



**Australian Government**  
**Australian Taxation Office**

Submission No: 177

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**Office Minute**

Distribution:

BY: .....

From:

Stephen Goggs  
ATO General Counsel

To:

**Greg Farr**  
Second Commissioner

BSL:

Chief Tax Counsel

Copies to:

Section:

Your reference:

Our reference:

Date:

Contact officer:

Reply date:

Phone No:

(02) 6216256

Subject:

**ADVICE ON OPERATION OF s.16 ITAA 1936**

Classification:

**Purpose**

To provide advices previously received by the ATO on the Commissioner's competing powers as employer and administrator of the tax legislation.

**Background**

To enable you to respond to a request of a parliamentary inquiry into the Bankruptcy Legislation Amendment (Anti-Avoidance and other measures) Bill, you have asked for copies of advices that may have been received by the ATO on the limits on the powers of the Commissioner of Taxation. In particular you seek advices touching on the Commissioner's power, as an agency head purchasing services for the ATO, to use tax compliance information acquired by him under taxation law.

**Action**

I attach advice prepared for the ATO by the Solicitor-General dated 14 June 2002, together with advices of the Australian Government Solicitor dated 27 February and 11 April 2001 referred to in the Solicitor-General's advice.

The advices were prepared in relation to a policy proposal to require ATO employees and contractors to comply with their taxation obligations. They deal predominantly with the question of whether the Commissioner can give a direction to various ATO employees to disclose and use certain taxpayer information. Relevantly they address the question of whether ATO compliance officers can provide tax information to ATO human resources officers.

I draw your attention in particular to the following paragraphs in the Solicitor-General's advice:

<b><i>Issue</i></b>	<b><i>Paragraph</i></b>
Issuing a direction to ATO compliance officers to <i>disclose</i> tax information	
- is reasonable,	37
- but not lawful, as it is prevented by the operation of s.16 of the <i>Income Tax Assessment Act 1936</i> ,	41, 45
- probably even with taxpayer consent.	47, 54
Even if it could be provided by ATO compliance officers, <i>use</i> of tax information by ATO human resource/procurement officers	
- is not 'authorised by law'	65, 70
- or directly related to the purpose for which is was collected, and therefore in breach of the Privacy Act,	71, 73
- but would be permissible with taxpayer consent.	74

I have attached a copy of the relevant paragraphs to this minute (together with paragraphs 38 and 58 which cite the relevant legislative provisions) for your ease of reference.

Please let me know if I can be of further assistance.

**Stephen Goggs**  
ATO General Counsel

**Proposed tax compliance policy for Australian Taxation Office employees and contractors**

**EXTRACTS FROM OPINION OF SOLICITOR-GENERAL**

37. Accordingly, in my opinion, the proposed direction requiring ATO compliance officers to provide information to ATO human resources officers about ATO employees' and contractors' compliance with the relevant obligations would be "reasonable". However, in order to bind an ATO employee under s 13(5) of the Public Service Act, the proposed direction must also be "lawful". The direction clearly relates to the subject-matter of the contract of employment, so the issue here is whether the direction would "involve any illegality" (see para 18 above); in particular, whether it would be consistent with s 16 of the 1936 Act and IPP 10 of the Privacy Act.<sup>1</sup>

**(a) 1936 Act, s 16**

38. Section 16 of the 1936 Act relevantly states:

(2) Subject to this section, an officer shall not either directly or indirectly, either while he is, or after he ceases to be an officer, make a record of, or divulge or communicate to any person any information respecting the affairs of another person acquired by the officer [that is disclosed or obtained under the 1936 Act or previous Commonwealth income tax law].

(2A) Subsection (2) does not apply to the extent that the person makes the record of information, or divulges or communicates the information, in the performance of the person's duties as an officer.

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<sup>1</sup> Acting contrary to s 16 of the 1936 Act or the Privacy Act would be "unlawful" in this sense. For example, in *Kelly v Alford* [1988] 1 Qd R 404, it was "unlawful" in this sense for an employer to have an employee drive an uninsured vehicle, contrary to the *Motor Vehicles Insurance Act 1936* (Qld).

The ATO compliance officers are clearly “officers” within s 16(2), and the proposal relates to information disclosed or obtained under the 1936 Act. Section 16(2) prohibits disclosure to “any person”, which in terms would apply to disclosure within the ATO.<sup>2</sup>

41. In this case, however, the ATO compliance officers would not be disclosing information for the purposes of administering the 1936 Act; rather, the information would be disclosed for the purposes of administering the Public Service Act (in particular, giving effect to the obligation in s 13(11) that APS members “at all times” uphold the integrity and good reputation of the APS). While there is of course a connection between the draft policy and compliance with the 1936 Act, it is doubtful that the proposed direction to comply with the relevant obligations would be “lawful” (in the sense of relating to the subject-matter of employment) if the policy were cast as a means of enforcing the 1936 Act, rather than as giving effect to obligations under the Public Service Act (see paras 24 and 25 above). Similarly, the way in which the proposed direction intrudes upon the off-duty activities of ATO employees is unlikely to be “reasonable” (in the sense of proportionate) if its object is to promote tax compliance as such.

45. In this case, as already explained, it is proposed that the Commissioner would issue a direction under ss 13(5) and 20 of the Public Service Act that ATO compliance officers provide information to ATO human resources officers about compliance with the relevant obligations. In my opinion, this direction would not mean that (to adopt the language of *Nestle*) those officers were under a duty to disclose information “by reason of some order of a competent authority”. Disclosure could only be permitted by s 16

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<sup>2</sup> Cf IPP 11 of the Privacy Act: see fn **Error! Bookmark not defined.** below.

of the 1936 Act if the direction were valid, but the direction will only be valid if (relevantly) it is "lawful", that is, consistent with s 16. Moreover, s 16 of the 1936 Act makes detailed provision for when information obtained under that Act may be disclosed, including disclosure by persons performing duties under legislation administered by the Commissioner (see s 16(4)(a), (b) and (c)). It seems unlikely that Parliament would have intended that this comprehensive statutory scheme could be supplemented by a general employment power to issue directions. Neither of these points is addressed in the 6 February 2002 AGS advice in concluding that the proposed direction would be "lawful" (see para 7 of that advice).

47. The Australian Government Solicitor, however, has consistently advised that consent of the taxpayer, in itself, does not authorise disclosure for the purposes of the s 16 of the 1936 Act (see eg pp 4-5 of advice dated 16 April 1998 and paras 18 to 22 of advice dated 24 September 2001, copies of which have been provided to me). The major reasons given for that conclusion are as follows:

- (a) Unlike other Commonwealth secrecy provisions,<sup>3</sup> s 16 does not expressly permit the disclosure of information with the taxpayer's consent;
- (b) The objects or purposes of s 16 favour giving it a wider, rather than a narrower, field of operation. The two major purposes are, first, to protect the confidentiality of information about taxpayers that comes into the hands of government employees

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<sup>3</sup> See eg s 130(3)(c) of the *Health Insurance Act 1973* (Cth) (which authorises the Health Insurance Commission to disclose information to "a person who, in the opinion of the Minister, is expressly or impliedly authorized by the person to whom the information relates to obtain it").

and service providers<sup>4</sup> and secondly, to maintain the integrity of the taxation system by giving taxpayers the confidence to disclose information voluntarily;<sup>5</sup>

(c) The s 16 prohibition could potentially be undermined if an officer were permitted to disclose because he or she believed that a taxpayer had consented to the disclosure. In particular:

(i) in many cases, it could be difficult for the ATO to assess the genuineness of consent apparently given by the taxpayer (even written consent), because ordinarily there would be no direct contact with the taxpayer; and

(ii) there may be situations where a third party can exert pressure on a taxpayer to consent to the release of information (such as a credit-provider making it a condition of obtaining credit).

54. ***Uncertainty requires legislative amendment:*** That said, there is some uncertainty as to whether s 16 of the 1936 Act permits the disclosure of information with the consent of the taxpayer concerned. There is also some slight uncertainty as to whether s 16 of the 1936 Act permits disclosure to a legal agent of the taxpayer.<sup>6</sup> Maintaining the confidentiality of taxation information is of course an important interest, and the fact that s 16 makes relatively detailed provision for when information may be disclosed means that a Court would be cautious in drawing any implication that disclosure was permitted in other circumstances. Therefore, I

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<sup>4</sup> Noting that a person who performs services for the Commonwealth is taken to be an "officer" for these purposes (s 16(1A) of the 1936 Act).

<sup>5</sup> See *Consolidated Press Holding Pty Ltd v Commissioner of Taxation* (1995) 57 FCR 348 at 351 per Lockhart J.

<sup>6</sup> There is also a practical issue about how an ATO employee could appoint an ATO human resources officer as an agent to receive tax information, given that the ATO officer holding the relevant position will change over time.

could not provide any guarantee that disclosure of information with the consent of the taxpayer would be immune from legal challenge. This uncertainty can only be overcome by amending the 1936 Act.

**(b) Privacy Act, IPP 10**

58. The Commissioner is an “agency” for the purposes of the Privacy Act (see para (f) of the definition in s 6(1) of the Privacy Act), and therefore must comply with the Information Privacy Principles set out in s 14 of the Privacy Act (see s 16 of that Act). IPP 10 relevantly provides:

1. A record-keeper who has possession or control of a record that contains personal information that was obtained for a particular purpose shall not use the information for any other purpose unless:

(a) the individual concerned has consented to use of the information for that other purpose;

...

(c) use of the information for that other purpose is required or authorised by or under law;

...

(e) the purpose for which the information is used is directly related to the purpose for which the information was obtained.

65. This conclusion, however, brings me to the same difficulty that arose in relation to s 16 of the 1936 Act (see para 45 above). A direction under ss 13(5) and 20 of the Public Service Act cannot provide the necessary authority so that use of information is “required or authorised by or under law”, because the direction itself, to be valid, must be “lawful” (that is, consistent with IPP 10). There are further reasons why a direction under the Public Service

Act does not allow ATO human resources officers to rely on IPP 10(c).

70. Accordingly, a direction under ss 13(5) and 20 of the Public Service Act would not, in my opinion, have the effect that the use of personal information was "required or authorised by or under law" within IPP 10(c) of the Privacy Act.
71. The next question is whether the use of personal information by ATO human resources officers is "directly related" to the use for which the information was gathered by ATO compliance officers, within IPP 10(e). As already explained, it seems clear that these uses will be different: ATO compliance officers will obtain the information for the purpose of establishing whether a person had complied with their obligations under the 1936 Act, whereas ATO human resources officers will use this information to determine whether disciplinary action should be taken under the Public Service Act (see para 59(c) above). Those purposes are related; the question, however, is whether the purposes are sufficiently closely connected that the second purpose can be regarded as *directly* related to the first.
73. In my opinion, the initial AGS view was correct, and there is little scope for arguing that the purpose of the draft policy is directly related to the purpose of ensuring compliance with tax legislation. As already noted, there is considerable doubt as to whether a direction that ATO employees continue to comply with the relevant obligations would be "lawful" or "reasonable", if its object is to promote compliance with taxation legislation *per se*, rather than to maintain the public's trust in the administration of the tax system



(see para 41 above).<sup>7</sup> To argue that the draft policy is directly concerned with tax compliance may assist at the IPP 10(e) stage, but would greatly weaken the argument that directions given under the Public Service Act are valid.

74. **Consent is required:** For these reasons, I conclude that the proposed use of personal information would not come within either IPP 10(c) or (e). Rather, this information could only be used for this further purpose with the consent of the person concerned. Cases such as *Austen v Civil Aviation Authority* (1994) 50 FCR 272 at 277 indicate that there is no difficulty in asking someone who is about to enter into an agreement with the ATO (whether an employment agreement, or an agreement to provide services) to consent to personal information obtained by ATO compliance officers being used by ATO human resources officers.

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<sup>7</sup> For similar reasons, I doubt whether the use of this personal information would be "reasonably necessary ... for the protection of the public revenue" within IPP 10(d).

**HOUSE OF REPRESENTATIVES**  
**Standing Committee on Legal and Constitutional Affairs**  
**Bankruptcy Legislation Amendment (Anti-Avoidance and Other Measures) Bill 2004**

**ANSWERS TO QUESTIONS ON NOTICE**

**Australian Taxation Office**

**5 July 2004**

**Topic: Legal Profession Project-omission from 2001-02 Commissioner of Taxation annual report**

**Hansard Page: LCA 20**

**Mr MURPHY—** .....: why did the legal profession project get dropped off the taxation commissioner's 2001-02 annual report? I think that stinks.

**Answer:**

*The Commissioner of Taxation, Mr Michael Carmody provided the following evidence to Senator Conroy at Budget Estimates of 3 June 2000, hansard p273.*

The general explanation is that with annual reports there are certain things you are obliged to report on—we do those, and then we tend to report on a range of different issues each year according to the major issues we are confronting at the time. It was just that we had been through two cycles with that—we had given a fair indication and there were other issues that we sought to include in the report this time.

**HOUSE OF REPRESENTATIVES**  
**Standing Committee on Legal and Constitutional Affairs**  
**Bankruptcy Legislation Amendment (Anti-Avoidance and Other Measures) Bill 2004**

**ANSWERS TO QUESTIONS ON NOTICE**

Australian Taxation Office

5 July 2004

**Topic: Magistrates/Judges—failure to lodge**

**Hansard Page: LCA 15**

**Mr MURPHY**—Mr Farr, have any magistrates or judges failed to lodge their taxation returns on time? Have any magistrates or judges gone bankrupt?

**CHAIR**—No, because they lose their appointment. They are like us: if you are bankrupt, you are out of a job.

*Mr Farr*—*I am not aware of any. We can check but I certainly am not aware of any.*

**Mr MURPHY**—I would like you to check whether you have:

- (a) any record of the details of any magistrates or judges who have not lodged their tax returns on time; and
- (b) whether any of them employed bankruptcy to avoid paying their creditors. I understand what you said, Chair—I understand that clearly.

*Mr Farr*—*We will take that on notice.*

Answer:

The ATO is currently in the process of ascertaining from State and Federal Justices Departments, current lists of judges and magistrates to match against ATO records. This process is expected to be completed until September this year.

However, previous analysis of income tax returns which have been identified as occupational code 1103 (judges, coroners and magistrates) showed a population of approximately 500 and the current lodgement status of that group is outlined below. Publicly available information suggests a current national population of judges and magistrates of approximately 720 indicating that there is a gap in income tax returns currently identified as occupation code 1103. The ATO will not be able to reconcile this difference until the above mentioned data matching process is completed.

(a). Lodgment for income years 1995 to 2003

- There are 66 judges/magistrates with 78 returns outstanding as at 30 June 2004.
- Of those returns, 62 are for income year 2003, and 48 of those are subject to extension.
- The largest number of returns outstanding for any individual is three: fifty-five owe 1 return, ten owe 2 and one owes 3.
- The oldest return outstanding is for 1997.

**HOUSE OF REPRESENTATIVES**

**Standing Committee on Legal and Constitutional Affairs**

**Bankruptcy Legislation Amendment (Anti-Avoidance and Other Measures) Bill 2004**

**ANSWERS TO QUESTIONS ON NOTICE**

**Australian Taxation Office**

**5 July 2004**

- Of the 30 returns not subject to extension, (14 are 2003 current year income tax returns and 16 represent prior years returns), 4 have had lodgment action commenced.

Table 1 shows the number of returns outstanding for each year of income.

<b>Year of Return</b>	<b>Number of Returns Not Lodged</b>
1994/95	0
1995/96	0
1996/97	1
1997/98	1
1998/99	0
1999/00	1
2000/01	2
2001/02	11
2002/03	62
<b>Total</b>	<b>78</b>

Table 2 shows the number of individuals with outstanding returns, and the number of outstanding returns.

<b>Number of taxpayers</b>	<b>Number of Years Not Lodged</b>	<b>Number of Returns Not Lodged</b>
55	1	55
10	2	20
1	3	3
0	4	0
0	5	0
0	6	0
0	7	0
0	8	0
0	9	0
<b>66</b>	<b>Total</b>	<b>78</b>

(b). Bankruptcy

According to tax office records none of this group is currently bankrupt.

**HOUSE OF REPRESENTATIVES**  
**Standing Committee on Legal and Constitutional Affairs**  
**Bankruptcy Legislation Amendment (Anti-Avoidance and Other**  
**Measures) Bill 2004**

**ANSWERS TO QUESTIONS ON NOTICE**

**Australian Taxation Office**

**5 July 2004**

**Topic:** What percentage of barristers and solicitors pay the top marginal rate of income tax?

**Hansard Page:** LCA 14

**Mr MURPHY**—Can I also ask you about the industry codes you use. I draw attention to question on notice No. 43, which I put to the Treasurer on 11 February 2003. It was a very simple question:

*What percentage of (a) barristers and (b) solicitors pay the top marginal rate of income tax?*

Of course, the answer I got was one that clearly indicated that most members of the legal profession are not paying the top marginal rate of tax, but grouped within this legal services industry code are advocates, barristers, conveyancing services, legal aid services, notaries and solicitors—so some people who follow occupations that do not require legal qualifications. In view of the very poor example set by the high priests of our society—the barristers—why is it that the taxation commissioner cannot have a discrete industry code for those members of the legal profession to find out just how little tax they are paying? My question showed that more than half were not even paying the top marginal rate of tax. I think that, if the public understood that, they would be horrified because they would think that anyone with a law degree would be able to earn \$60,000-odd—

**CHAIR**—Not so.

**Mr MURPHY**—Well, I find that astonishing.

**CHAIR**—There are some at the top of the profession who make a lot of money; there are quite a few down at the other end of the profession who do not.

*Ms Lind—We have the ability to rerun that analysis now based just on the discrete population of practising barristers and solicitors, so we can take that on notice for you.*

**Answer:**

Based on income tax returns for the 2002 income year, 69.8% of barristers and 52.9% of solicitors pay the top marginal rate of income tax.

These figures are based on returns lodged by the separately identified population of practising solicitors and barristers not from income tax returns using ANZSIC code 78410.

**HOUSE OF REPRESENTATIVES**  
**Standing Committee on Legal and Constitutional Affairs**  
**Bankruptcy Legislation Amendment (Anti-Avoidance and Other**  
**Measures) Bill 2004**

**ANSWERS TO QUESTIONS ON NOTICE**

**Australian Taxation Office**

**5 July 2004**

**Topic: Time elapsed before action taken to require lodgement**

**Hansard Page: LCA 5**

**CHAIR**—What I am trying to get at is: how much time elapsed in each of these 62 cases before you actually took any action to require a return to be lodged or tax to be paid? Could I have a breakdown of each of the 62 cases?

*Mr Farr—Would you like us to take that on notice and provide it to the committee as a table?*

**CHAIR**—Yes, I would.

**Answer**

The attached table outlines the timeline of actions undertaken by the ATO in respect of the 62 NSW barristers reported in the Commissioner of Taxation's Annual Report 2000-01, as having been bankrupt or entered into Part X arrangement in the previous decade. The table relates to 49 barristers, of which 13 have been bankrupt twice, bring the total number of bankruptcies occurrences to 62.

**HOUSE OF REPRESENTATIVES**  
**Standing Committee on Legal and Constitutional Affairs**  
**Bankruptcy Legislation Amendment (Anti-Avoidance and Other**  
**Measures) Bill 2004**

**ANSWERS TO QUESTIONS ON NOTICE**

Australian Taxation Office

5 July 2004

**Topic: Legal advice**

**Hansard Page: LCA 12**

**CHAIR**—It is not a question of operating outside the law. Any legal advice is only that—we have got plenty of examples where legal advice is wrong—and it needs to be tested. Are you saying that you could do nothing for all those years and not get any tax from these people—not use your knowledge to go against this man, for instance, and not use your betterment provisions?

Do you have a task force whose job it is to see who is out there living high on the hog and not paying any tax?

*Mr Farr*—I think you are referring to high-wealth individuals. Yes, we have a task force. But we are probably getting a number of different things mixed up together.

*Mr Farr*—In respect of our contractual arrangements with barristers, or anyone else, our legal advice is that we cannot use information gathered under the tax act to deal with that. That is not something we would prefer to be the position, but that is the position.

**CHAIR**—I would like to see that piece of advice and who gave it to you, because I find that spurious in the extreme. Can you obtain that legal advice for me, particularly showing what date it was sought?

*Mr Farr*—Yes.

**Answer:**

Attached is a Minute from the ATO General Counsel, covering copies of relevant legal opinions. These opinions are broader than the issue noted, however have been included for completeness. The Minute from the ATO General Counsel highlights the relevant areas.

Timeline of ATO action in respect of the barristers reported in the Commissioner of Taxation's Annual Report 2000 - 01.

Client Number	Lodgment (Years Demanded)*				Debt			
	Year	*When Due	**When Demanded	When Lodged	Significant Debt First Arose	# Recovery Action Commenced	Judgment Obtained	Bankrupt
1	1988 - 1990	Oct 88-Oct 90	Mar-01	Apr-01	Jun-00	Jul-00	Oct-00	Dec-00
	1992-1998	Oct 92-Oct 98	Mar-00	Mar-00				
	1999	Mar-00	Aug-00	Mar-01				
<i>Comments</i>					<i>Comments</i>			
2	1996	Oct-96	Apr-97	May-97	Nov-87	Jul-88	N/A	Dec-91
	1997	Oct-97	Jan-98	Feb-98	Dec-91	Nov-94	N/A	Apr-97
	1998	Oct-98	May-99	Jun-99				
	1999	Oct-99	Feb-00	Sep-00				
	2000	Oct-00	Mar-01	Mar-01				
<i>Comments</i>					<i>Comments</i>	Bankruptcy 2 - Debtors petition lodged.		
3	1995	Mar-96	Feb-98	Mar-98	May-95	May-95	May-98	Feb-00
	1996	Mar-97	Nov-97	Feb-98				
	1998	May-99	Jul-99	Feb-01				
	1999	Jan-00	Mar-00	Feb-01				
<i>Comments</i>					<i>Comments</i>			



Timeline of ATO action in respect of the barristers reported in the Commissioner of Taxation's Annual Report 2000 - 01.

Client Number	Lodgment (Years Demanded)*				Debt			
	Year	*When Due	**When Demanded	When Lodged	Significant Debt First Arose	# Recovery Action Commenced	Judgment Obtained	Bankrupt
1998 - 1999	Prosecution action taken to obtain lodgement.				Frequent negotiations to pay by instalments prior to debt becoming significant.			
4	1995	Oct-95	Apr-96	Nov-97	N/A	N/A	N/A	Nov-93
	1996	Oct-96	Aug-97	Mar-98	May-98	May-98	Aug-99	Jan-00
	1997	Oct-97	Feb-98	Mar-98				
	1998	Mar-99	Jun-99	Aug-99				
<i>Comments</i>					<i>Comments</i>			
					Debtor filed own petition.			
5	No Demands for lodgment listed				Jun-97	N/A	N/A	Aug-97
<i>Comments</i>					<i>Comments</i>			
					Debt was less than \$20,000 debtors petition lodged.			
6	1995	Mar-96	Mar-96	Apr-97	Nov-92	Mar-93	N/A	Mar-95
	1996	Mar-97	May-98	May-98	May-98	May-98	Jun-99	Nov-00
<i>Comments</i>					<i>Comments</i>			

Timeline of ATO action in respect of the barristers reported in the Commissioner of Taxation's Annual Report 2000 - 01.

Client Number	Lodgment (Years Demanded)*				Debt			
	Year	*When Due	**When Demanded	When Lodged	Significant Debt First Arose	# Recovery Action Commenced	Judgment Obtained	Bankrupt
7	1995	Oct-95	Jan-96	Jan-96	Nov-93	Jul-94	May-95	Apr-98
	1996	Oct-96	Dec-96	Feb-97				
	1998	Oct-98	Dec-98	Feb-99				
	<i>Comments</i>							
8	1995	Oct-95	Apr-96	N/A	Mar-86	N/A	Jun-86	Dec-90
	1996	Oct-96	May-97	Jul-99				
	1997	Oct-97	N/A	Feb-00				
	1998	Oct-98	Apr-99	Feb-00				
	1999	Oct-99	Apr-00	Mar-01				
	2000	Oct-00	Dec-00	Jun-03				
	<i>Comments</i>							
Action on 1997 and 1998 delayed as prosecution for other years was in progress.				Bankruptcy 2 - Taxpayer was bankrupt again before he was discharged from previous bankruptcy.				
9	No Demands for lodgment listed				May-96	N/A	N/A	May-96
	<i>Comments</i>							
				Debtor filed own bankruptcy petition				

Timeline of ATO action in respect of the barristers reported in the Commissioner of Taxation's Annual Report 2000 - 01.

Client Number	Lodgment (Years Demanded)*				Debt			
	Year	*When Due	**When Demanded	When Lodged	Significant Debt First Arose	# Recovery Action Commenced	Judgment Obtained	Bankrupt
10	1990	Mar-91	Jun-94	Dec-97	May-90	Oct-90	Jun-91	Nov-94
	1991	Mar-92	Jun-94	Dec-97				
	1992	Mar-93	Jun-94	Dec-97				
	1993	Mar-94	Jun-94	Dec-97				
	1994	Mar-95	N/A	Dec-97				
	1995	Mar-96	N/A	Dec-97				
	1996	Mar-97	N/A	Dec-97				
	2000	Jun-01	Jun-01	Nov-01				
<i>Comments</i>					<i>Comments</i>			
2000 Prosecuted					Service of bankruptcy notice hindered by taxpayer. Substituted service effected eventually.			
11	1987	Mar-88	N/A	Sep-88	Feb-89	Feb92	N/A	Apr-92
	1988	Mar-89	N/A	Oct-89	Dec-95	Oct-96	N/A	Jun-99
	1989	Mar-90	N/A	Oct-89				
	1991	Mar-92	N/A	Apr-92				
	1995	Mar-96	May-96	Jul-96				
	1997	Mar-98	May-98	Apr-99				
	2000	Oct-00	Jul-01	Feb-03				
<i>Comments</i>					<i>Comments</i>			

Timeline of ATO action in respect of the barristers reported in the Commissioner of Taxation's Annual Report 2000 - 01.

Client Number	Lodgment (Years Demanded)*				Debt			
	Year	*When Due	**When Demanded	When Lodged	Significant Debt First Arose	# Recovery Action Commenced	Judgment Obtained	Bankrupt
1997 - Prosecuted May-99					Bankruptcy 1 - Problem arose with Mar89 writ, started again in Feb 92. Another creditor petitioned bankruptcy. Debtors' petition.			
					Bankruptcy 2 - Debtor's petition filed. Debtor claimed disputed debts.			
12	1989	Mar-90	N/A	N/A	Dec-93	Apr-95	Jul-95	Oct-95
	1990	Mar-91	N/A	Aug-93				
	1991	Mar-92	N/A	Aug-93				
	1992	Mar-93	N/A	Aug-93				
	1996	Mar-97	May-01	Dec-01				
	1997	Mar-98	N/A	May-00				
	1998	Mar-99	Apr-99	May-00				
	1999	Mar-00	May-00	May-00				
	2000	Mar-01	May-01	Nov-01				
<i>Comments</i>					<i>Comments</i>			
13	1995	Mar-96	May-96	Feb-97	Apr-94	N/A	N/A	Jun-95
	1997	Mar-98	Jun-98	Nov-98				
	2000	May-01	Jun-01	Jul-01				
<i>Comments</i>					<i>Comments</i>			

Timeline of ATO action in respect of the barristers reported in the Commissioner of Taxation's Annual Report 2000 - 01.

Client Number	Lodgment (Years Demanded)*				Debt			
	Year	*When Due	**When Demanded	When Lodged	Significant Debt First Arose	# Recovery Action Commenced	Judgment Obtained	Bankrupt
					Taxpayer instigated Part X Jun 95			
14	No Demands for lodgment listed				Mar-95	N/A	N/A	Dec-95
<i>Comments</i>					<i>Comments</i> Taxpayer instigated Part X Dec 95			
15	1996	31-Mar-97	Apr-97	Nov-01	Apr-88	Apr-92	Feb-94	
	1997	31-Mar-98	May-98	Nov-01	N/A	N/A	Oct-97	Mar-01
	1998	31-Mar-99	Apr-99	Nov-01				
	1999	31-Jan-00	Feb-00	Nov-01				
	2000	30-Dec-00	Sep-02	Oct-01				
<i>Comments</i>	1996 - 2000 Prosecuted				<i>Comments</i> Creditor's petition issued Dec94 Protracted high level negotiations commenced Large payments made but further debts arose later Second judgment obtained; first paid out Further negotiation and avoidance of service			
16	1995	Mar-96	Apr-96	Jun-96	Jul-90	N/A	Jun-93	Apr-94
	1998	Mar-99	Apr-99	Jun-99				Sep-97

Timeline of ATO action in respect of the barristers reported in the Commissioner of Taxation's Annual Report 2000 - 01.

Client Number	Lodgment (Years Demanded)*				Debt			
	Year	*When Due	**When Demanded	When Lodged	Significant Debt First Arose	# Recovery Action Commenced	Judgment Obtained	Bankrupt
<i>Comments</i>					<i>Comments</i>			
17	1995 2000	Mar-96 May-01	May-96 Jun-01	Jun-96 Jun-01	Jan-95	Jan-95	May-99	Jun-99
<i>Comments</i>					<i>Comments</i>	Recovery action in place prior to debt becoming 'significant'		
18	1997 1998 1999 2000	Mar-98 May-99 Jan-00 Jan-01	May-98 May-99 Jul-00 Mar-01	Sep-98 Jan-00 Jan-02 Jan-02	Oct-98	Nov-98	Oct-00	Jan-01
<i>Comments</i>	2000 - Prosecution action taken				<i>Comments</i>			
19	2000	May-01	Jun-01	Jul-01	N/A May-96	N/A May-96	N/A Jun-97	Dec-93 Sep-98
<i>Comments</i>					<i>Comments</i>			

Timeline of ATO action in respect of the barristers reported in the Commissioner of Taxation's Annual Report 2000 - 01.

Client Number	Lodgment (Years Demanded)*				Debt			
	Year	*When Due	**When Demanded	When Lodged	Significant Debt First Arose	# Recovery Action Commenced	Judgment Obtained	Bankrupt
20	1996	Oct-96	Nov-96	May-97	Feb-90	Feb-90	Sep-94	Apr-95
	1997	Oct-97	Jan-98	Feb-98				
	1998	Oct-98	Jan-99	Feb-99				
	1999	Oct-99	Mar-00	Aug-00				
	2000	Oct-00	Mar-01	Apr-01				
<i>Comments</i>					<i>Comments</i>			
					Protracted settlement negotiations and defective pleadings, requiring amended statement of claim.			
21	1996	Mar-97	May-97	Jun-97	Sep-91	Sep-92	Mar-99	Dec-00
<i>Comments</i>					<i>Comments</i>			
					Cycle of legal action, negotiation, payments and default			
22	1996	Nov-96	Jan-97	Mar-03	Mar-89	Jun-89	Jun-95	Nov-95
	1997	Nov-97	Jan-98	Mar-03				
<i>Comments</i>					<i>Comments</i>			
					Defences lodged and adjournments			

Timeline of ATO action in respect of the barristers reported in the Commissioner of Taxation's Annual Report 2000 - 01.

Client Number	Lodgment (Years Demanded)*				Debt			
	Year	*When Due	**When Demanded	When Lodged	Significant Debt First Arose	# Recovery Action Commenced	Judgment Obtained	Bankrupt
					Multiple creditor's petition hearings			
23	1995	Mar-96	May-96	May-96	Dec-89	Jan-92	Jul-95	Mar-01
	1996	Mar-97	Jun-97	Feb-98	<i>Comments</i>			
	1998	Mar-99	Jul-99	Sep-99	Indication of negotiation 89-92. Summons 29/3/95, to judgement 7/95. Negotiation for several months			
	1999	Mar-00	Jun-00	Oct-00	Bankruptcy served June 98. 4/12/98 Judgmt set aside.			
<i>Comments</i>					Legal advice sought late 2000. Taxpayers lodged Debtor's petition 1/3/01 before advice acted on.			
1996 Prosecuted								
24	1995	Mar-96	Not Nec	Jan-97	Apr-94	N/A	N/A	Jun-94
	1996	Mar-97	Not Nec	Apr-97	No significant debt attached to post sequestration debt.			
	1997	Mar-98	Not Nec	Apr-98				
	1998	Mar-99	Not Nec	Apr-99				
	1999	Mar-00	Jul-00	Apr-01				
	2000	Jan-01	May-01	Nov-01				
<i>Comments</i>					<i>Comments</i>			
2000 - Prosecution for non lodgment.					Notification received taxpayer bankrupt.			
					Entered into Part X 17.6.94.			
					Received 50c in the \$ dividend.			



Timeline of ATO action in respect of the barristers reported in the Commissioner of Taxation's Annual Report 2000 - 01.

Client Number	Lodgment (Years Demanded)*				Debt			
	Year	*When Due	**When Demanded	When Lodged	Significant Debt First Arose	# Recovery Action Commenced	Judgment Obtained	Bankrupt
25	1995	Mar-96	May-01	May-02				Apr-86
	1996	Mar-97	Jul-01	May-02	Aug-89	Jun-91	May-92	Nov-93
	1997	Mar-98	Jul-01	May-02				
	1998	Mar-99	Jul-01	Mar-02				
	1999	Mar-00	Jul-01	Jun-01				
	2000	Mar-01	Jul-01	Mar-02				
<i>Comments</i>				<i>Comments</i>				
1995, 1997-1998, 2000 - Prosecuted,				This is taxpayer's 2nd bankruptcy (the first was 1986). Taxpayer was untracable for a period of time.				
26	1995	Mar-96	Oct-95	Jan-96	Oct-89	Jan-90	N/A	Nov-91
	1996	Mar-97	Not Nec	May-97				
	1997	Mar-98	Not Nec	May-98				
	1998	Mar-99	Not Nec	May-99				
	1999	May-00	Not Nec	Jun-00				
	2000	May-01	Jun-01	Jul-01				
<i>Comments</i>				<i>Comments</i>				
				Part X entered into. Subsequent debts have been paid.				
27	1995	Mar-96	N/A	Jun-96	Nov-83	N/A	8.2.90	Nov-94

Timeline of ATO action in respect of the barristers reported in the Commissioner of Taxation's Annual Report 2000 - 01.

Client Number	Lodgment (Years Demanded)*				Debt			
	Year	*When Due	**When Demanded	When Lodged	Significant Debt First Arose	# Recovery Action Commenced	Judgment Obtained	Bankrupt
	1996	Mar-97	Jan-02	Jul-02				
	1997	Mar-98	N/A	Jun-98				
	1998	Mar-99	Jan-02	May-02				
	1999	Mar-00	Jan-02	Apr-02				
	2000	Mar-01	Jun-02	Jun-02				
<i>Comments</i>					<i>Comments</i>			
					Defences Lodged			
28	1995	Mar-96	May-96	Jul-96	Jun-89	Dec-93 Aug-97	Feb-98	Jul-98
<i>Comments</i>								<i>S73 cmpsition Jul-99</i>
					<i>Comments</i>			
					1st demand 9/91;t/p away;Feb-June 92 negotiation.			
					Dec 93 when summons issued but not served.			
					1/09/1996 renewed negotiation. Aug 97 summons issued & served. Mar to Jun 98- several offers rejected.			
					Bankruptcy notice to be served but taxpayer lodged			
					Debtor's Petition 30 July 98.			
					14 July 99 S73 composition accepted payment for approx. half of debt of \$1.3 mil.			
					In Nov 2001 t/p made an ex gratia pymnt of \$200k.			

Timeline of ATO action in respect of the barristers reported in the Commissioner of Taxation's Annual Report 2000 - 01.

Client Number	Lodgment (Years Demanded)*				Debt			
	Year	*When Due	**When Demanded	When Lodged	Significant Debt First Arose	# Recovery Action Commenced	Judgment Obtained	Bankrupt
29	1996	Mar-97	Apr-97	Nov-97	Jul-92	Feb-94	N/A	Sep-94
	1997	Mar-98	May-98	Aug-98				
	2000	Mar-01	Jun-01	Jun-01				
	<i>Comments</i>							
30	1996	Mar-97	Jan-97	Dec-97	Nov-89 Jun-00	Dec-89 Aug-00	Apr-91 N/A	Aug-92 Nov-00
	1997	Mar-98	Aug-98	Jun-00				
	1998	Mar-99	Apr-99	Jun-00				
	1999	Mar-00	Mar-00	Apr-01				
	2000	Mar-01	Mar-01	Apr-01				
	<i>Comments</i>							
31	1995	Mar-96	Jun-96	Dec-96	Feb-93	Mar-93	Mar-99	Oct-00
	1996	Mar-97	May-97	May-97				
	1997	Mar-98	Apr-98	Sep-98				
	1999	Mar-00	Jun-00	Oct-00				
	<i>Comments</i>							

Timeline of ATO action in respect of the barristers reported in the Commissioner of Taxation's Annual Report 2000 - 01.

Client Number	Lodgment (Years Demanded)*				Debt			
	Year	*When Due	**When Demanded	When Lodged	Significant Debt First Arose	# Recovery Action Commenced	Judgment Obtained	Bankrupt
					Taxpayer lodged Debtor's Petition 16/10/00.			
32	1995	Oct-95	Aug-96	Sep-96	Feb-95	Jan-96	N/A	Jun-96
<i>Comments</i>					<i>Comments</i> ATO was not petitioning creditor			
33	1995	Oct-95	May-96	Jun-96	Jul-92	Aug-92	Dec-92	May-94
	1996	Oct-96	Apr-97	Apr-97	Aug-97	Aug-97	Jan-98	Jul-01
	1997	Oct-97	May-98	Dec-98				
	1999	Oct-99	Jun-00	Dec-00				
	2000	Oct-00	Feb-01	Aug-01				
<i>Comments</i>	1999 - Asst issued Feb 04 and 2000 Prosecuted 5/9/01 -19B				<i>Comments</i>			
34	No Demands for lodgment listed				N/A	N/A	N/A	Sep-87
					May-95			
<i>Comments</i>					<i>Comments</i>			

Timeline of ATO action in respect of the barristers reported in the Commissioner of Taxation's Annual Report 2000 - 01.

Client Number	Lodgment (Years Demanded)*				Debt			
	Year	*When Due	**When Demanded	When Lodged	Significant Debt First Arose	# Recovery Action Commenced	Judgment Obtained	Bankrupt
35	1995	Oct-95	Nov-95	Nov-98	(1) Mar-93	Apr-93	Mar-96	Oct-96
	1996	Oct-96	May-97	Nov-98	<i>Comments</i>			
	1997	Oct-97	Jan-98	Nov-98	Ap 93- negotiations unsuccessful. Feb 94 tracing began.			
	1998	Mar-99	Dec-99	Unlodged	Oct 94 demand then summons. Sept 95, tracing,			
	1999	Jan-00	Mar-01	Unlodged	summons served. Judgment 3/96.			
	2000	Oct-00	Mar-01	Unlodged	Bankruptcy notice 5/96, Bankrupt Oct-96.			
<i>Comments</i>					(2) Dec-98	Apr-02	Sep-00	May-01
1995-1996 Prosecuted - Asst Issued Nov 98.					<i>Comments</i>			
1997 Prosecuted					Summons 23/4/99; no service -tracing aaction to Feb 00			
Aug-02 - 1998 to 2000 referred for prosecution action.					Summons issued 5/8/00, served, Judgmt 25/9/00,			
Nov-03 - 2001 and 2002 referred for prosecution action					Bank notice 30/11/00, Creditor's petition6/3/01, redone			
May-05 -reissue of final notices for 1998 to 2003 returns					and re-served (technical fault in 1st) 5/01.			
as requested by Prosecution					sequestration order made 18/5/01			
July-04 - 1998 - 2003 referred back to Prosecutions								
Client's location is not known.								
36	1995	Mar-96	May-96	Oct-97	Oct-95	Jan-96	Sep-96	Oct-96
	1996	Mar-97	Jun-99	Apr-01				
	1997	Mar-98	Jun-99	Apr-01				
	1998	May-99	Jun-99	Apr-01				
	1999	Jan-00	Jun-99	May-01				

Timeline of ATO action in respect of the barristers reported in the Commissioner of Taxation's Annual Report 2000 - 01.

Client Number	Lodgment (Years Demanded)*				Debt			
	Year	*When Due	**When Demanded	When Lodged	Significant Debt First Arose	# Recovery Action Commenced	Judgment Obtained	Bankrupt
<i>Comments</i>					<i>Comments</i>			
1995 - Prosecuted.								
37	1996	Oct-96	Apr-97	Jul-01	Apr-96	May-96	Sep-96	Aug-97
	1997	Oct-97	Jan-98	Jul-01				
	1998	Oct-98	Dec-98	Jul-01				
	1999	Oct-99	Mar-00	Jul-01				
	2000	Oct-00	Apr-01	Jul-01				
<i>Comments</i>					<i>Comments</i>			
1996 -1999 Prosecuted. 2000 - 2002 Demanded.								
38	1995	Oct-95	N/A	Oct-96	Oct-95	Nov-95	Feb-96	Dec-97
	1996	Oct-96	Nov-97	Feb-98				
<i>Comments</i>					<i>Comments</i>			
39	No Demands for lodgment listed				Feb-97	N/A	N/A	Sep-97
<i>Comments</i>					<i>Comments</i>			
					Taxpayer lodged debtor's petition			

Timeline of ATO action in respect of the barristers reported in the Commissioner of Taxation's Annual Report 2000 - 01.

Client Number	Lodgment (Years Demanded)*				Debt			
	Year	*When Due	**When Demanded	When Lodged	Significant Debt First Arose	# Recovery Action Commenced	Judgment Obtained	Bankrupt
40	1995	31-Oct-95	N/A	May-96	Oct-95	Mar-96	Jul-96	Oct-97
<i>Comments</i>					<i>Comments</i>			
1995 Prosecuted								
41	1995	Mar-96	N/A	Feb-96	N/A	N/A	N/A	Jun-95
	1996	Mar-97	Apr-97	May-97	Sep-97	N/A	Feb-99	Jun-00
	1997	Mar-98	May-98	Jun-98				
	1998	Mar-99	N/A	Aug-00				
	1999	Mar-00	Jun-00	Aug-01				
	2000	Oct-00	Apr-01	Aug-01				
<i>Comments</i>					<i>Comments</i>			
1986 -1995 and 1999 Prosecuted								
42	1995	N/A	N/A	May-96	Oct-94	Oct-92	Mar-96	Sep-97
	1996	N/A	N/A	Aug-98				
	1997	N/A	N/A	Sep-98				
	1998	N/A	N/A	Jul-99				
	2000	Apr-01	Jun-01	Oct-01				
<i>Comments</i>					<i>Comments</i>			

Timeline of ATO action in respect of the barristers reported in the Commissioner of Taxation's Annual Report 2000 - 01.

Client Number	Lodgment (Years Demanded)*				Debt			
	Year	*When Due	**When Demanded	When Lodged	Significant Debt First Arose	# Recovery Action Commenced	Judgment Obtained	Bankrupt
					Recovery action commence prior to debt becoming significant. Lengthy negotiations occurred			
43	1997	N/A	May-98	Jan-99	N/A	Aug-90	N/A	Jul-00
	1998	N/A	Sep-99	Oct-99	Apr-93			
<i>Comments</i>					<i>Comments</i>			
					Protracted negotiations with no outcome except a few defaulted arrangements. July 00 taxpayer initiates Part X.			
44	2000	Jun-01	Jun-01	Nov-01	N/A	N/A	N/A	Aug-92
<i>Comments</i>					<i>Comments</i>			
45	1997	Oct-97	May-98	Mar-00	N/A	N/A	N/A	Mar-00
	1998	Oct-98	Jul-99	Sep-99				
	1999	Jan-00	Jun-00	Sep-00				
	2000	Jan-01	Mar-01	Mar-03				
<i>Comments</i>					<i>Comments</i>			
					Protacted legal action thourght this case.			



Timeline of ATO action in respect of the barristers reported in the Commissioner of Taxation's Annual Report 2000 - 01.

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	Year	*When Due	**When Demanded	When Lodged	Significant Debt First Arose	# Recovery Action Commenced	Judgment Obtained	Bankrupt
46	1996	Oct-96	Jun-97	Jul-97	N/A	N/A	N/A	Apr-94
<i>Comments</i>					<i>Comments</i>			
47	1997	Oct-97	May-98	Aug-98	N/A	N/A	N/A	Mar-94
	1999	Mar-00	Jul-00	Jul-00	N/A	N/A	N/A	May-00
	2000	Jan-01	Mar-01	Apr-01				
<i>Comments</i>					<i>Comments</i>			
48	1995	N/A	Jun-96	Aug-96	1994	Sep-00	Nov-00	Feb-01
	1996	N/A	May-97	Jun-97				
	1997	N/A	Apr-98	Jun-98				
	1998	Mar-99	May-99	May-99				
<i>Comments</i>					<i>Comments</i>			
					Brief negotiations with no outcome took place in 1994.			
					In Sept 98 a Statement of Account was prepared			
					In June 99 negotiations took place to no effect for a few months. Statement of liquidated claim then in Sept 00.			

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	Year	*When Due	**When Demanded	When Lodged	Significant Debt First Arose	# Recovery Action Commenced	Judgment Obtained	Bankrupt
49	1995	Mar-96	May-96	May-96	Jun-95	Aug-95	Nov-95	Aug-96
	1999	Mar-00	May-00	May-00				
<i>Comments</i>					<i>Comments</i>			

- \* Defaults to March of following year if agent was involved
- \*\* Based on date of first reminder
- # First non-auto action eg phone call/demand