



Policy costing

Tax integrity package	
Party	Australian Labor Party
<p>Summary of proposal:</p> <p>The proposal has four components.</p> <ul style="list-style-type: none">• Component 1: Extend the time limit during which the Australian Taxation Office can amend an assessment for non-deliberate offshore tax non-compliance from four years to 12 years after the end of the relevant financial year. The Commissioner of Taxation will also be given the ability to apply an infringement penalty of 12 penalty units for individuals and 60 penalty units for corporate entities for failing to provide information under an offshore infringement notice.• Component 2: Provide the Commissioner of Taxation with the ability to notify the public of individuals and entities that have committed the tax offences of fraudulent phoenix activity, tax evasion and serious avoidance via tax havens and offshore bank accounts, black economy related tax fraud, and repeated breaches of Part IVA of the <i>Income Tax Assessment Act 1936</i> by significant global entities.• Component 3: Increase Australian Taxation Office penalties in the following circumstances:<ul style="list-style-type: none">– Increase civil penalties under Division 290 of the <i>Tax Administration Act 1953</i>.– Allow civil penalties to apply in serious non-compliance cases.– Allow the Commissioner of Taxation to apply to the Australian Securities and Investments Commission for disqualification orders for directors caught in successful civil or criminal non-compliance tax-related matters.– Increase criminal penalties to the same amounts as civil penalties.• Component 4: Remove the tax deductibility of facilitation payments to foreign public officials. <p>The proposal would commence on 1 July 2019.</p>	

Costing overview

This proposal would have an unquantifiable impact on the fiscal and underlying cash balances over the 2019-20 Budget forward estimates period. This proposal would be expected to have an ongoing unquantifiable impact that extends beyond the 2019-20 Budget forward estimates period.

The revenue implications of the proposal cannot be quantified as there is insufficient information available relating to each component of the proposal.

Departmental expense implications as a result of the proposal would not be expected to be significant because the proposal would not significantly change the administrative complexity of the tax system.

Table 1: Financial implications (\$m)

	2019–20	2020–21	2021–22	2022–23	Total to 2022–23
Fiscal balance	*	*	*	*	*
Underlying cash balance	*	*	*	*	*

* Unquantifiable

Data sources

The Australian Taxation Office has advised that data to quantify the proposal is unavailable.