

## STILL ON THE TABLE

### POSSIBLE CUTS

- Cut top tax rate above \$70,000 from **38c** ⇨ **30c**
- Cut tax on \$48,000-\$70,000 and trust tax rate from **33c** ⇨ **30c**
- Cut tax on \$14,000-\$48,000 from **21c** ⇨ **19c**
- Cut tax on under \$14,000 from **12.5c** ⇨ **10.5c**

**TOTAL EXTRA COST: -\$3.6b**

### POSSIBLE GRABS

- Raise GST from 12.5% to 15%:  
**+\$2.1 billion**
- Stop allowing depreciation on buildings which do not depreciate:  
**Up to +\$1.3 billion**
- Cancel 20% loading on depreciation rates for other assets:  
**+\$0.3 billion**
- Tighten rules to stop foreign-owned companies loading debt on to NZ subsidiaries to reduce tax:  
**+\$0.2 billion**

**TOTAL EXTRA REVENUE: +\$3.9b**

(likely to be less than \$3.9 billion in practice because the Government may allow depreciation for some buildings)

Figures taken from Tax Working Group, Scenario 1B

**Government total tax revenue year to June 2011 (from 2009 Budget):**

**\$51.3b**