



# MEDIA RELEASE

## MINERALS COUNCIL OF AUSTRALIA

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### MINING SUPER TAX: GOVERNMENT CLAIMS CONTRADICTED BY ATO DATA

The Federal Government's claims that the mining sector pays between 13 to 17 per cent corporate tax are comprehensively contradicted by official data from the Australian Taxation Office.

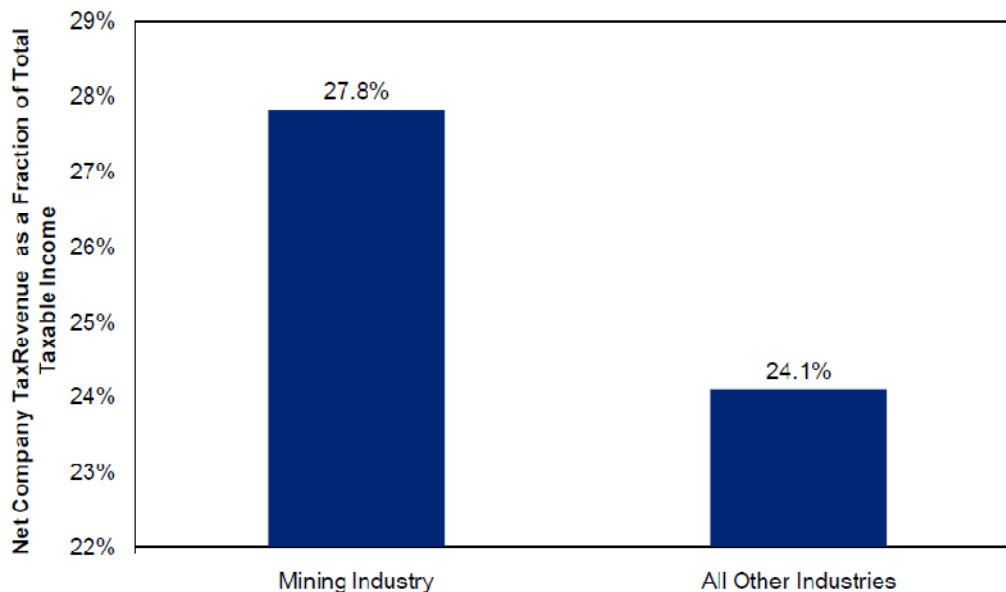
Analysis of the ATO's *Taxation Statistics 2007-08* shows the following:

- the average corporate tax rate paid by the mining sector is **27.81 per cent**
- when mining company royalty payments are added, the effective tax rate paid by Australia's mining sector increases to **41.3 per cent**

Rather than relying on a graduate research paper from South Carolina, the Government could have obtained accurate data from its own Tax Office.

The following chart compares the average corporate tax rate (excluding royalties) paid by the mining sector with that of all other industries.

**Effective Average Tax Rate in Mining and All Industries, 2007-08**



Source: Australian Tax Office, *Taxation Statistics 2007-8*, Deloitte analysis.

When mining royalties are included, the effective rate of tax for mining companies – **on the ATO's own data** – is **41.3 per cent**. This compares with an average across *all* sectors of **27.18 per cent**.

The detailed tables for tax contributions by industry (Tables 8 and 9) are available at the following link:  
<http://www.ato.gov.au/corporate/content.asp?doc=/content/00225078.htm&page=10&pc=001/001/009/005&mnu=43433&mfp=001&st=&cy=1>.

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Minerals Council Contact:

Ben Mitchell – Director, Public Affairs

T: 0419 850 212

E: [ben.mitchell@minerals.org.au](mailto:ben.mitchell@minerals.org.au)

W: [www.minerals.org.au](http://www.minerals.org.au)

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The following table shows the data by sector.

### EFFECTIVE TAX RATES BY INDUSTRY SECTOR: AUSTRALIAN TAX OFFICE

Sector	Effective Corporate Tax Rate (Net Tax/Net Income)	Effective Tax Rate including royalties Net tax + royalties/Net income
Agriculture, Forestry & Fishing	26.07	29.06
<b>Mining</b>	<b>27.81</b>	<b>41.34</b>
Manufacturing	28.38	30.25
Electricity, Gas, Water and Waste Services	26.11	28.47
Construction	28.44	28.62
Wholesale Trade	28.61	30.49
Retail Trade	28.76	31.24
Accommodation and Food Services	27.18	31.48
Transport, Postal and Warehousing	27.90	28.14
Information Media and Telecommunications	29.11	30.67
Financial and Insurance Services	21.54	22.37
Rental, Hiring and Real Estate Services	22.77	23.19
Professional, Scientific and Technical Services	27.98	30.01
Administrative and Support Services	28.48	29.43
Public Administration and Safety	29.65	31.22
Education and Training	29.15	30.54
Health Care and Social Assistance	28.76	28.92
Arts and Recreation Services	28.86	30.01
Other Services	28.01	28.92
Other	18.07	18.44
<b>Total</b>	<b>24.56</b>	<b>27.18</b>

Source: Australian Taxation Office, *Taxation Statistics 2007-08*.