

Private Forests Tasmania

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Indirect and Industry Tax Policy Unit
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Consultation – Concessional treatment of ACCU's for primary producers

Thank you for the opportunity to provide feedback on the proposed changes to the concessional treatment of Australian Carbon Credit Units for primary producers.

Private Forests Tasmania (PFT) is an independent statutory authority established under the Tasmanian *Private Forests Act 1994*. We work to facilitate and expand the sustainable growth and development of the private forest resource in Tasmania. We do this through providing information to private forest growers, through research collaborations, advocacy, innovation and planning tools. Under our [Corporate Plan 2022-25](#) one of our four goals is to work with policy makers and regulators to improve regulatory efficiency and practical policy settings for private forestry.

Whilst PFT is not itself a primary producer, many of our private forest grower stakeholders are. We support the proposed changes which will enable primary producers to treat any income earned from the sale of ACCU's as primary production income, and as such be eligible to use the Farm Management Deposit Scheme and tax averaging for that income. Changing the point in time at which tax is levied on this income is also supported as it will help producers distribute their tax liability to the years they are earning an income.

Treating the income from ACCU's as just another primary production income source will further assist and encourage these producers to integrate carbon abatement projects into their normal production activities. This is consistent with other State and Federal Government initiatives that incentivise the farming sector to engage in registered Emission Reduction Fund projects that drive investment in regional communities and help Australia achieve its commitment to net zero emissions by 2050. PFT supports all the proposed changes.

If you have any queries on the points we have raised, please contact me on 03 6165 4070 or our Policy & Data Officer Murray Root on 03 6165 4072.

Yours sincerely,


Penny Wells

CEO Private Forests Tasmania