

Senate Select Committee on COVID-19
ANSWERS TO QUESTIONS ON NOTICE
Australian Taxation Office

Department/Agency: ATO

Question: 1

Topic: Company tax receipts

Reference: Written – 29 May 2020

Senator: Katy Gallagher

Question:

1. What has been the level of company tax receipts in March and April compared to expected level as at MYEFO?
2. What has been the fall in turnover (as shown in company tax receipts) by sectors and business size in April vs March 2020 and April 2019?

Answer:

1. While total tax receipts are known with certainty at the end of each month, the distribution across the relevant heads of revenue cannot be finalised until all business activity statements and tax returns are received and processed. Final receipts outcomes for company tax for 2019-20 will be published as part of the Final Budget Outcome.

Company tax revenue is published in the Commonwealth's *Monthly Financial Statements*. Revenue estimates are the accrual accounting equivalent of the cash-based receipts estimates. Changes in revenue are generally driven by the same factors as receipts. The differences between the accrual and cash amounts generally reflect timing differences. Company tax revenue was \$4.3 billion in March and \$6.8 billion in April. For further detail please refer to the Monthly Financial Statements available here:

<https://www.finance.gov.au/publications/commonwealth-monthly-financial-statements>

2. The fall in turnover and company tax receipts by business size cannot be finalised until all business activity statements are received and processed. We are yet to receive full lodgments for the March and April periods.

Businesses lodge their business activity statements on either a monthly or quarterly basis, depending on their size. Monthly lodgers are generally companies with greater than \$20 million in annual business income.

Relevantly, for quarterly reporters June quarter 2020 lodgments (which includes April 2020) are not due until late July. Further, for small companies who lodge quarterly, we do not require every company to report their turnover therefore, monthly comparisons of changes in turnover will not include all taxpayers.

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Question: 2

Topic: Turnover fall of over 30 percent

Reference: Written – 29 May 2020

Senator: Katy Gallagher

Question:

1. How many payroll employees were there in March in the industries that experienced a turnover fall of more than 30% in April?
2. Have all the firms that reported a fall in turnover over 30% in April 2020 vs April 2019 applied for JobKeeper?

Answer:

It is not possible to answer Question 1 and 2 due to informational gaps. We note that most employers lodge activity statements on a quarterly basis (and the quarter ending 30 June is not yet due for lodgement), so we do not have (and will never have) April turnover for most businesses, and do not yet have June quarter information for most companies.