

Timbury RidhaIgh Pty. Limited

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The Secretary
House of Representatives
Standing Committee on Economics
Finance and Public Administration
Parliament House
CANBERRA ACT 2600

Dear Sir/Madam

Re: TAX FILE NUMBERS

We refer to your recent advertisement on the inquiry into Tax File Numbers and wish to make the following submission.

We wish to bring to the Committee's notice two (2) issues in respect of the administration of the TFN system by the Australian Taxation Office.

1. In respect of advising financial institutions and others the tax file number of a partnership, the option on the form to quote individual file numbers of the partners should be removed.

The option of quoting either the partnership TFN or the partners individual TFN is causing problems in the income matching procedures undertaken by the Australian Taxation Office.

2. We were of the opinion that the quoting of tax file numbers on Bank accounts was the way the Australian Taxation Office checked that taxpayers were disclosing all details of income, and that tax file numbers not names were matched to accounts.

We have evidence that this is not the case and that the Australian Taxation Office are matching on some other basis e.g. name.

The inconvenience that arises in proving to the Australian Taxation Office that the income is not that of your client, is a total waste of time and resources.

As the onus of proof is on the taxpayer to show that the income is not their own, this can cause great anxiety and stress. Despite the Privacy Act, the only way that innocence can be shown is through the assistance of written proof from a local Bank, Building Society or Credit Union Manager.

Your attention to our submission would be appreciated.

Yours faithfully

TIMBURY RIDHALGH PTY LIMITED

Per. R Ridhalgh