000	230,000	275,000	275,000	275,000
Other	550,400	502,900	490,300	485,500	497,400
Total cash used	11,258,513	11,367,639	11,963,983	11,862,750	12,412,407
Net cash from operating activities	335,562,367	353,161,767	378,783,818	405,980,851	433,371,397
Net increase in cash held	335,562,367	353,161,767	378,783,818	405,980,851	433,371,397
Cash and cash equivalents at beginning of reporting period	314,859	314,859	314,859	314,859	314,859
Cash from Official Public Account for:					
- Appropriations	11,243,113	11,352,739	11,947,683	11,847,250	12,398,007
- Special accounts	15,400	14,900	16,300	15,500	14,400
Total cash from Official Public Account	11,258,513	11,367,639	11,963,983	11,862,750	12,412,407
Cash to Official Public Account for:					
- Administered receipts	(346,760,280)	(364,490,906)	(390,718,301)	(417,821,301)	(445,765,004)
- Special accounts	(60,600)	(38,500)	(29,500)	(22,300)	(18,800)
Total cash to Official Public Account	(346,820,880)	(364,529,406)	(390,747,801)	(417,843,601)	(445,783,804)
Cash and cash equivalents at end of reporting period	314,859	314,859	314,859	314,859	314,859

Prepared on Australian Accounting Standards basis.