INFRASTRUCTURE PARTNERSHIPS AUSTRALIA

# MEDIA RELEASE: 2026-27 FEDERAL BUDGET

## FUNDING SHARE FOR INFRASTRUCTURE CONTINUES MODEST DECLINE; TAX CHANGE IMPACT ON INFRASTRUCTURE, A WATCHING BRIEF

The Albanese Government has handed down a Budget that raises more questions than answers for infrastructure investors.

“While not explicitly targeted at infrastructure, the headline changes to Capital Gains Tax and trusts may hold substantial implications for infrastructure investors if not carefully calibrated,” Infrastructure Partnerships Australia Chief Executive Office, Adrian Dwyer said.

“The seemingly subtle changes will increase anxiety amongst long-term infrastructure investors, particularly alongside changes to the Non-Resident CGT regime announced in advance of the Budget.”

“We need a tax regime that is stable and competitive to attract the massive amounts of domestic and global capital needed to deliver national priorities like the energy transition.”

“Industry will be monitoring closely for further details on changes to residential settings to understand any implications for infrastructure investment, particularly in relation to trusts.”

Alongside changes to tax settings, the Budget confirms the Federal Government’s modestly declining infrastructure funding trajectory, which started in 2024.

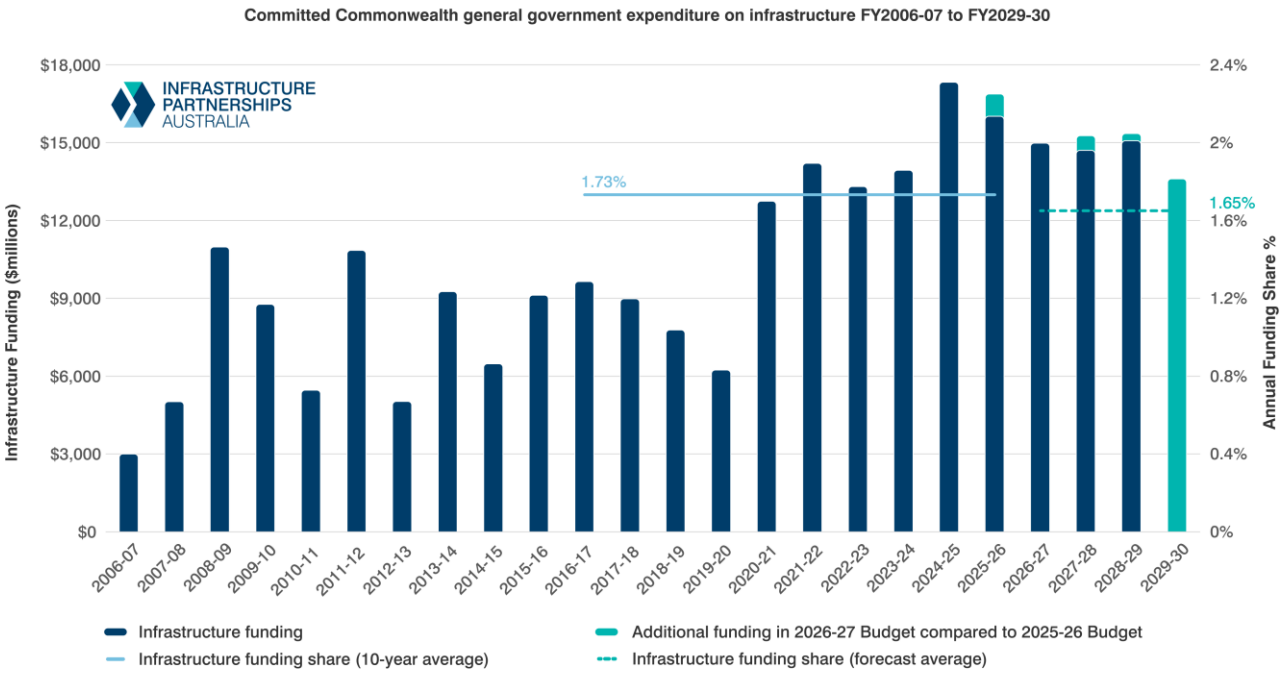
Federal general government infrastructure funding is now at $58.9 billion over the four years to FY2029-30, $1.6 billion – or three per cent – lower than last year’s total.

“Infrastructure investment was always going to come off the generational peak of the last decade, but eyes and minds must now to turn to the next suite of productivity enhancing infrastructure investments,” said Mr Dwyer.

“To build a more prosperous and productive Australia, commensurate infrastructure investment is non-discretionary – and with state government finances deep in the red, the Federal Government will inevitably be asked to pick up the slack.”

Infrastructure Partnerships Australia is the nation’s industry think tank providing independent policy research focused on excellence in social and economic infrastructure.

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*Source: Infrastructure Partnerships Australia Analysis of 2026-27 Federal Budget*

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