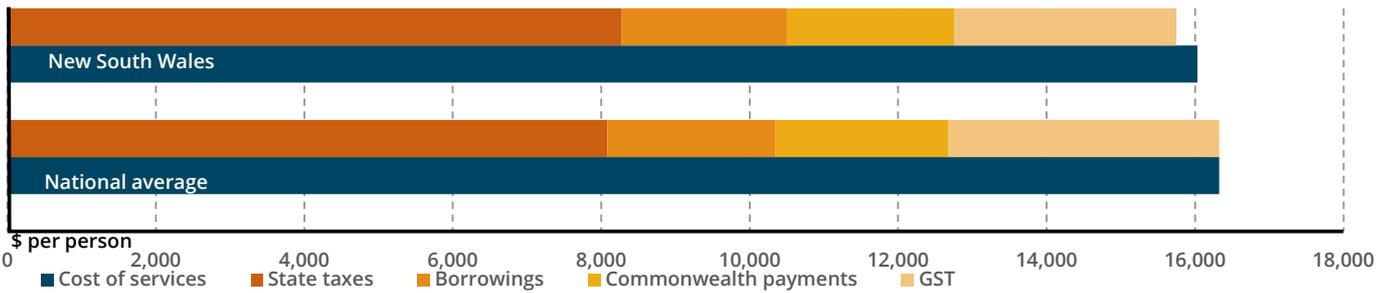




New South Wales

New South Wales will receive around \$26.1 billion in GST in 2026–27, \$316 million more than in 2025–26. The change reflects New South Wales’ assessed needs for GST, changes in population and its share of the growth in the GST pool. It also reflects the 2018 GST distribution legislation.

GST distribution in 2026–27



How New South Wales compares with other states and territories

New South Wales’ capacity to raise revenue from its own taxes is higher than the national average.



New South Wales’ ability to raise land tax is above the national average.



New South Wales revenue per person from taxes on property sales is above the national average.

The characteristics of the people and services in New South Wales means that the cost of providing government services is below the national average.



5% of New South Wales’ population live in outer regional and remote areas where service costs are higher, compared with the national average of 9.8%.



New South Wales’ large population means it can spread ‘head office’ costs across more people. This reduces its GST needs.

Overall, the above-average revenue raising capacity and the below-average cost of providing services means that New South Wales receives a per person GST distribution below the national average.

Key factors that changed New South Wales' GST distribution since 2025–26



-\$770 million

A significant downward revision to New South Wales' natural disaster relief expenses reduced its expenditure need, decreasing its GST distribution.



-\$674 million

Data on COVID-19 expenses from 2021–22 have fallen out of the 3 years assessed by the Commission, with expenses declining significantly in subsequent years. States with previously above-average COVID-19 expenses need less GST, including New South Wales.



+\$666 million

An above-average fall in the average value of property transfers in New South Wales reduced its relative revenue-raising capacity, increasing its GST distribution.



-\$473 million

Growth in total land tax revenue increased New South Wales' revenue-raising capacity. Above-average growth in its taxable land values further increased its relative revenue raising capacity. Together, these factors reduced New South Wales' GST distribution.



-\$381 million

A decrease in iron ore prices reduced revenue for Western Australia. This increased its GST distribution and reduced it for other states, including New South Wales.



+\$242 million

New data on the provision of justice services showed higher relative costs of policing non-remote areas. This increased New South Wales' GST distribution.

For further information see <https://www.cgc.gov.au/reports-for-government/2026-update/>