



**THE HON JOSH FRYDENBERG MP**  
**TREASURER**  
**DEPUTY LEADER OF THE LIBERAL PARTY**

Ref: MS19-001798

Mr Greg Smith  
Chairperson  
Commonwealth Grants Commission  
Second Floor, Phoenix House  
86-88 Northbourne Ave  
BRADDON ACT 2612

Dear Mr Smith

I am writing to you to convey the enclosed supplementary terms of reference for the *2020 Methodology Review of GST Revenue Sharing Relativities* (2020 Methodology Review), which formalises my decision referred to in my letter of 22 November 2018 relating to the Commission's mining revenue assessment.

Thank you for the ongoing and considerable work of the Commonwealth Grants Commission on the 2020 Methodology Review.

Yours sincerely

A handwritten signature in blue ink, appearing to be 'J. Frydenberg', with a long horizontal stroke extending to the right.

THE HON JOSH FRYDENBERG MP

6 / 10 /2019

Enc: 2020 Methodology Review – Supplementary Terms of Reference

## 2020 Methodology Review – Supplementary Terms of Reference

### *COMMONWEALTH GRANTS COMMISSION ACT 1973*

I, Josh Frydenberg, Treasurer, pursuant to sections 16, 16A and 16AA of the *Commonwealth Grants Commission Act 1973*, hereby provide supplementary terms of reference for the Commission's 2020 Methodology Review.

#### **Background**

2. On 28 November 2016, the former Treasurer, the Hon Scott Morrison MP, issued terms of reference for the 2020 Methodology Review (initial terms of reference) directing the Commission to inquire into and report upon:
  - a) the methodological approach used to calculate the per capita relativities to distribute Goods and Services Tax (GST) revenue among the States, the Northern Territory and the Australian Capital Territory (collectively referred to as the States) from 2020-21 (*Methodology Review*); and
  - b) the per capita relativities recommended to be used to distribute GST revenue among the States in 2020-21.

#### **Supplementary terms of reference**

3. These supplementary terms of reference are to be read in conjunction with the initial terms of reference.
4. In undertaking the Methodology Review, the Commission should not change the mining revenue assessment methodology.



THE HON JOSH FRYDENBERG MP