



Committee Secretary
Senate Standing Committees on Economics
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Committee Secretary,

This letter is to clarify information provided at the ATO's appearance before the Senate Standing Committees on Economics on 29 June 2020. Refer to information provided on page 52 of the Hansard.

In response to Senator Carr asking if there would be no clawback, I responded 'That's correct'. I would like to note for the record that I was referring to penalty and interest, not the actual R&DTI. This is because whilst the statement about no tax shortfall penalties and interest on a shortfall being remitted to nil is correct, there may be occasions where an amount would have to be 'clawed back'. That circumstance would be where a company received a larger tax off-set under the old legislation than the new legislation, the difference or overpayment would need to be repaid by the company. However, similarly no penalties or interest would be applicable.

Yours sincerely

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Jade Hawkins
Assistant Commissioner, Private Wealth
9 July 2020