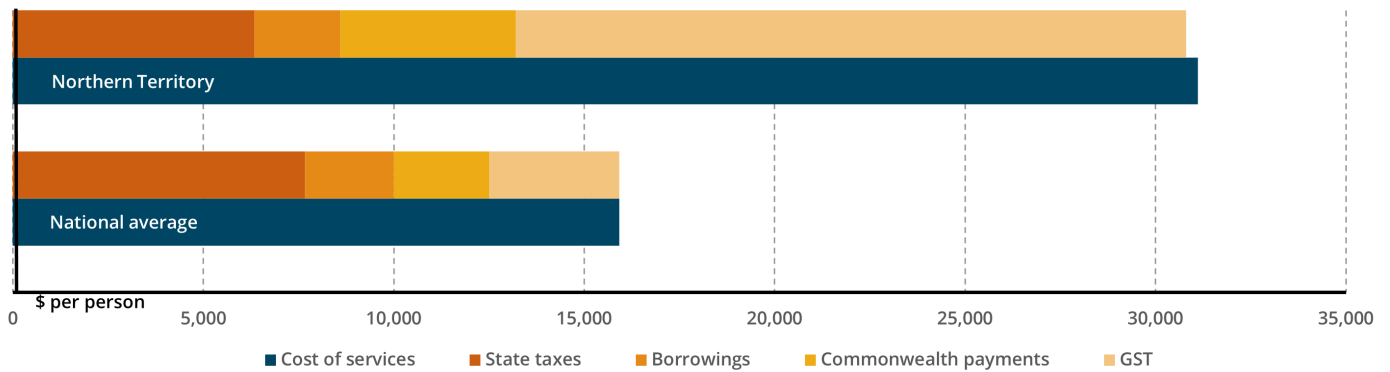




Northern Territory

The Northern Territory will receive around \$4.5 billion in GST in 2025-26, \$248 million more than in 2024-25. The change reflects the Northern Territory's 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 the Northern Territory compares with other states and territories

The Northern Territory's capacity to raise revenue from its own taxes is lower than the national average.



The Northern Territory can raise \$689 per person from taxes on property sales, which is below the national average of \$1,322 per person.



The Northern Territory can raise \$276 per person from land tax, which is below the national average of \$636 per person.

The characteristics of the people living in the Northern Territory mean that the cost of providing government services is much higher than the national average.



The Northern Territory's entire population live in outer regional and remote areas, where service costs are higher, compared with the national average of 10%.



The Northern Territory's First Nations population, for which service costs are higher, comprises 30.8% of the state's population, compared with the national average of 3.8%.

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

Key factors that changed the Northern Territory's GST needs since 2024–25



+\$70 million

There was a large increase in states' community health expenses. This increased the GST needs of the Northern Territory because its entire population lives in regional and remote areas where it costs more to provide health services.



-\$69 million

The Northern Territory received a greater share of Commonwealth payments, decreasing its GST needs.



+\$63 million

Changes to the method for calculating the impact of the non-state health sector on state health expense needs were made in the 2025 Review. This increased the Northern Territory's GST needs.



+\$61 million

There was a large increase in states' spending on child protection services and community health. This increased the GST needs of the Northern Territory because its large First Nations population are higher users of these services, compared with non-Indigenous people.



+\$57 million

In the 2025 Review, payments to the states for Commonwealth own-purpose expenses were excluded from the GST needs assessment. This increased the Northern Territory's GST needs.



-\$53 million

The method for assessing state road spending was discounted in the 2025 Review. This resulted in a fall in the assessed share of road investment in the Northern Territory, reducing its GST needs.

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