

**The Mineral Resource Rent Tax has been abolished: Is it time for
a new and better resource rent tax on all extracted minerals?**

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Abstract:

The Mineral Resource Rent Tax was repealed by the *MRRT Repeal and Other Measures Act 2014* (Cth) in September 2014. The Abbott coalition government had promised to abolish the mining tax in the lead up to the election in 2013 and it was able to achieve this in 2014. The MRRT had its faults and was created with the help of the mining industry and the biggest mining companies in Australia. There is an overriding philosophical basis for the imposition of a super profits tax on mining resources and it is simply that these resources are finite and future generations of Australians have a vested interest in knowing where their share of the wealth from mining minerals has gone. What infrastructure has been developed as a result of collecting a super profits tax from the mining companies? What is left for future generations when the minerals have run out and the mining companies are exploiting the mining resources in other countries? On the other hand the Petroleum Resource Rent Tax is still in existence and it has been collecting revenue for the Commonwealth government since 1987.

This article will commence with an examination of what was wrong with the recent MRRT. This will involve a brief examination of the political issues raised by both sides of politics in Australia. The article will then discuss the rationale for taxing the super profits of mining companies when the price of minerals is high. This will include an examination of the taxation of economic rent and the recommendations of the Henry Tax Review. The final part of the article will discuss what a new and better mining tax would look like and how it would overcome many of the criticisms the old MRRT faced from politicians; economists and mining companies.