

These are Budget Year estimates as would appear in the Budget Papers.

<b>Earnings Tax Detail 7.5% earnings tax</b>							
<b>Budget Year</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>
	<b>\$m</b>						
<b>Accumulation Phase</b>							
Earnings Excluding Capital Gains	-2,761	-3,947	-4,246	-4,550	-4,876	-5,223	-5,595
Capital Gains	-62	-146	-291	-458	-593	-741	-927
<b>Sub total</b>	<b>-2,824</b>	<b>-4,093</b>	<b>-4,537</b>	<b>-5,007</b>	<b>-5,469</b>	<b>-5,964</b>	<b>-6,522</b>
<b>Pension Phase option b - grandfathering</b>	69	163	261	364	471	583	722
<b>Pension Phase option A - no grandfathering</b>	849	1,201	1,282	1,363	1,449	1,540	1,637
<b>Total cost to revenue (Super)</b>	<b>-2,755</b>	<b>-3,930</b>	<b>-4,276</b>	<b>-4,644</b>	<b>-4,998</b>	<b>-5,381</b>	<b>-5,800</b>
<b>Rounded option b</b>	<b>-2,755</b>	<b>-3,930</b>	<b>-4,275</b>	<b>-4,645</b>	<b>-5,000</b>	<b>-5,380</b>	<b>-5,800</b>
<b>Rounded option A</b>	<b>-1,975</b>	<b>-2,890</b>	<b>-3,255</b>	<b>-3,645</b>	<b>-4,020</b>	<b>-4,425</b>	<b>-4,885</b>

**OPTION 1: AFTS SUPERANNUATION PROPOSAL — CHANGE TO THE TAXATION OF SUPERANNUATION CONTRIBUTIONS<sup>^</sup>**

**Option 1**

Year	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
SG rate	No change					
Caps	Higher caps 50+					
Rebate	20%	20%	20%	20%	20%	20%
Contributions tax	0%	0%	0%	0%	0%	0%
Super contributions	MTR	MTR	MTR	MTR	MTR	MTR
Co-Contribution/Spouse Rebate	Abolished	Abolished	Abolished	Abolished	Abolished	Abolished

<b>Rounded Income Year Impact</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>
	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>
Taxing contributions at MTR (change in PIT)	21,374.0	22,420.0	24,200.0	25,556.0	26,957.0	28,393.0
Super Rebate	-15,980.0	-16,750.0	-18,030.0	-19,005.0	-20,000.0	-21,040.0
Remove contributions tax	-9,580.0	-10,055.0	-10,790.0	-11,400.0	-12,025.0	-12,670.0
Remove Government Co-Contribution	1,025.0	1,030.0	1,245.0	1,255.0	1,260.0	1,270.0
Remove spouse super contributions rebate	6.0	5.0	5.0	4.0	3.0	2.0
<b>Net impact</b>	<b>-3,155.0</b>	<b>-3,350.0</b>	<b>-3,375.0</b>	<b>-3,585.0</b>	<b>-3,805.0</b>	<b>-4,050.0</b>
<b>Aggregate change in disposable income</b>	<b>-12,005.0</b>	<b>-12,625.0</b>	<b>-13,520.0</b>	<b>-14,340.0</b>	<b>-15,175.0</b>	<b>-15,995.0</b>
<b>Aggregate change in fund flows (excluding earnings)</b>	<b>14,940.0</b>	<b>15,735.0</b>	<b>16,660.0</b>	<b>17,675.0</b>	<b>18,705.0</b>	<b>19,750.0</b>

<sup>^</sup> Excluding earnings impact.

**Table 1. AFTS Option 1 by pre-change taxable income in 2012-13 (Indifferent, Losers and Winners)**

Taxable Income in 2012-13	Number of people	Annual Average Change \$			Weekly Average Change \$		
		Disposable Income	Fund	Net	Disposable Income	Fund	Net
<b>\$15,000 or less</b>	2,997,556	133	29	162	3	1	3
<b>\$15,000 to \$20,000</b>	971,709	125	126	251	2	2	5
<b>\$20,000 to \$25,000</b>	921,204	177	217	394	3	4	8
<b>\$25,000 to \$30,000</b>	931,122	101	334	435	2	6	8
<b>\$30,000 to \$35,000</b>	940,031	-110	488	378	-2	9	7
<b>\$35,000 to \$40,000</b>	884,987	-616	681	65	-12	13	1
<b>\$40,000 to \$45,000</b>	787,160	-816	888	72	-16	17	1
<b>\$45,000 to \$50,000</b>	716,076	-946	1,090	144	-18	21	3
<b>\$50,000 to \$55,000</b>	586,710	-1,135	1,367	232	-22	26	4
<b>\$55,000 to \$60,000</b>	514,762	-1,284	1,569	285	-25	30	5
<b>\$60,000 to \$65,000</b>	437,667	-1,380	1,767	387	-27	34	7
<b>\$65,000 to \$70,000</b>	379,183	-1,425	1,954	529	-27	38	10
<b>\$70,000 to \$75,000</b>	345,113	-1,639	2,082	443	-32	40	9
<b>\$75,000 to \$80,000</b>	279,010	-2,178	2,369	191	-42	46	4
<b>\$80,000 to \$90,000</b>	366,829	-2,968	3,069	101	-57	59	2
<b>\$90,000 to \$95,000</b>	245,562	-3,514	3,627	113	-68	70	2
<b>\$100,000 to \$110,000</b>	167,632	-4,064	4,237	173	-78	81	3
<b>\$110,000 to \$120,000</b>	121,917	-4,496	4,710	214	-86	91	4
<b>\$120,000 to \$130,000</b>	91,956	-5,394	5,677	283	-104	109	5
<b>\$130,000 to \$140,000</b>	73,027	-6,702	7,123	421	-129	137	8
<b>\$140,000 to \$150,000</b>	57,247	-5,494	5,709	215	-106	110	4
<b>\$150,000 to \$160,000</b>	45,278	-5,614	5,848	234	-108	112	5
<b>\$160,000 to \$170,000</b>	33,338	-6,558	6,488	-70	-126	125	-1
<b>\$170,000 to \$180,000</b>	27,181	-7,610	7,022	-588	-146	135	-11
<b>\$180,000 to \$200,000</b>	41,451	-8,597	7,725	-872	-165	149	-17
<b>\$200,000 to \$250,000</b>	60,379	-9,374	8,599	-775	-180	165	-15
<b>\$250,000 to \$300,000</b>	30,991	-9,484	8,655	-829	-182	166	-16
<b>\$250,000 and over</b>	74,031	-10,695	9,794	-901	-206	188	-17
<b>All</b>	13,129,108	-914	1,138	224	-18	22	4

**OPTION OO.1 — EXTENDING SG COVERAGE TO WORKERS AGED 70 TO 74**

<b>Rounded Income Year Impact</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>
	<b>\$m</b>						
Change in company tax	-30.0	-30.5	-32.5	-34.5	-37.0	-39.5	-42.0
Change in contributions tax	15.0	15.0	16.0	17.5	18.5	20.0	21.0
Change in earnings tax	0.5	1.0	2.0	3.0	4.0	5.0	6.5
<b>Net impact</b>	<b>-14.5</b>	<b>-14.5</b>	<b>-14.5</b>	<b>-14.0</b>	<b>-14.5</b>	<b>-14.5</b>	<b>-14.5</b>
<b>Change in fund (additional SG)</b>	<b>100.0</b>	<b>101.5</b>	<b>108.0</b>	<b>115.5</b>	<b>123.5</b>	<b>132.0</b>	<b>141.0</b>
<b>Net Cost to Employer (\$m)</b>	<b>70.0</b>	<b>71.0</b>	<b>75.5</b>	<b>81.0</b>	<b>86.5</b>	<b>92.5</b>	<b>98.5</b>

**Selected distributional analysis – extending SG coverage to workers aged 70 to 74**

	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>
Total employees aged 70 and over	33,000	33,000	33,000	35,000	36,000	37,000	38,000
Average salary and wage income (\$)	25,000	26,000	27,000	28,500	29,500	30,500	32,000
Average taxable income (\$)	55,000	57,500	59,500	62,000	64,500	67,000	70,000