



FACT SHEET

Overview of the tax-transfer system

Section 2 of the 'Architecture of Australia's tax and transfer system' paper provides an overview of the structure of the tax-transfer system, describing the taxes and transfers that comprise the system and the administrative framework that supports the system.

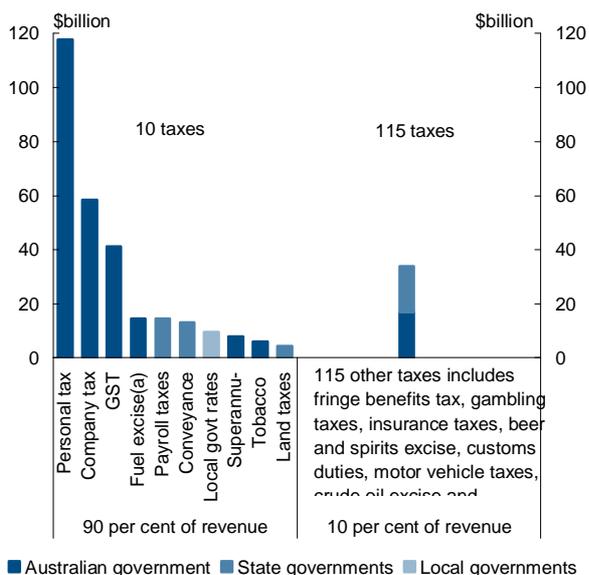
Key points

- Governments in Australia levy at least 125 different taxes. The 10 largest taxes account for over 90 per cent of the revenue raised. Many taxes are levied on essentially similar transactions by different Australian governments with relatively little harmonisation across jurisdictions.
- Governments provide transfers to individuals and families as direct payments and concessions. There are a significant number of income support, family and supplementary payments, with interlinking and overlapping application for different individuals and family types as well as various tax concessions. State transfers are largely provided through housing assistance and concessions, some of which are linked to Australian government transfers.
- Tax is largely administered by a single agency in each jurisdiction. There are strong parallels between the roles and functioning of the Australian Government and State administrative systems for tax.

Australian government transfer system administration and policy formation rests with multiple Australian government agencies. There is considerably less in the way of a dedicated administrative structure for transfers at the State level.

Taxes

Ranking of Australian taxes by revenue in 2006-07



Transfers

Australian government program expenditure by payment group in 2006-07

