

It is the Government's policy to proceed with the repeal of the minerals resource rent tax and other associated measures as announced.

**Research and Development Tax Incentive — reducing the rates of the refundable and non-refundable tax offsets**

Revenue (\$m)	2013-14	2014-15	2015-16	2016-17	2017-18
Australian Taxation Office	-	-	90.0	130.0	120.0
<i>Related expense (\$m)</i>					
<i>Australian Taxation Office</i>	-	-70.0	-70.0	-70.0	-70.0

Consistent with the Government's commitment to cut the company tax rate from 1 July 2015, the Government will preserve the relative value of the Research and Development Tax Incentive by reducing the rates of the refundable and non-refundable offsets by 1.5 percentage points, effective from 1 July 2014.

The gain to revenue and savings from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

This measure is estimated to provide a gain to the Budget of \$620.0 million in fiscal balance terms over the forward estimates period. In underlying cash terms, the gain to the Budget is \$550.0 million over the forward estimates period.

**Restoring integrity in the Australian tax system — further decisions**

Revenue (\$m)	2013-14	2014-15	2015-16	2016-17	2017-18
Australian Taxation Office	*	-20.0	-213.0	-188.0	48.0
<i>Related expense (\$m)</i>					
<i>Australian Taxation Office</i>	-1.3	-7.9	-10.9	-5.2	10.4

The Government has made further decisions in relation to the backlog of taxation and superannuation measures that were announced by former governments but not yet legislated. These decisions are estimated to have a cost to the Budget of \$358.1 million over the forward estimates period.

Additional consultation with stakeholders and the Australian Taxation Office has demonstrated that it is not possible to implement a number of these measures as initially announced, and that other measures need to be extended to achieve their policy intent. Accordingly, the Government has decided to:

- not proceed with changes that would have applied to multiple entry consolidated groups; \$140.0 million of revenue associated with this measure over the forward estimates period cannot be delivered;