

Effect of the proposed one-off reduction of salaries tax, tax under personal assessment and profits tax

Salaries tax and tax under personal assessment-
75% tax reduction subject to a cap at \$10,000 per case

Income in 2013-14	No. of taxpayers	Average amount of tax reduction	Average % of tax reduced
\$120,001 to \$200,000	414 000	\$710	75%
\$200,001 to \$300,000	420 000	\$3,600	73%
\$300,001 to \$400,000	291 000	\$6,150	54%
\$400,001 to \$600,000	306 000	\$8,190	32%
\$600,001 to \$900,000	158 000	\$9,810	16%
Above \$900,000	151 000	\$10,000	4%
Total	1 740 000	—	—

Profits tax-
75% tax reduction subject to a cap at \$10,000 per case

Profits in 2013-14	No. of businesses#	Average amount of tax reduction	Average % of tax reduced
\$100,000 and below	42 000	\$4,520	73%
\$100,001 to \$200,000	16 000	\$10,000	41%
\$200,001 to \$300,000	10 000	\$10,000	24%
\$300,001 to \$400,000	7 000	\$10,000	17%
\$400,001 to \$600,000	9 000	\$10,000	12%
\$600,001 to \$900,000	8 000	\$10,000	8%
Above \$900,000	34 000	\$10,000	0.3%
Total	126 000	—	—

Including 97 000 corporations and 29 000 unincorporated businesses.