



Australian Government  
The Treasury



Ms Joanna Abhayaratna  
Executive Director  
Office of Impact Analysis  
Department of the Prime Minister and Cabinet  
1 National Circuit  
BARTON ACT 2600

Email: helpdesk-OIA@pmc.gov.au

Dear Ms Abhayaratna,

**Impact Analysis – Critical Minerals Production Tax Incentive – Second Pass Final Assessment**

I am writing in relation to the attached Impact Analysis (IA) prepared for the 2024-25 Budget measure, the Critical Minerals Production Tax Incentive (CMPTI).

I am satisfied that the IA addresses the concerns raised in your letter of 17 October 2024. Specifically, the IA now provides the methodology for the estimated economic impacts by outlining the modelling approach and key assumptions. Furthermore, the IA now demonstrates the causes and consequences of the problem, explains the success factors for Government, and outlines how each option will achieve the policy objective.

The policy is expected to impose a medium overall regulatory cost, comprising a medium implementation impact and a low increase in ongoing compliance costs. The options are expected to cost \$100,000 per claimant for implementation, and \$12,000 per year for ongoing reporting requirements.

Accordingly, I am satisfied that the IA is consistent with the six principles for Australian Government policy makers as specified in the *Australian Government Guide to Policy Impact Analysis*.

I ask that commercially sensitive and confidential information is redacted or removed from the version that is published. We will provide you with a separate copy to note these sections.

I submit the IA to the Office of Impact Analysis for formal final assessment.

Yours sincerely,

A handwritten signature in black ink that reads "Diane Brown".

Diane Brown  
Deputy Secretary  
Revenue Group  
The Treasury