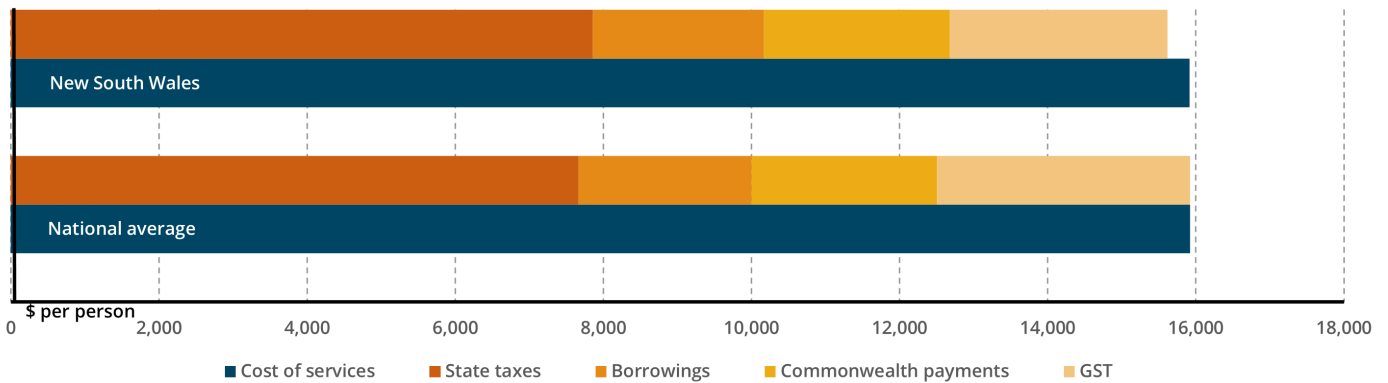




New South Wales

New South Wales will receive around \$25.5 billion in GST in 2025–26, \$942 million more than in 2024–25. 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 2025–26



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 can raise \$976 per person from land tax, which is above the national average of \$636 per person.



New South Wales can raise \$1,640 per person from taxes on property sales, which is above the national average of \$1,322 per person.

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 10%.



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 needs since 2024–25



+\$611 million

A significant upward revision to New South Wales' natural disaster relief expenses increased its GST needs.



-\$597 million

Above-average growth in taxable land values increased New South Wales' relative revenue raising capacity and decreased its GST needs.



+\$456 million

An assessment of COVID-19 business support expenses was introduced in the 2025 Review. New South Wales' above-average COVID-19 business support expenses increased its GST needs.



-\$254 million

In the 2025 Review, there were changes to the measure of population-weighted density. This change reduced the relative growth of the measured density of Sydney, decreasing New South Wales' need for urban transport investment and decreasing its GST needs.



+\$209 million

An assessment of COVID-19 health expenses was introduced in the 2025 Review. New South Wales' above-average COVID-19 health expenses increased its GST needs.



+\$205 million

A below-average increase in the value of property transfers reduced New South Wales' relative revenue raising capacity, increasing its GST needs.

For further information see <https://www.cgc.gov.au/reports-for-government/2025-methodology-review/>