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## Polling brief: Making tax reform count

Anglicare Australia commissioned polling to understand community views on how revenue from tax reform should be used, particularly in the context of the upcoming Federal Budget and potential changes to the Capital Gains Tax discount.

The polling was conducted with a nationally representative sample of Australian adults. Results were weighted to reflect the population by age, gender and location. This research accompanies Anglicare Australia's options paper, *Making Tax Reform Count*, which outlines alternative uses of revenue raised from reforming tax concessions such as the Capital Gains Tax discount.

### Question 1: Support for different uses of tax reform revenue

Respondents were asked whether they support or oppose a range of options for how additional revenue raised through tax reform could be used. The options tested were:

- Building more public and community housing
- Increasing the income tax-free threshold
- Increasing Centrelink payments
- Forgiving energy bill debt
- Providing income tax cuts

The results show strong support across all options, but with clear differences in levels of support:

- Increase the tax-free threshold: 69% support
- Provide income tax cuts: 69% support
- Build public and community housing: 63% support
- Increase Centrelink payments: 54% support
- Forgive energy debt: 49% support

**Table 1. Support for different uses of tax reform revenue (%)**

Policy option	Support (%)
Increase the tax-free threshold	69%
Provide income tax cuts	69%
Build public and community housing	63%
Increase Centrelink payments	54%
Forgive energy bill debt	49%

Support is highest for changes to the tax system that benefit low- and middle-income earners directly, alongside strong backing for investment in housing. Even the least supported option, energy debt forgiveness, still attracts support from around half of respondents.

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### Key insight: Support is broad, but priorities differ

While headline support is high across all options, this question alone does not show how people think government should prioritise spending. That distinction is critical. Tax cuts and raising the tax-free threshold both attract strong support in principle. But when people are asked to make trade-offs about how public money should be used, support shifts toward targeted investments and structural solutions.

### Question 2: Priorities for government spending

Respondents were asked to consider which options should be the highest priority if the Government raises additional revenue. This question highlights priorities for competing uses of public funds.

When asked to choose priorities:

- Raising the tax-free threshold emerges as the most popular option
- Investment in public and community housing ranks alongside it as a top priority
- Energy debt relief and Centrelink increases are also strongly supported
- Tax cuts rank lower when respondents are asked to prioritise spending.

**Table 2. Ranking of priorities for revenue raised through tax reform (% selecting as top priority)**

Policy option	Top priority (%)
Increase the tax-free threshold	25%
Build public and community housing	23%
Forgive energy bill debt	21%
Increase Centrelink payments	19%
Provide income tax cuts	12%

**Table 3. Key comparison: Tax cuts vs targeted investments**

Measure	Result
Support for tax cuts (in principle)	69%
Support for raising tax-free threshold	69%

This demonstrates a clear pattern. Australians may support tax cuts in general, but when asked to choose, they prioritise measures that directly reduce financial stress or address structural problems.

### What this tells us

The polling points to several clear conclusions.

#### *Australians want practical cost-of-living relief*

Policies that directly reduce pressure on household budgets, such as raising the tax-free threshold or addressing energy debt, are consistently supported.

#### *There is strong backing for structural investment*

Building public and community housing is a top-tier priority, reflecting widespread concern about housing affordability.

#### *People recognise the need for a stronger safety net*

Increasing Centrelink payments receives majority support, showing concern about adequacy of income support.

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### **Implications for the Federal Budget**

This polling challenges the assumption that Australians want tax reform revenue returned through tax cuts. Instead, it shows a clear preference for using public revenue to:

- Address the housing crisis
- Strengthen incomes for those doing it tough
- Reduce essential cost pressures
- Deliver targeted and meaningful economic relief.

In the lead up to the Federal Budget, the message is clear. If the Government pursues tax reform, Australians want to see that revenue used to fix the problems driving financial stress, not just spread thin tax cuts across the population.

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