



northern territory

Budget 2006

building the territory's future

Fact Sheet

THE BUDGET & BUSINESS

Building the Territory's future with strong support for business.

Budget 2006 builds Territory business through continued tax cuts, strategic investment, a large infrastructure program and targeted support for business.

With Budget 2006 the Government will have cut \$74 million in taxes since 2001 and will continue to cut a further \$134 million during this term of office.

SLASHING PAYROLL TAX

From 1 July, 2006 the threshold will be lifted to \$1.25 million - the best in Australia. This means:

- The tax-free threshold will have doubled from \$600 000 to \$1.25 million since 2001
- 58 more businesses will no longer pay payroll tax this year
- 187 businesses in total will no longer be paying payroll tax
- Locally owned businesses still paying payroll tax after 1 July 2006 will have saved on average a total of \$66 182 since Budget 2004

In 2000 a business with \$2 million in wages would have paid \$92 400 in payroll tax each year.

From 1 July they will pay \$46 500.

OTHER TAX REFORM SINCE 2001

Since 2001 the Territory Government has:

- reduced the payroll tax rate twice
- increased the threshold three times
- reduced 5 stamp duties
- removed Debits tax and Electronic Debit Transaction Duty
- increased the tax free threshold for stamp duty on conveyancing for first home buyers from \$80 000 to \$225 000
- introduced and then increased to \$2500 a Principal Place of Residence Rebate for stamp duty on your own home

In Budget 2006 the Government will remove stamp duty on unquoted marketable securities and on the grant and renewal of leases and franchises.

Over the next three years the Government will also remove the stamp duty on hiring arrangements and on the business component of non-residential conveyancing.

PAYROLL TAX COMPARISON TABLE

Staff numbers	NT	ACT	NSW	WA	QLD	SA	VIC	TAS
50 Staff	77,500	85,625	114,000	96,250	104,500	109,780	102,375	90,890
100 Staff	232,500	256,875	264,000	233,750	237,500	247,280	233,625	243,390



THE BUDGET & BUSINESS

A RECORD CONSTRUCTION PROGRAM

The Government has spent \$2.7 billion on infrastructure since 2001. This year \$482 million will be spent with a further \$100 million on the Darwin Waterfront and Convention Centre as a result of the Government's commitment to this project.

TOURISM MARKETING - BOOSTING OUR VISITOR NUMBERS

In Budget 2006 the Government will make its 3 year marketing program an ongoing part of the tourism budget. This year tourism marketing will equal \$27.6 million. The total tourism budget will be \$38.36 million.

SKILLING TERRITORIANS

Skilling Territorians backs business and builds the future of the Territory. This year the Territory will spend \$84 million supporting training and employment programs.

Specifically:

- \$37 million for Charles Darwin University
- \$8.9 million for the Batchelor Institute
- \$4.4 million for School to Work transition
- \$4.4 million in support of training for remote Territorians
- \$1.56 million for employer incentives
- \$1.125 million for employee incentives
- \$500 000 for *Build Skills NT* to help existing workers upgrade their skills
- \$160 000 supporting scholarships and awards for vocational training
- 2550 trainees and apprentices will commence this year

INDUSTRY SUPPORT

Budget 2006 provides \$1.15 million to peak industry associations for specific development services.

Other support includes:

- \$650 000 for business management and capability programs
- \$587 000 for economic development initiatives for Indigenous Territorians
- \$500 000 for regional economic development support
- \$470 000 for business information and licencing services through the network of Territory business centres

MINERALS AND ENERGY

The world resources boom provides an important stimulus to the Territory mines and energy industry. Budget 2006 supports this business by:

- \$6.9 million to provide high quality geological information to industry to promote prospectivity
- \$3.8 million to continue the *Building the Territory Resource Base* initiative
- \$200 000 to develop and coordinate implementation of the Northern Territory Energy policy