

**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 \$20,000 per case

Income in 2014-15	No. of taxpayers	Average amount of tax reduction	Average % of tax reduced
\$120,001 to \$200,000	424 000	\$710	75%
\$200,001 to \$300,000	422 000	\$3,810	75%
\$300,001 to \$400,000	299 000	\$8,470	73%
\$400,001 to \$600,000	334 000	\$14,160	55%
\$600,001 to \$900,000	177 000	\$19,130	31%
Above \$900,000	164 000	\$20,000	7%
Total	1 820 000	—	—

Profits tax-  
75% tax reduction subject to a cap at \$20,000 per case

Profits in 2014-15	No. of businesses#	Average amount of tax reduction	Average % of tax reduced
\$100,000 and below	42 000	\$4,540	75%
\$100,001 to \$200,000	17 000	\$17,000	72%
\$200,001 to \$300,000	10 000	\$20,000	50%
\$300,001 to \$400,000	7 000	\$20,000	35%
\$400,001 to \$600,000	9 000	\$20,000	25%
\$600,001 to \$900,000	8 000	\$20,000	17%
Above \$900,000	36 000	\$20,000	1%
Total	129 000	—	—

# Including 99 000 corporations and 30 000 unincorporated businesses.