

C. TAX EXPENDITURES AND CONCESSIONAL CHARGES

The Tax Expenditure and Concessional Charges Statement provides estimates of revenue forgone from tax expenditure and concessional charges.

A tax expenditure refers to favourable tax treatment granted to certain individuals, groups or organisations to support policy objectives. This may take the form of specific tax exemptions, allowances and deductions, reduced tax rates, deferral of tax liabilities or tax credits. The revenue forgone is estimated by measuring the additional tax that would have been payable if 'benchmark' (or standard) tax structures had been applied to all taxpayers, and economic behaviour had remained unchanged.

A concessional charge refers to lower fees or service charges provided to certain users for goods and services provided by government agencies to achieve economic or social policy goals such as reducing the cost of living. The provision of these concessions may be supported directly from the Budget or indirectly through a reduction in agency obligations to make dividends or other payments, or a reduction in agency retained earnings. These concessions have a budget cost, regardless of whether they are the subject of a specific intragovernment transfer. The revenue forgone is estimated with reference to the fee or charge that is payable by the wider community.

Judgement is required in delineating the 'concessional' and 'structural' features of a particular tax or service delivery scheme. The approach adopted is to treat the general application of a tiered tax schedule or charging regime as a structural element of the benchmark, rather than a concession to those paying less than the highest marginal rate of tax. For example, providing lower public transport fares for all children is included in the benchmark rather than as a concession. However, subsidised travel for eligible school children and senior citizens is treated as a concession. Provisions to prevent double taxation or to otherwise support the conceptual structure of a tax, rather than provide a benefit to a particular group of taxpayers, are generally excluded.

Caution should be exercised when using these estimates. They may not be comparable to estimates in other jurisdictions, which may use different definitions of the 'structural' and 'concessional' elements of taxes and charges. Similarly, changes to the benchmark definition and the classification of concessions may limit the comparability of some estimates to those in earlier budgets. Importantly, the estimates do not represent the additional revenues that could be expected if the concessional treatment was abolished, nor do they provide a reliable indication of the economic costs and benefits. This is because the concessions themselves influence behaviour patterns and levels of activity, which could be different in their absence.

This Appendix is structured as follows:

- Section C.1 provides an overview of total tax expenditures and concessions for 2025-26
- Section C.2 provides tax expenditure estimates, including a breakdown by taxation line
- Section C.3 provides a distributional analysis of certain tax expenditures
- Section C.4 provides estimates of concessional charges, including a breakdown by policy function line.

Where possible, an estimate of the costs associated with each of the major items is provided to assist comparison with the budgetary cost of direct outlays. Tax expenditure measures and concessions that have an impact over \$1 million are itemised in a table. Those with an impact of less than \$1 million are then summarised.

C.1 Overview

In 2025-26, total tax expenditures and concessions provided by the NSW Government are estimated at \$16.3 billion, equivalent to 13.1 per cent of total NSW revenue.

This comprises of:

- \$13.6 billion in tax expenditures
- \$2.7 billion in concessional charges.

C.2 Tax expenditures

Overview of tax expenditures

Table C.1 provides a summary of the total estimated value of major tax expenditures (those valued at \$1 million or greater) for each of the main tax revenue sources. The estimates are for the financial years 2023-24, 2024-25 and 2025-26. The total value of major quantifiable tax expenditures is an estimated \$13.6 billion or 25.2 per cent of taxation revenue in 2025-26.

Table C.1: Major tax expenditures by type

Tax	2023-24		2024-25		2025-26	
	Tax Exp. \$m	Tax Exp. as % of tax revenue	Tax Exp. \$m	Tax Exp. as % of tax revenue	Tax Exp. \$m	Tax Exp. as % of tax revenue
Transfer Duty	1,341	11.7	1,258	10.2	1,565	11.7
General and Life Insurance Duty	1,172	74.4	1,288	76	1,366	75.8
Payroll Tax	3,529	28.3	3,805	29.2	3,913	28.3
Land Tax	3,165	44.7	3,818	46.5	4,710	53.6
Taxes on Motor Vehicles	728	16.9	747	16.3	788	16.2
Gambling and Betting Taxes	1,047	29.8	1,118	31	1,161	31.2
Parking Space Levy	86	75.4	88	72.1	91	68.7
Total	11,067	24.8	12,123	25.5	13,594	26.5

Chart C.1 demonstrates theoretical NSW tax revenues in the absence of tax expenditures. It does not represent the additional revenue that would be collected in the absence of expenditures, given that expenditures influence behaviour patterns and levels of activity, which could be different in their absence.

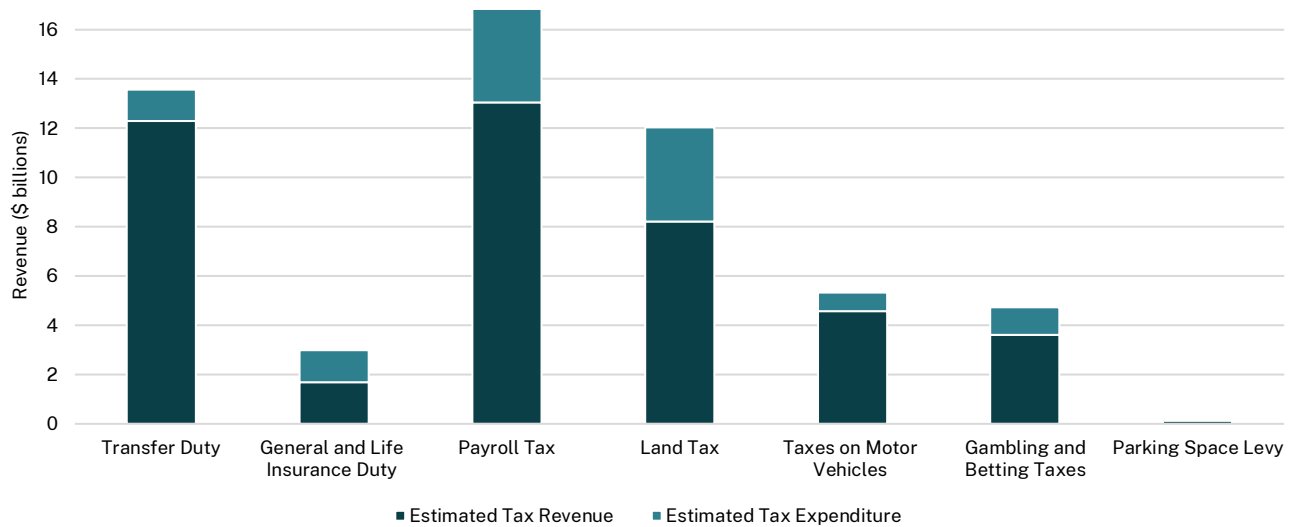
Chart C.1: Theoretical tax revenues in the absence of tax expenditures in 2024-25

Table C.2 shows a breakdown of the total value of tax expenditures for the financial years 2023-24, 2024-25 and 2025-26, by the broad category of recipient obtaining the benefit of the tax exemption.

Table C.2: Tax expenditure by primary recipient category

Primary recipient category	2023-24		2024-25		2025-26	
	Tax Exp. \$m	Per cent of total %	Tax Exp. \$m	Per cent of total %	Tax Exp. \$m	Per cent of total %
Individuals / families	1,690	15.3	1,716	14.2	1,863	13.7
Government / public entities	1,754	15.8	1,820	15	1,926	14.2
Charitable / non-profit organisations / clubs	3,216	29.1	3,410	28.1	3,603	26.5
Rural	2,291	20.7	2,694	22.2	3,466	25.5
Business	1,212	10.9	1,506	12.4	1,681	12.4
Pensioners / concession card holders / disadvantaged	447	4	488	4	525	3.9
Religious institutions	442	4	471	3.9	509	3.7
Other	16	0.1	18	0.1	21	0.2
Total	11,067	100	12,123	100	13,594	100

Policy changes relating to tax expenditures

The 2025-26 Budget includes a new build-to-rent (BTR) policy measure relevant for land tax, surcharge land tax and surcharge purchaser duty tax expenditure.

Owners of new BTR developments will be able to apply for a 50 per cent reduction in land value for land tax purposes. This concession applies indefinitely (previously the concession was set to end 31 December 2039) from the 2026 land tax year, subject to eligibility requirements. Australian corporations will also be able to apply for an exemption or refund for new BTR developments from foreign purchaser duty and land tax surcharges, and this can also apply indefinitely provided that the ongoing eligibility requirements continue to be satisfied. Previously, the concession for a 50 per cent reduction in land value and exemption/refund of foreign purchaser duty and land tax surcharges was set to end on 31 December 2039.

Top 10 tax expenditures

Table C.3 sets out the top 10 tax expenditures, based on the estimated sum of tax expenditures for the financial years 2023-24, 2024-25 and 2025-26. The table also indicates the tax expenditures for which distributional analysis is presented in Section C.3 Distributional analysis of tax expenditures.

Table C.3: Top 10 tax expenditures

#	Tax Expenditure	Tax	Category of primary recipient	2023-24 (\$m)	2024-25 (\$m)	2025-26 (\$m)	Distributional analysis included
1	Land tax exemption granted for land used for primary production ¹	Land tax	Rural	2,008	2,519	3,281	
2	Payroll tax exemption to non-profit charitable institutions	Payroll tax	Charitable / non-profit organisations / clubs	1,575	1,638	1,732	
3	Payroll tax exemption to public hospitals, Local Health Districts and Ambulance Service of NSW	Payroll tax	Government / public entities	981	1,029	1,087	
4	Concessional taxes for gaming machines installed in clubs	Gambling and betting taxes	Charitable / non-profit organisations / clubs	971	1,038	1,077	Yes
5	First Home Buyer Assistance Scheme	Transfer duty	Individuals / families	698	701	799	Yes
6	General insurance duty exemption for workers compensation premiums	General insurance duty	Business	414	475	504	
7	Land tax exemption for charitable bodies	Land Tax	Charitable / non-profit organisations / clubs	399	442	486	
8	Concessional rates for Type B general insurance	General insurance duty	Individuals / families	410	442	469	
9	Land tax exemption for religious societies	Land Tax	Religious institutions	378	404	438	
10	Vehicle weight tax exemption to selected social security recipients	Vehicle weight tax	Pensioners / concession card holders / disadvantaged	365	386	408	

¹ Distributional analysis has not been performed in 2025-26 due to the lack of available data.

Transfer duty (including landholder duty)

The benchmark tax base includes all transfers of dutiable property as defined in Chapter 2 of the *Duties Act 1997*, including New South Wales land, land use entitlements, transferable floor space and partnership interests. Indirect acquisition of land under Chapter 4 of the *Duties Act 1997* (landholder duty) is also included.

The benchmark tax structure comprises a tiered rate scale with marginal tax rates varying from 1.25 to 5.5 per cent over six steps. A premium marginal rate of 7 per cent applies for residential property valued above \$3,636,000.

Under the benchmark tax base, fixed or nominal duties are imposed on various transactions, including duplicates of instruments and certain transfers eligible for concessional duty rates (such as transfers related to trusts, superannuation and deceased estates). These fixed duty charges are set at \$20, \$100, \$500 or \$750.

Surcharge purchaser duty applies to purchases of residential land by foreign persons. The surcharge purchaser duty rate was increased from 8 per cent to 9 per cent from 1 January 2025.

The *Duties Act 1997* includes a number of exemptions designed to exclude the application of duty (apart from a nominal charge) to transactions where duty has already been applied to an associated legal instrument. Exemptions that fall under this category are not included as a tax expenditure, as exemptions of this nature are designed to avoid the double taxation that could occur if the exemption were not provided.

The 2025-26 Budget includes a new BTR tax measure. Australian corporations can apply for a refund or exemption from surcharge purchaser duty, for new BTR developments provided they continue to satisfy the requirements. This exemption/refund was previously set to end on 31 December 2039.

Table C.4: *Transfer duty – major tax expenditures^(a)*

	2023-24 \$m	2024-25 \$m	2025-26 \$m
Charitable / non-profit organisations / clubs			
Charitable and benevolent bodies			
An exemption is granted for transactions of charitable or benevolent organisations, as set out in Section 275 of the <i>Duties Act 1997</i> .	89	96	101
Government / public entities			
Councils and county councils			
An exemption is granted for the transfer of property to a council or county council under the <i>Local Government Act 1993</i> .	37	19	18
Individuals / families			
First Home Buyer Assistance Scheme (FHBAS)			
Eligible first home buyers are provided with an exemption from duty for the purchase of a new or existing home up to a value of \$800,000, with concessional rates for homes up to a value of \$1 million. Eligible purchases of vacant land for homebuilding are exempt from duty up to a value of \$350,000, with a concession rate applied to land valued between \$350,000 and \$450,000.	698	701	799
Transfer of residences between spouses or de facto partners			
An exemption is granted, subject to the property being their principal place of residence and jointly held after transfer.	59	61	63
Transfers of matrimonial property consequent upon divorce			
An exemption is provided for transfers of property in the break-up of marriage, de facto or domestic relationships under the <i>Family Law Act 1975</i> (Cth).	144	152	157

Table C.4: Transfer duty – major tax expenditures (cont)

	2023-24 \$m	2024-25 \$m	2025-26 \$m
Business			
Corporate reconstructions			
Prior to 1 February 2024, corporate reconstruction transactions were exempt from transfer duty. From 1 February 2024, duty charged will be 10 per cent of the duty that would otherwise be payable in the absence of the exemption.	7	14	214
Australian-based developers			
An exemption or refund of surcharge purchaser duty is provided for Australian-based developers that are foreign persons, for certain development on or use of the residential-related land.	57	74	63
Rural			
Intergenerational rural transfers			
An exemption is granted for transfers of land used for primary production between generations, or between siblings.	89	136	138
Interest in a primary producer			
Acquisition of an interest in a primary producer that is not 'land rich'.	161	5	12

(a) The table above has been populated using updated data and forecasting methodologies.

Transfer duty – other major tax expenditures (> \$1 million)²

For 'off the plan' purchases by owner occupiers, duty may be deferred until completion of the sale or 12 months after the contract, whichever occurs first.

From 1 July 2020, an exemption or refund of surcharge purchaser duty is provided for developers of BTR properties subject to satisfying requirements relating to the construction of such properties.

Transfer duty – minor tax expenditures (< \$1 million)

Minor exemptions from transfer duty include:

- purchase of land as their principal place of residence by tenants of Housing NSW and Aboriginal Housing Office
- approved equity release schemes for aged homeowners
- certain purchases of manufactured relocatable homes (caravans)
- certain transfers of property granted in other legislation
- call option assignments, subject to certain conditions
- transfer of a liquor licence in certain circumstances under the *Liquor Act 2007*
- transfer of property related to a joint government enterprise that has the function of allocating funds for water savings projects
- transfers where public hospitals are the liable party
- transfer of properties gifted to a special disability trust
- instruments executed by or on behalf of a council or county council under the *Local Government Act 1993*, not connected with a trading undertaking

² Items listed under the 'other major tax expenditures' headings are those where the value of the tax expenditure is estimated to be more than \$1 million in at least one year, but there is insufficient data available on which to base a reliable estimate.

- transfers for the purpose of amalgamation or de-amalgamation of clubs under the *Registered Clubs Act 1976*
- instruments executed by or on behalf of agencies within the meaning of the *Convention on the Privileges and Immunities of the Specialised Agencies* approved by the General Assembly of the United Nations in 1947
- transfers between associations of employees or employers registered under the *Workplace Relations Act 1996* (Cth) for the purpose of amalgamation
- transfer of property to the New South Wales Aboriginal Land Council or Local Aboriginal Land Councils
- transfers of property between licensed insurers, and between the State Insurance Regulatory Authority (SIRA) and licensed insurers, under the *Workers Compensation Act 1987*.

Minor concessions include:

- acquisitions in unit trust schemes, private companies or listed companies with land holdings in New South Wales of \$2 million or more, where the acquisition is for the purpose of securing financial accommodation
- buy-back arrangements of widely held unit trust schemes for the purpose of re-issuing or reoffering the units for sale, subject to certain criteria
- amalgamations of certain Western Lands leases under the *Western Lands Act 1901* where transfer duty has been paid on the transfer of other such leases in the previous three years.

The following is a minor exemption from surcharge purchaser duty:

- holders of subclass 410 (retirement) and 405 (investor retirement) visas from 1 July 2019.

General insurance duty

The benchmark tax base for general insurance is all premiums paid for insurance policies. General insurance does not include life insurance or life insurance riders. The benchmark tax rate is 9 per cent of the premium paid.

Table C.5: General insurance duty – major tax expenditures

	2023-24 \$m	2024-25 \$m	2025-26 \$m
Business			
Exemption for workers compensation premiums An exemption applies to worker compensation premiums made in accordance with the <i>Workplace Injury Management and Workers Compensation Act 1998</i> .	414	475	504
Marine and cargo insurance An exemption is provided for marine insurance covering hulls of commercial ships and cargo carried by land, sea or air.	12	13	14
Small business exemptions An insurance duty exemption is provided to small businesses for commercial vehicles, commercial aviation, professional indemnity, and product and public liability.	118	127	135
Individuals / families			
Concessional rates for Type B general insurance, as identified in Section 233 of the <i>Duties Act 1997</i> A concessional rate of 5 per cent is applied to certain categories of general insurance, including motor vehicle (excluding compulsory third party), aviation, disability income, occupational indemnity, and hospital and ancillary health benefits (where not covered by private health insurers).	410	442	469
Compulsory third party motor vehicle insurance An exemption is provided for third party motor vehicle personal injury insurance (green slip), as per the <i>Motor Accidents Act 1988</i> and the <i>Motor Accidents Compensation Act 1999</i> .	206	219	231

General insurance duty – minor tax expenditures (< \$1 million)

Minor exemptions from insurance duty include:

- insurance by non-profit organisations with the main aim being a charitable, benevolent, philanthropic or patriotic purpose
- crop and livestock insurance taken out from 1 January 2018
- societies or institutions whose resources are used wholly or predominantly for the relief of poverty, the promotion of education, or any purpose directly or indirectly connected with defence or the amelioration of the condition of past or present members of the naval, military or air forces of the Australian Government or their dependants or any other patriotic objectives
- insurance by the New South Wales Aboriginal Land Council or Local Aboriginal Land Councils
- insurance covering mortgages or pools of mortgages acquired for issuing mortgage-backed securities
- separate policies covering loss by fire of tools, implements of work or labour used by any working mechanic, artificer, handcrafter or labourer

- redundancy insurance in respect of a housing loan that does not exceed \$124,000
- reinsurance.

Life insurance duty

For temporary or term life insurance policies, life insurance riders, and trauma or disability insurance policies, the benchmark tax base is the first year's premium on the policies and the benchmark rate is 5 per cent. For group term insurance policies, duty of 5 per cent of the premium payable in any succeeding year in respect of any additional life covered by the policy is also charged.

The benchmark tax base for all other life insurance policies is the total sum insured. The benchmark tax rate is \$1 on the first \$2,000 and 20 cents for every additional \$200 or part thereof.

Table C.6: Life insurance duty – major tax expenditures^(a)

	2023-24 \$m	2024-25 \$m	2025-26 \$m
Individuals / families			
Superannuation			
An exemption is granted to all group superannuation investment policies that benefit more than one member.	4	4	4
Annuities			
An exemption is granted to annuities issued, created or sold by a life company or purchased by a person from a life company.	8	8	9

(a) Treasury has reviewed how tax expenditures are calculated and reported for life insurance. This has impacted how the amounts are reported in the Budget but has no impact on the exemptions that are provided to life insurers.

Motor vehicle stamp duty

The benchmark tax base is the value of all purchases and transfers of motor vehicles. The benchmark tax rate for passenger vehicles is \$3 per \$100, or part thereof, for vehicles valued up to \$44,999, and \$1,350 plus \$5 per \$100, or part thereof the vehicle's value over \$45,000 for vehicles valued at \$45,000 or more.

Table C.7: Motor vehicle stamp duty – major tax expenditures

	2023-24 \$m	2024-25 \$m	2025-26 \$m
Business			
New demonstrator motor vehicle An exemption is granted to licensed motor dealers and wholesalers under the <i>Motor Dealers Act 1974</i> .	112	131	140
Individuals / families			
Caravans and camper trailers An exemption is provided for transfers of registration of caravans and camper trailers.	85	79	85
Transfers on divorce or breakdown of a de facto relationship An exemption is granted for the transfer of registration to one of the parties to a divorce or separation in a de facto relationship.	4	4	4
Transfer of ownership of a deceased registered owner An exemption is granted for the transfer of registration to a nominated legal personal representative or to the person beneficially entitled to the vehicle in the estate.	13	13	14
Electric and hydrogen vehicles An exemption was available for certain electric vehicles and hydrogen fuel cell vehicles purchased between 1 September 2021 and 31 January 2023.	31	4 ^(a)	0 ^(a)
Government / public entities			
Local councils An exemption is granted for the transfer of registration into the name of a local council, not for a trading undertaking.	11	14	15
Ambulances An exemption is granted for motor vehicles specially constructed and solely used for the ambulance work of carrying sick and injured persons.	1	2	2
Charitable / non-profit organisations / clubs			
Charitable institutions An exemption is granted to non-profit organisations that have a charitable, benevolent, patriotic or philanthropic purpose.	6	7	7
Pensioners / concession card holders / disadvantaged			
War veterans and impaired members of the Defence Force An exemption is granted to Department of Veterans' Affairs (DVA) pensioners who meet certain pension or disability criteria.	2	3	3

(a) Transitional arrangements apply to people who purchased or placed a deposit on their vehicle before or on 31 December 2023, to receive an exemption upon application. The estimates for 2024-25 are based on actual exemptions granted to 31 April 2025. Estimates for 2025-26 are based on monthly averages from November 2024 to April 2025. It is expected that this will be a minor concession in future years.

Motor vehicle stamp duty – minor tax expenditures (< \$1 million)

Minor exemptions from motor vehicle stamp duty include:

- applications to register a heavy vehicle trailer, not previously registered under the Australian Government or another Australian jurisdiction
- applications to register a heavy vehicle trailer, previously registered in the name of the applicant under the Australian Government or another Australian jurisdiction
- vehicles specially constructed for mine rescue work
- vehicles weighing less than 250kg used for transporting invalids
- vehicles registered by a Livestock Health and Pest Authority (now administered by Local Land Services), established under the *Rural Lands Protection Act 1998*
- vehicles registered by the New South Wales Aboriginal Land Council or Local Aboriginal Land Councils
- motor vehicles registered conditionally under the *Road Transport Act 2013*.

A concessional rate of duty applies to vehicles modified for use by disabled persons.

Payroll tax

The payroll tax benchmark is aggregate annual gross remuneration in excess of \$1.2 million paid by a single or group taxpayer. The benchmark tax rate is 5.45 per cent.

Table C.8: Payroll tax – major tax expenditures

	2023-24 \$m	2024-25 \$m	2025-26 \$m
Business			
Medical Centres (Bulk-Billing Support Initiative)			
From 4 September 2024, a payroll tax rebate applies to medical centres in respect of contractor GP wages, if they meet specified bulk-billing thresholds. Past payroll tax liabilities of medical centres with respect to contractor general practitioner wages that have been incurred but unpaid up to 4 September 2024 are exempt and were included in the 2024-25 Budget.	...	123	21
Jobs Plus			
Payroll tax relief is available to eligible businesses for up to four years for every new job created where a business has created at least 30 net new jobs in metropolitan New South Wales or 20 net new jobs in non-metropolitan New South Wales.	7	7	6
Apprentices			
A full exemption/rebate is provided for wages paid to approved apprentices under the <i>Apprenticeship and Traineeship Act 2001</i> and those employed by approved non-profit group training organisations.	75	78	82
Trainees			
A full exemption/rebate is provided for wages paid to approved new trainees under the <i>Apprenticeship and Traineeship Act 2001</i> and those employed by approved non-profit group training organisations.	54	55	58
Maternity Leave			
An exemption is granted for maternity leave payments for a period of up to 14 weeks, or its equivalent, at a reduced rate of pay.	52	54	57

Table C.8: Payroll tax – major tax expenditures (cont)

	2023-24 \$m	2024-25 \$m	2025-26 \$m
Redundancy payments			
An exemption is provided for the Australian Government tax-free part of a genuine redundancy or approved early retirement scheme payment.	25	26	27
Charitable / non-profit organisations / clubs			
Charitable institutions			
An exemption is granted to non-profit charitable, benevolent, patriotic, or philanthropic organisations for wages paid to employees engaged exclusively in the normal work of these institutions.	1,575	1,638	1,732
Not-for-profit private hospitals			
An exemption is granted to non-profit private hospitals for wages paid to persons engaged exclusively in work of a kind ordinarily performed by a hospital.	31	33	35
Government / public entities			
Public hospitals, Local Health Districts and Ambulance Service of NSW			
An exemption is granted for wages paid to persons engaged exclusively in the normal work of these organisations.	981	1,029	1,087
Local councils			
An exemption is granted to councils, county councils and their wholly owned subsidiaries, except for wages paid in connection with certain activities, such as the supply of electricity, gas, water or sewerage services, or the conduct of parking stations, hostels, or coal mines. A full list of exclusions can be found in the <i>Payroll Tax Act 2007</i> .	299	313	331
Schools and colleges			
An exemption is granted to not-for-profit schools and colleges (other than technical schools, technical colleges or those carried on by or on behalf of the State of New South Wales) which provide education at or below, but not above, the secondary level of education.	365	382	407
Religious institutions			
An exemption is granted for wages paid to persons engaged exclusively in work of a kind ordinarily performed by religious bodies.	64	67	71

Payroll tax – minor tax expenditures (< \$1 million)

Minor exemptions from payroll tax include:

- wages paid to an employee who is on leave from employment by reason of service in the Defence Force
- wages paid to persons employed under the Community Development Employment Project administered by Aboriginal and Torres Strait Islander Corporations
- wages paid by the Australian-American Fulbright Commission
- wages paid by the Commonwealth War Graves Commission
- wages paid to members of the official staff by a consular or other non-diplomatic representative of another country or by a Trade Commissioner in Australia representing any other part of the Commonwealth of Nations
- wages paid for a joint government enterprise that has the function of allocating funds for water saving projects
- wages paid by the Governor of a State
- wages paid to employees while the employees are providing volunteer assistance to the State Emergency Services or Rural Fire Brigades (but not in respect of wages paid or payable as recreation leave, annual leave, long service leave or sick leave)
- adoption leave payments for a period of up to 14 weeks, or its equivalent, at a reduced rate of pay
- paternity leave payments for a period of up to 14 weeks, or its equivalent, at a reduced rate of pay.

Land tax

The benchmark tax base is the average of the last three years unimproved land value of all land owned, on 31 December of the previous year, that is above the threshold (as defined in the *Land Tax Management Act 1956*). This excludes land used:

- for owner-occupied residences
- by the Australian Government
- by the NSW Government.

The benchmark tax rate for the 2025 land tax year is \$100 plus 1.6 per cent of the land value between the thresholds of \$1,075,000 and \$6,571,000, and \$88,036 plus 2 per cent of land value thereafter.

Surcharge land tax applies to residential land owned by foreign persons at the rate of 5 per cent per year. The benchmark tax base for surcharge land tax excludes certain commercial residential property.

From 1 February 2024, to qualify for the principal place of residence exemption, an owner must hold at least a 25 per cent interest in the property and meet existing eligibility criteria. Owners who do not meet this requirement are liable for land tax from 1 January 2025. Transitional arrangements apply for owners with less than 25 per cent ownership who qualified before this date, with liability commencing from the 2026 land tax year.

The 2025-26 Budget includes a new BTR tax measure. Owners of new BTR developments will be able to apply for an indefinite 50 per cent reduction in land value for land tax purposes, subject to eligibility requirements. Australian corporations will also be able to apply for an indefinite exemption or refund from surcharge land tax, for new BTR developments, subject to eligibility requirements.

Table C.9: Land tax – major tax expenditures^{(a)(b)}

	2023-24 \$m	2024-25 \$m	2025-26 \$m
Business			
Racing clubs An exemption is granted for land owned by or held in trust for any club for promoting or controlling horse racing, trotting or greyhound racing used mainly for their meetings.	3	3	3
Employer and employee organisations An exemption is granted for land owned by or held in trust for employer and employee organisations for that part not used for a commercial activity open to members of the public.	2	2	2
Co-operatives An exemption is granted for land owned by a co-operative under the Co-operatives National Law (NSW) that has its objects listed in the <i>Co-operation Act 1923</i> .	2	2	2
Childcare centres and schools An exemption is granted for land used as a residential childcare centre licensed under the <i>Children and Young Persons (Care and Protection) Act 1998</i> or a school registered under the <i>Education Act 1990</i> .	43	49	57
Australian-Based Developers An exemption or refund of surcharge land tax is provided for Australian based developers that are foreign persons, for certain development on or use of residential land.	95	122	132
Build-to-rent A concession in the form of a 50 per cent reduction in land value for land tax purposes is available to eligible new BTR developments. An exemption or refund of surcharge land tax is also provided to Australian based developers that are foreign persons, subject to satisfying requirements relating to the construction of BTR properties.	n.a. ^(c)	12	20
Government / public entities			
Cemeteries and crematoriums An exemption is provided for land owned by or held in trust and used for a public cemetery or crematorium.	1	1	1
Public and private hospitals An exemption is provided for land owned by or held in trust and used for public or private hospitals (including nursing homes) and Local Health Districts.	8	5	4
Aboriginal Land Councils An exemption is provided for land owned by the New South Wales Aboriginal Land Council or a Local Aboriginal Land Council constituted under the <i>Aboriginal Land Rights Act 1983</i> or a registered native title body corporate within the meaning of the <i>Native Title Act 1993</i> of the Commonwealth.	35	40	45
Public gardens An exemption is provided for the land owned by or held in trust and used for a public garden, public recreation ground or public reserve.	8	8	9

Table C.9: Land tax – major tax expenditures^{(a)/(b)} (cont)

	2023-24 \$m	2024-25 \$m	2025-26 \$m
Individuals / families			
Early payment discount			
A discount is available where the full amount of land tax is paid within 60 days of issue of the notice of assessment in the land tax year. From the 2023 land tax year, the discount for early payment of land tax was reduced from 1.5 per cent to 0.5 per cent.	18	17	14
Pensioners / concession card holders / disadvantaged			
Retirement villages			
An exemption is granted for land used as retirement villages, and residential parks predominantly occupied by retired persons.	60	81	95
Boarding houses for low-income persons			
An exemption is granted for land used for boarding houses for which the rent charged is less than the amount prescribed by the guidelines.	18	17	18
Low-cost rental accommodation			
An exemption is provided for low-cost rental accommodation within a 5km radius of 1 Martin Place, Sydney.	2	1	1
Religious institutions			
Religious societies			
An exemption is provided for land owned by or in trust for a religious society carried on solely for religious, charitable or educational purposes, and/or religious societies' places of worship and residences of clergy, ministers or orders of the society.	378	404	438
Charitable / non-profit organisations / clubs			
Charitable bodies			
An exemption is provided for land owned by or in trust for a charitable body.	399	442	486
Game or Sports Clubs			
An exemption is granted for land owned by or in trust for any club or body of persons which is used primarily for the purpose of a game or sport and not for the pecuniary profit of the members.	11	12	13
Non-pecuniary profit society, club or association			
An exemption is granted for a building owned and solely occupied by a society, club or association not carried on for pecuniary profit.	58	63	68
Rural			
Land used for primary production			
An exemption is granted for land used for primary production. To qualify, land must be used for primary production for the purpose of profit on a continuous or repetitive basis.	2,008	2,519	3,281

Table C.9: Land tax – major tax expenditures^{(a)(b)} (cont)

	2023-24 \$m	2024-25 \$m	2025-26 \$m
Other			
Mixed use developments The land value of mixed development land or mixed-use land on which is situated a single dwelling or flat is to be reduced by the allowable proportion in relation to the dwelling or flat for land tax purposes.	15	17	19
Conservation agreement An exemption is provided for land that is the subject of a conservation agreement under the <i>Biodiversity Conservation Act 2016</i> or the <i>National Parks and Wildlife Act 1974</i> , being an agreement that remains in force in perpetuity.	1	1	2

(a) Treasury has reviewed how tax expenditures are calculated and reported for land tax. This has impacted how the amounts are reported in the Budget but has no impact on the exemptions that are provided to property owners.

(b) Properties exempted under one category may also qualify for other exemptions. These are included only once to determine tax expenditures.

(c) Amount has not been published due to confidentiality reasons.

Land tax – other major tax expenditures (> \$1 million)

Major exemptions from land tax include:

- land used for the Sydney Light Rail
- land owned by local councils.

Land tax – minor tax expenditures (< \$1 million)

Minor exemptions from land tax include:

- land used to hold agricultural shows, which is owned by, or held in trust for, a society established for the purpose of holding, promoting and funding such shows
- Primary Products Marketing Boards, Local Land Services and Agricultural Industry Service committees
- land owned by a society registered under the Friendly Societies (New South Wales) Code
- fire brigades, ambulances or mines rescue stations
- community land development
- land that is the subject of a biodiversity stewardship agreement under the *Biodiversity Conservation Act 2016*
- land that is the subject of a BioBanking agreement
- land owned by a joint government enterprise that has the function of allocating funds for water saving projects
- land used solely as a police station
- land owned by Returned & Services League of Australia (New South Wales Branch), being Anzac House.

A concession is provided for unoccupied flood-labile land.

The holders of subclass 410 (retirement) and 405 (investor retirement) visas are exempt from surcharge land tax.

Vehicle weight tax

The benchmark tax base is all vehicles (except Australian Government vehicles) intended for on-road use. The benchmark tax rates, which vary by vehicle type, weight, usage and other factors, are updated annually by the NSW Government.

From 1 January 2025, charges for cars, station wagons and trucks up to 4.5 tonnes Gross Vehicle Mass are based on a 12-step graduated weight scale, ranging from:

- \$266 (0 – 975 kg) to \$1,457 (4,325 – 4,500 kg) for private use vehicles
- \$429 (0 – 975 kg) to \$2,429 + \$327 (4,325 – 4,500 kg) for business use vehicles.

From 1 January 2025, charges for trailers and caravans up to 4.5 tonnes Gross Vehicle Mass are based on a 14-step graduated weight scale, ranging from:

- \$0 (0 – 254 kg) to \$1,457 (4,325 – 4,500 kg) for private use vehicles
- \$131 (0 – 254 kg) to \$2,429 (4,325 – 4,500 kg) for business use vehicles.

Table C.10: Vehicle weight tax – major tax expenditures

	2023-24 \$m	2024-25 \$m	2025-26 \$m
Business			
General purpose plant			
Concessions are provided for machines that cannot carry any load other than tools and accessories necessary for the operation of the vehicle.	46	49	52
Other			
Concessions provided under Part 4, section 16 and 17 of the <i>Motor Vehicles Taxation Act 1988</i> including vehicles specially constructed for the work of conveying sick or injured persons or to carry out mine rescue, and agricultural vehicles that do not travel on a road.	2	2	2
Individuals / families			
Motor Vehicle Tax – Low Emission Vehicles			
Transport for NSW provides owners of vehicles with low emissions a concession on motor vehicle tax.	10	12	14
Government / public entities			
Roadwork equipment			
An exemption is granted for any motor vehicle, plough, bulldozer, mechanical scoop or shovel, road grader, road roller or similar machinery owned by a local council that is used for the purposes of road repair, maintenance or construction, removal of garbage or night soil, bushfire fighting or civil defence work, or for any roller, lawn mower or similar machinery used solely or principally for the rolling or maintenance of tennis courts, cricket pitches, lawns or pathways.	6	6	6
Australian Government vehicles			
Any vehicle leased to an Australian Government Authority is exempt from tax under Section 16, Part 3, (2) (d) of <i>Commonwealth Vehicles (Registration and Exemption from Taxation) Act 1997</i> (Cth).	1	1	1
Pensioners / concession card holders / disadvantaged			
Selected social security recipients			
An exemption is granted for any motor vehicle used substantially for non-business purposes owned by holders of Pensioner Concession Cards, Department of Veterans' Affairs (DVA) Totally and Permanently Incapacitated Cards or DVA Gold War Widows Cards.	365	386	408

Table C.10: Vehicle weight tax – major tax expenditures (cont)

	2023-24 \$m	2024-25 \$m	2025-26 \$m
Rural			
Primary producers			
Primary producer concessions include, for motor vehicles not greater than 4.5 tonnes of gross vehicle mass, private rates rather than business rates for cars and station wagons and 55 per cent of business rates for trucks, tractors, and trailers.	33	34	35

Vehicle weight tax – minor tax expenditures (< \$1 million)

Minor exemptions from vehicle weight tax include:

- motor vehicles (not government owned) used principally as an ambulance
- motor vehicles (not government owned) used by the State Emergency Service
- motor vehicles on which a trader's plate is being used in accordance with the *Road Transport (Vehicle Registration) Act 1997* or the regulations under that Act
- motor vehicles owned by Aboriginal Land Councils
- motor vehicles of consular employees and trade missions.

Minor concessions include:

- a concessional rate of 55 per cent of business rates (or 30 per cent when operated outside the Sydney, Newcastle or Wollongong metropolitan areas) is applied to tow trucks constructed to partially lift and tow other vehicles
- a concessional rate of 88 per cent is provided for mobile cranes used for private use
- a concessional rate of tax is applied to any motor vehicle that is owned by a Livestock Health and Pest Authority (now administered by Local Land Services) and is used solely for carrying out the functions of the board
- a rebate of \$100 for vehicle registration is given to first and second-year apprentices registered with the NSW Department of Education.

Gambling and betting taxes

The benchmark for gaming machines in hotels and registered clubs is the rates of taxation applying to hotels, which vary based on a progressive rate scale depending on the level of annual profits from gaming machines.

Table C.11: Gambling and betting taxes – major tax expenditures

	2023-24 \$m	2024-25 \$m	2025-26 \$m
Charitable / non-profit organisations / clubs			
Club gaming machines			
Gaming machines installed in clubs registered under the <i>Registered Clubs Act 1976</i> are taxed at lower rates than gaming machines installed in hotels.	971	1,038	1,077
ClubGRANTS			
Registered clubs may receive a tax rebate on eligible ClubGRANTS expenditure of up to 1.85 per cent of a club's gaming machine profits over \$1 million during a tax year.	75	81	84

Gambling and betting taxes – other tax expenditures³

A full tax rebate is provided to racing clubs operating non-TAB Ltd pools.

Parking space levy

The benchmark tax base is the number of off-street parking spaces in Category 1 areas (Sydney CBD, North Sydney and Milsons Point business districts) or Category 2 areas (Chatswood, Parramatta, St Leonards and Bondi Junction business districts).

The benchmark levy is indexed annually to movements in the Sydney CPI, over the year to the previous March quarter. For 2024-25, the benchmark levy is \$2,950 per space in Category 1 areas and \$1,050 per space in Category 2 areas.

Table C.12: Parking space levy – major tax expenditures

	2023-24 \$m	2024-25 \$m	2025-26 \$m
Business			
General exemptions and concessions for Category 1 and 2 areas			
An exemption is granted for certain parking spaces for bicycles and motor cycles, residents of the same or adjoining premises, use under the mobility parking scheme, loading and unloading of goods or passengers, cranes and other plant, overnight parking of emergency service vehicles, private vehicles parked on land owned by councils, religious organisations or bodies, charities or benevolent institutions, persons providing services on a casual basis, unused casual parking or unleased tenant parking.	74	76	78
Additional exempt parking spaces in Category 1 and 2 areas			
An exemption is granted for spaces for customers attached to retail outlets, hotels, motels, clubs, restaurants, medical centres, car hire and sales, repair and wash establishments, and funeral parlours.	12	12	12

C.3 Distributional analysis of tax expenditures

This section provides information on the types of recipients or transactions that benefit from large tax expenditures, to provide an indication of how the benefits of these tax expenditures are distributed. The analysis presented in this section is intended to enhance the transparency with regards to the distribution of tax expenditures across different recipient groups.

The scope of distributional analysis is limited by the availability of data. The NSW Government generally does not collect information on the individuals that benefit from tax expenditures, and therefore is unable to undertake distributional analysis according to income levels and other factors such as gender, age and occupation.

Distributional analysis is presented for the following two tax expenditures (where there is sufficient data to provide meaningful analysis):

- concessional tax rates for gaming machines installed in clubs
- the First Home Buyers Assistance Scheme.

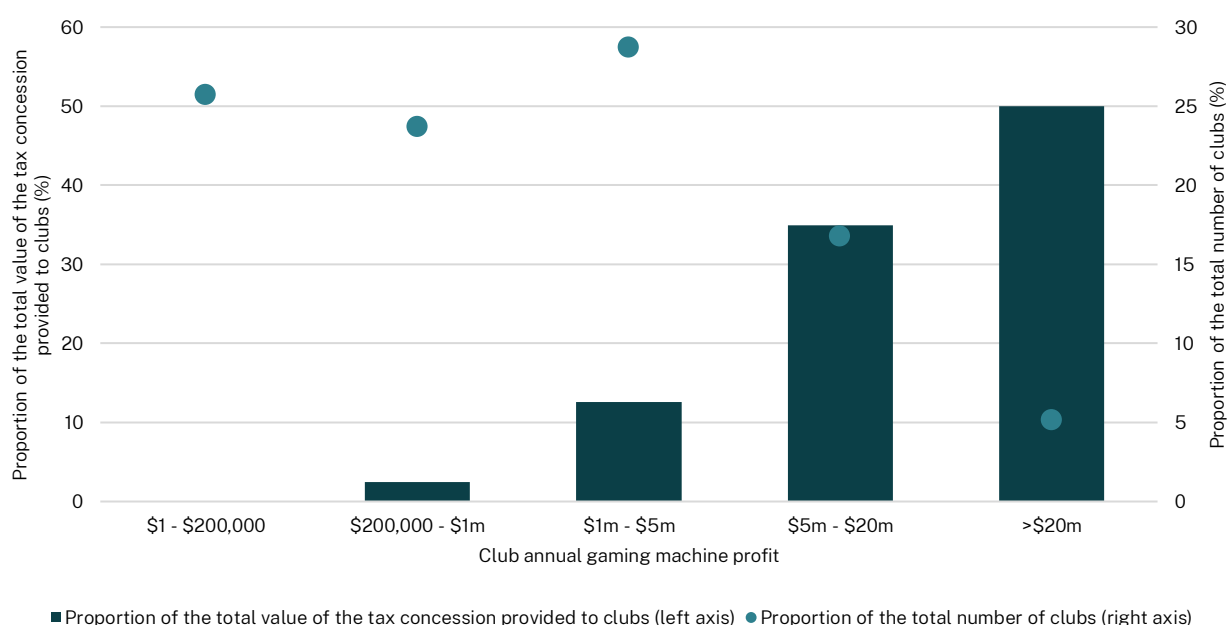
³ Items listed under the 'other tax expenditures' heading are those where there is insufficient data available on which to base a reliable estimate.

Tax concessions for gaming machines located in registered clubs

Registered clubs in New South Wales pay concessional rates of tax on their gaming machine profits compared to the tax rates levied on hotel gaming machine profits. Tax rates for clubs and hotels are based on a progressive scale depending on the level of annual profits from gaming machines.

Chart C.2 shows the proportion of the total value of the tax concession provided to clubs by annual gaming machine profit bands (left axis) and the proportion of clubs within each of the annual gaming machine profit bands (right axis) for 2023-24 (the chart does not include the ClubGRANTS tax rebate). It shows that clubs with profit greater than \$20 million, which account for 5 per cent of clubs (not including clubs with nil or negative gaming machine profits), receive about half of the total concession provided to clubs. Clubs with gaming profits less than \$200,000 do not receive any concession as both clubs and hotels do not pay tax on gaming machine profits below \$200,000.

Chart C.2: *Proportion of total concessions and proportion of total number of clubs by annual gaming machine profit, 2023-24⁴*



First Home Buyers Assistance Scheme

The First Home Buyers Assistance Scheme (FHBAS) provides eligible first home buyers a full exemption from transfer duty or a concessional duty rate when purchasing a new or existing home, or vacant land with the intent to build a home.

Eligible first home buyers receive a full exemption from transfer duty when purchasing a home valued up to \$800,000, and a concessional rate of transfer duty when purchasing a home valued between \$800,000 and \$1 million. For vacant land purchased with the intention to build a home, eligible first home buyers can receive an exemption from transfer duty for land valued up to \$350,000, and a concessional rate of transfer duty for land valued between \$350,000 and \$450,000.

⁴ Data only includes clubs with positive gaming machine profits.

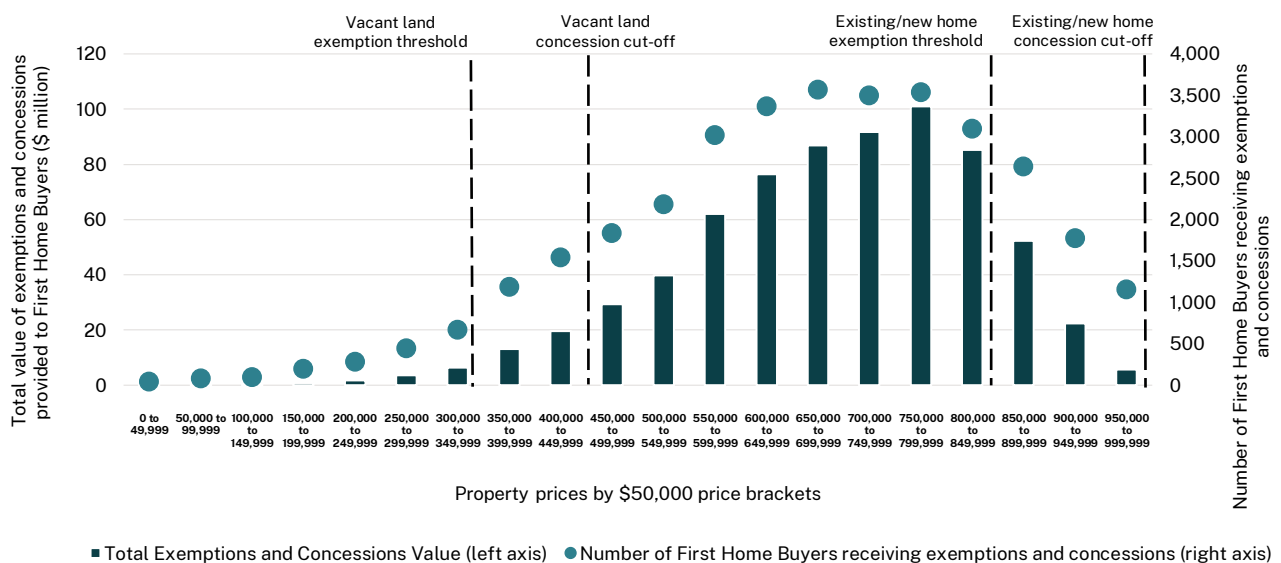
In 2023-24, more than 34,000 first home transactions in New South Wales received transfer duty exemptions and concessions, amounting to around \$698 million, with an average value of over \$20,000. This is an increase from 2022-23, where around 23,400 first home transactions received a total of around \$388 million in transfer duty exemptions and concessions, which partly reflected the higher thresholds for exemption and concession on home purchases that commenced on 1 July 2023.

Chart C.3 shows the distribution of the tax exemptions and concessions across property prices by \$50,000 bands in 2023-24. First home buyer purchases valued between \$750,000 and \$800,000 received the greatest share of transfer duty exemption and concession value, where over 3,500 first home buyer transactions obtained exemptions with a total value of over \$100 million. This is also the highest price band for first home purchases that is entitled to full exemption under the FHBAS.

Notably, with the increase of the exemption threshold from \$650,000 to \$800,000 from 1 July 2023, over 10,500 first home transactions have benefitted from a full exemption of transfer duty, amounting to around \$279 million worth of exemptions. This group of first home buyers would have previously been liable for transfer duty for their homes, if they had made the same purchases under the prior FHBAS thresholds, albeit at a concessional rate.

Similarly, with the increase of concessional duty rate threshold from \$800,000 to \$1 million from 1 July 2023, over 8,600 first home buyers have benefitted from a concessional duty rate with a total value of over \$165 million in 2023-24 under the FHBAS.

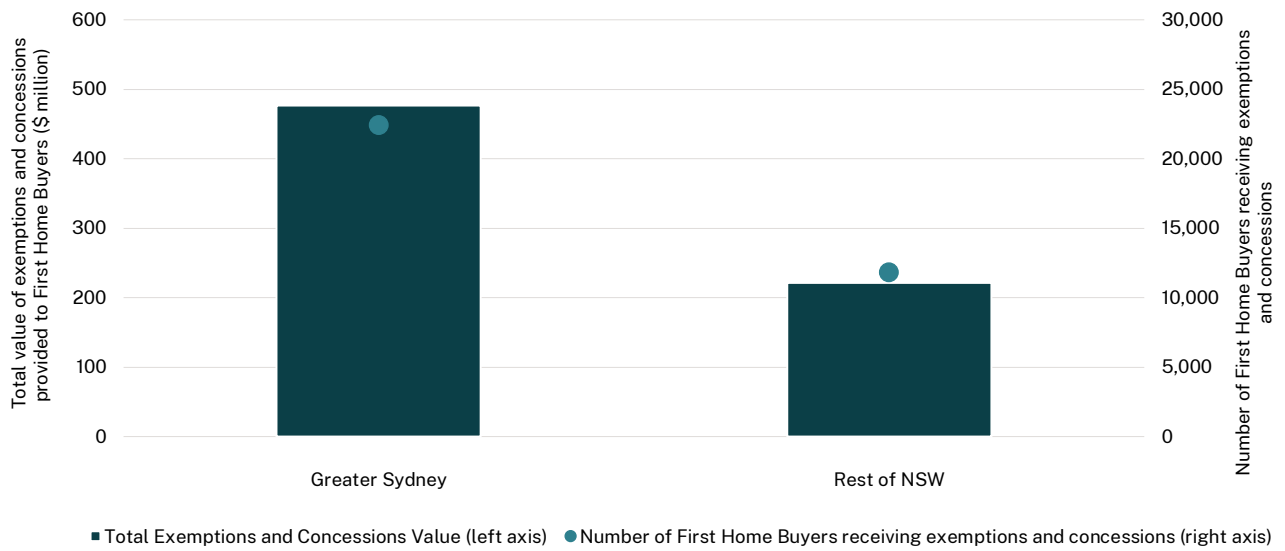
Chart C.3: *Total value of exemptions and concessions for first home buyer purchases across different price brackets in New South Wales, 2023-24*



Note: The above chart is for 2023-24, as it is the last financial year for which a full year of actuals data is available.

Chart C.4 shows the distribution of the tax exemptions and concessions under the FHBAS between the Greater Sydney region and the rest of New South Wales. Of the total exemptions and concessions under the FHBAS for 2023-24, first home buyer purchases in Greater Sydney received 68 per cent (totalling \$477 million) and those in the rest of New South Wales received 32 per cent (totalling \$221 million).

Chart C.4: *Distribution of First Home Buyers Assistance Scheme exemptions and concessions in metropolitan Sydney and the rest of New South Wales, 2023-24*



Note: Categorisation by geographical area is based on Local Government Areas (LGAs). Greater Sydney includes metropolitan Sydney and surrounding areas up to and including the Central Coast, Blue Mountains, Wollondilly and Sutherland council areas.

C.4 Concessional charges

Overview of concessional charges

Table C.13 classifies, by function, the major concessions provided by the NSW Government. The total value of major concessions, which accrue primarily to pensioners, older Australians and school students, is estimated at \$2.7 billion in 2025-26.

Table C.13: Concessions by function

Function	2023-24 \$m	2024-25 \$m	2025-26 \$m
Public Order and Safety	16	17	17
Education	799	772	796
Health	354	382	403
Transport	1,058	1,025	873
Housing and Community	555	620	567
Social Protection	13	15	15
Economic Affairs	13	13	13
Recreation, Culture and Religion	9	12	15
Environmental Protection	11	11	11
Total	2,828	2,867	2,710

The following sections provide a breakdown by policy function line. Details of concessions that have an impact over \$1 million are itemised in a table. Examples of concessions with an impact of less than \$1 million are listed.

Public order and safety

Table C.14: Public order and safety – major concessions

	2023-24 \$m	2024-25 \$m	2025-26 \$m
Pensioners / concession card holders / disadvantaged			
Court interpreting and translation services			
Multicultural NSW provides free translation and interpreting services for people in NSW from a non-English speaking background.	8	8	8
Court and tribunal fee concessions			
Court and tribunal fees may be reduced or waived, subject to guidelines issued by the Attorney General, in circumstances where a person's capacity to pay may otherwise limit his or her access to justice.	3	3	3
Government / public entities			
Concessions for NSW State Hallmark Events			
The NSW Police Force does not charge for all additional police costs associated with crowd control and traffic management services for designated 'NSW State Hallmark Events' such as Australia Day, Vivid Festival, and Tamworth Music Festival.	5	6	6

Education

Table C.15: Education – major concessions

	2023-24 \$m	2024-25 \$m	2025-26 \$m
Individuals / families			
School Student Transport Scheme			
The School Student Transport Scheme provides subsidised travel to and from school for eligible students on government and private bus, rail and ferry services, long-distance coaches and in private vehicles where no public transport services exist.	616	632	656
Pensioners / concession card holders / disadvantaged			
Smart and Skilled – Vocational Education and Training (VET) concessions and exemptions			
Fee concessions are available to Australian Government welfare beneficiaries, people with a disability, and their dependents and partners, undertaking Certificate IV and below qualifications. Fee exemptions are available to students with a disability, as well as their dependents and partners, for their first qualification in a calendar year. Fee exemptions are also available to Aboriginal students.	97	94	93
Smart and Skilled – VET concessions and exemptions			
Skilling for Recovery – Additional full qualifications fee free training places.	2	1	0
Skilling for Recovery – Additional fee gap on existing full qualification training places.	7	3	0
NSW Fee Free Tranche 1 – Existing fee free full qualification and part qualification.	47	11	...(a)
NSW Fee Free Tranche 2 – Existing fee free full qualification and part qualification.	30	30	36
NSW Fee Free Tranche 3 Construction - Existing fee free full qualification and part qualification.	...(b)	1	11

(a) Nil in 2025-26 given that NSW Fee Free Tranche 1 concession was completed in 2023-24.

(b) Nil in 2023-24, NSW Fee Free Tranche 3 commenced early 2025.

Health

Table C.16: Health – major concessions

	2023-24 \$m	2024-25 \$m	2025-26 \$m
Pensioners / concession card holders / disadvantaged			
Ambulance service for concessional patients			
Free ambulance transport is provided to holders of Pensioner, Health Care, or Department of Veterans' Affairs concession cards.	279	304	323
Ambulance service for COVID affected patients			
From March 2020, free ambulance treatment and / or transport for suspected COVID or COVID vaccination reactions.	3	0	0
Ambulance service for corrective services			
Free ambulance transport is provided for patients being transferred to or from a correctional institution.	1	1	2
Ambulance service for police custody			
Free ambulance transport is provided for patients in police custody.	4	4	4
Ambulance service provided under Section 20, <i>Mental Health Act 2007</i>			
Free ambulance transport is provided to patients experiencing mental illness.	7	8	9
Ambulance service provided under Section 22, <i>Mental Health Act 2007</i>			
Free ambulance transport is provided to patients experiencing mental illness.	7	6	7
Ambulance service provided for sexual / domestic assault			
Free ambulance transport is provided to patients who are treated and / or transported as a result of domestic or sexual assault.	2	2	2
Outpatient Pharmaceutical Scheme for S100 Concessional Public Patients			
Concessions provided to concessional patients up to the safety threshold.	2	2	2
Outpatient Pharmaceutical Scheme for S100 General Public Patients			
Concessions provided to general patients up to the safety threshold.	8	8	8
Concessional car parking fees at NSW public hospitals			
Eligible for patients who are required to attend a hospital facility for a course of treatment, those who hold specific concessions cards, and for carers of long-term patients who visit frequently.	18	19	19
Free parking at rural and regional hospitals			
Free parking is available to staff, patients and their families at rural and regional hospitals across New South Wales.	5	5	5
Life Support Rebate			
Assistance is provided for households that use electricity to run equipment to sustain life.	11	15	14
Medical Energy Rebate			
Assistance is provided for households that use air conditioning to assist with a medically diagnosed inability to manage body temperature.	2	2	2
NSW Spectacles Program			
Vision Australia provides free optical appliances to the most disadvantaged and vulnerable of NSW residents who, in the absence of a subsidy, might otherwise forego necessary vision aids due to financial and other challenges.	5	6	6

Health – minor concessions (< \$1 million)**Minor concessions include:**

- Free ambulance treatment and/or transport for other groups not listed above including children at risk, emergency workers, cases involving the death of an infant between 0-2 years, and patients eligible to participate under the *Lifetime Care and Support Authority Act 2006*.

Transport**Table C.17: Transport – major concessions**

	2023-24 \$m	2024-25 \$m	2025-26 \$m
Pensioners / concession card holders / disadvantaged			
Public transport concessions			
Pensioners, seniors, welfare beneficiaries and students travel for less than full fare on bus, rail, taxi and ferry services.	270	285	302
Driver's Licence – Selected social security recipients			
Transport for NSW provide a driver's licence fee exemption to holders of Pensioner Concession Cards, DVA Totally and Permanently Incapacitated Cards and DVA Gold War Widows Cards, subject to income and disability rate thresholds, where the vehicle owned by the licence holder is used substantially for social and domestic purposes.	38	64	42
Taxi Transport Subsidy Scheme			
To provide transport support for NSW residents who cannot use public transport because of a severe and permanent disability.	42	39	49
Commonwealth Home Support Program, Community Transport Program and NSW Health's Non-Government Organisations Grants Program			
Transport for NSW provides funding to community transport operators to provide services under three government programs. The Commonwealth Home Support Program provides funding for older eligible individuals and is aimed at supporting individuals in staying independent and in their own home for longer. The Community Transport Program assists individuals who are transport disadvantaged owing to physical, social, cultural and/or impacted by geographic factors. Transport for NSW also administers contract management of NSW Health's Non-Government Organisations Grants Program (on behalf of NSW Health) to support the provision of nonemergency health-related transport programs that enhance access to health care by catering for the travel needs of people who are transport disadvantaged.	95	95	14 ^(a)
Motor Vehicle Registration Fees - Selected social security recipients			
An exemption is granted to holders of Pensioner Concession Cards, Department of Veterans' Affairs (DVA) Totally and Permanently Incapacitated Cards and DVA Gold War Widows Cards (subject to income and disability pension rate thresholds) for a single vehicle used substantially for social or domestic purposes.	63	66	68

Table C.17: Transport – major concessions (cont)

	2023-24 \$m	2024-25 \$m	2025-26 \$m
Individual / families			
Toll Relief Program			
Toll relief provides motorists who spend \$402 or more on eligible tolls in the 2023-24 financial year (\$375 or more in the 2022-23 financial year) a 40 per cent rebate upon claim. Toll spend must be accumulated on NSW toll roads, with a NSW tolling account.	217	85	... ^(b)
M5 Cash Back			
Residents can claim back the value of tolls (exc. GST) paid while using a vehicle registered in NSW for private, pensioner or charitable use of the M5 South-West Motorway.	137	142	151
Weekly Toll Cap and Truck Multiplier Relief			
From 1 January 2024, a two-year toll relief program for private motorists and truck drivers, with the introduction of:			
a) \$60 weekly cap for NSW residents who spend more than \$60 on eligible toll roads	83	144	137
b) a one third toll rebate for heavy vehicles using the M5 and M8 tunnels.	9	16	17
Fair Go for Safe Drivers – Discounted Licence Renewal			
Drivers with a NSW full licence (driver, rider, and heavy vehicle) for at least five years with no demerit points or relevant offences may be eligible for an automatic 50 per cent discount on licence renewal.	19 ^(c)
Opal Card Travel Cap			
From 1 July 2019, adults are eligible for a \$50 weekly cap, and child / youth and concession Opal customers for a \$25 weekly cap respectively on all travel by trains, buses, ferries and light rails in New South Wales.	56	88	94
Rural			
Regional Seniors Travel Card			
Eligible seniors living in regional areas of New South Wales can receive a \$250 prepaid card for travel-related expenses. It can be used to purchase pre-booked NSW TrainLink train and coach services, fuel and taxi services.	29	1	... ^(d)

(a) From 1 July 2025, funding for the Commonwealth Home Support Program will be administered by the Australian Government, not Transport for NSW.

(b) Claims for eligible tolls incurred in the 2023-24 financial year under the Toll Relief Program close on 30 June 2025.

(c) The Fair Go for Safe Drivers concession ended as of February 2024.

(d) Program closed. Existing cardholders were able to use their travel card until it expired.

Transport – minor concessions (< \$1 million)

- Transport for NSW offers a concession on private mooring licences to holders of Pensioner Concession Cards and Repatriation Health Cards.
- A motor vehicle registration fee exemption is provided for Mobile Disability Conveyance.
- The Driver Knowledge Test is free for some learner drivers - New South Wales State Emergency Service, New South Wales Rural Fire Service and New South Wales Volunteer Rescue Association volunteers/personnel, participants in the Driver Licensing Access Program and drivers undertaking the test within a Correctional Centre or Juvenile Justice Centre.
- Driving Tests - Pensioners are able to sit driving tests for free.
- Motorcycle Operator Skill Test - Pensioners are able to sit their motorcycle operator skills test for free.
- Pensioners and other concession card holders get free Mobility Parking Scheme permits (if they also have a mobility disability).
- NSW Photo Cards are free for pensioners and senior card holders.
- 1,000 free places for the Safer Drivers Course are available each year for learner drivers from disadvantaged backgrounds. The course combines theory and practical lessons for eligible drivers under 25 years old and includes 20 hours of logbook credit on completion.
- Large Towed Recreational Vehicle Toll Rebates are given on Sydney motorways to drivers towing certain privately registered caravans, boats and horse floats (in line with the toll charge to those travelling in a regular car). The rebate is capped at eight tolled trips per monthly billing period.

Housing and community*Table C.18: Housing and Community – major concessions*

	2023-24 \$m	2024-25 \$m	2025-26 \$m
Charitable / non-profit organisations / clubs			
Crown land rent concessions			
Rent concessions to various Crown land tenure holders in circumstances where individuals or organisations experience difficulty making payments by the due date, and in circumstances to recognise the level of community benefit provided by groups and organisations.	20	19	13
Exempt properties water rate concession			
Funding is provided to Sydney Water Corporation and Hunter Water Corporation for discounted charges to owners of properties used for non-profit provision of community services and amenities (principally councils, religious bodies, and charities):			
• Sydney Water Corporation	17	17	18
• Hunter Water Corporation	2	3	3
• Essential Water Corporation.	1	1	1

Table C.18: *Housing and Community – major concessions (cont)*

	2023-24 \$m	2024-25 \$m	2025-26 \$m
Pensioners / concession card holders / disadvantaged			
Low Income Household Rebate			
Energy bill rebates are available to customers who hold eligible concession cards.	222	280	225
Pensioner water rate concession			
Funding is provided to Sydney Water Corporation and Hunter Water Corporation to provide Pensioner Concession Card holders, who are direct customers, with concessions for their water and sewerage charges.			
• Sydney Water pensioners receive a 100 per cent discount on the fixed quarterly water service charge, an 86 per cent discount on the fixed quarterly wastewater (sewerage) service charge, and a 50 per cent discount on the fixed quarterly stormwater service charge.	123	130	133
• Hunter Water pensioners receive concessions on water, sewerage, and stormwater service charges.	16	18	18
Local council rates concession			
Local council rates are reduced for holders of Pensioner Concession Cards.	73	69	79
Individuals / families			
Energy Accounts Payment Assistance			
Energy bill rebates are available to assist people experiencing a short-term financial crisis or emergency to pay their electricity or gas bill.	31	34	25
Family Energy Rebate			
Energy bill rebates are available to families with dependent children who have received the Family Tax Benefit.	7	6	8
Gas Rebate			
A rebate is provided to eligible households to assist with gas bills.	32	33	31
Hardship and Low-Income Schemes			
Funding is provided to Sydney Water Corporation and Hunter Water Corporation to provide concessions to customers in financial hardship.	2	2	2
Seniors Energy Rebate			
Assistance for independent retirees who hold a valid Commonwealth Seniors Health Card to help pay their energy bills.	9	8	11

Housing and Community – minor concessions (< \$1 million)

- Department of Planning, Housing and Infrastructure funds a partial discount on Essential Water Corporation charges to owners of properties used for non-profit provision of community services and amenities including councils, religious bodies and charities.
- Hunter Water Corporation provides assistance to customers experiencing financial hardship through registered community welfare agencies.
- Hunter Water Corporation provides concessions for costs incurred for facilitating concessions involved in administering the schemes relevant to housing and community initiatives.
- Essential Energy provides concessions on water, sewerage and drainage charges to eligible customers.

Social protection**Table C.19: Social protection – major concessions**

	2023-24 \$m	2024-25 \$m	2025-26 \$m
Individuals / families			
Working with Children Check concession Volunteers, students on a professional placement, potential adoptive parents or authorised carers are entitled to free Working with Children Checks.	13	15	15

Economic affairs**Table C.20: Economic affairs – major concessions**

	2023-24 \$m	2024-25 \$m	2025-26 \$m
Pensioners / concession card holders / disadvantaged			
Fishing licence concession Fishing licence concessions are provided to eligible persons.	9	9	9
Will and power of attorney concession 3000 free wills are provided annually to eligible persons receiving government benefits including age pension and DVA.	2	2	2
Business			
Sydney Startup Hub rental subsidy Rental discounts to Sydney Startup Hub tenants who meet subsidy criteria.	2	2	2

Recreation, culture and religion

Table C.21: Recreation, culture and religion – major concessions

	2023-24 \$m	2024-25 \$m	2025-26 \$m
Pensioners / concession card holders / disadvantaged			
Recreational vessel registration and boat driving licence			
Transport for NSW provides a 50 per cent concession on recreational vessel registration and recreational boating licences to holders of Pensioner Concession Cards and Repatriation Health Cards.	3	4	3
Individuals / families			
Museum of Applied Arts and Sciences			
The Museum of Applied Arts and Sciences provides free general admission into the Ultimo Powerhouse.	4	5	5
Discounted entry to zoological parks			
The Taronga Conservation Society Australia provides discounted entry to its zoological parks (including Taronga Zoo in Sydney and the Taronga Western Plains Zoo in Dubbo) for concession card holders, tertiary education students and school students.	2	2	2
Free swimming lessons			
Free Learn-to-Swim lessons for at risk populations, including children, youth and adults, from low socio-economic areas, multicultural communities, and in regional and remote New South Wales. 15 providers procured to deliver in locations across the State.	0	1	5

Recreation, culture and religion – minor concessions (< \$1 million)

- A 10 per cent discount is provided to Friends of the Library (members) at the State Library of New South Wales shop and cafe. If the Friend has been a member for 10 years, this increases to a 20 per cent discount at the shop.
- A loan fee waiver applies to NSW public libraries who borrow collection material from the State Library of New South Wales, and discretionary discounts and waivers are provided for digital images.
- The Sydney Opera House provides concessional charges on guided tours for children, pensioners, seniors, students and school group tours. Concession tickets are available to many Sydney Opera House productions for Australian pensioners/seniors, full-time students and children.
- The Sydney Opera House provides a supported venue hire rate to select charitable organisations, community groups or arts organisations that the Sydney Opera House supports or has an existing relationship with, on a case-by-case basis.
- The Sydney Opera House, through the Access Program, provides accessible performances and programs for people with disabilities, including free tailored excursions and tours, performing arts workshops, and supported music programs.

Environmental protection

Table C.22: *Environmental protection – major concessions*

	2023-24 \$m	2024-25 \$m	2025-26 \$m
Pensioners / concession card holders / disadvantaged			
Entry fee to national parks			
Holders of Pensioner Concession Cards, seniors, volunteers and community groups receive free or discounted entry to national parks.	11	11	11
