



THE TAX INSTITUTE

THE MARK OF EXPERTISE

17 April 2015

Mr David Monk
Inquiry Secretary
Standing Committee on Tax and Revenue
House of Representatives
PO Box 6021
Parliament House
Canberra ACT 2600

By email: taxrev.reps@aph.gov.au

Dear Mr Monk,

Inquiry into the *Annual Report of the Australian Taxation Office 2014*

The Tax Institute wishes to make a supplementary submission to the House of Representatives Standing Committee on Tax and Revenue (**Committee**) in relation to its Inquiry into the *Annual Report of the Australian Taxation Office 2014*.

In our attached submission dated 16 March 2015, we recommended an assessment of the ATO Lodgment Program for tax agents to ensure that this program is operating fairly and effectively. This remains our view, however we wish to correct one statement on this topic.

We included the following statement on page 4 of our attached submission in relation to the Lodgment Program:

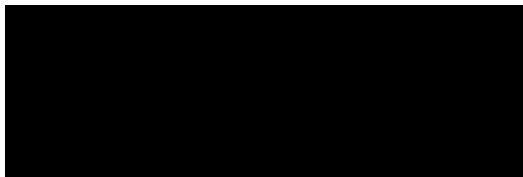
“From 1 July 2013, tax agents who have not met the 85% lodgment requirement have been subject to various treatments from the ATO, the severest of which is removing the agent from the Lodgment Program such that they no longer have an extended time to lodge their client’s returns.”

The severest punishment referred to in the above paragraph is available to the ATO, and is communicated by the ATO as being the severest punishment an agent could face for failing to meet the 85% lodgment requirement. *However*, the punishment had not yet been imposed on any tax agent by the ATO at the time that we lodged our attached submission.

This clarification does not change the views we have expressed in relation to the Lodgment Program in our attached submission. As we have previously stated, whether any or all of the above treatments apply for an agent who fails meet the 85% rule is not well understood by practitioners.

If you would like to discuss any of the above, please contact either me or Tax Counsel, Thilini Wickramasuriya, on [REDACTED].

Yours sincerely



Stephen Healey
President

Attachment 1 – The Tax Institute Submission to the Committee dated 16 March 2015