

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

4 – 6 June 2013

Question: BET 377

Topic: Reviews

Written: 17 June 2013

Senator BUSHBY asked:

377. For this financial year to date:

- How many reviews are being undertaken?
- What reviews have concluded, and for those that are still ongoing, when will those reviews be concluded?
- Which of these reviews has been provided to Government?
- When will the Government be responding to the respective reviews that have been completed?
- Has the Government responded to all reviews within the timeframe? If not, why not?
- What is the estimated cost of each of these reviews?
- What reviews are planned?
- When will each of these reviews be concluded?

Answer:

377. Refer to attachment.

Reviews undertaken in Financial year to date (1 July 2012 – 30 June 2013)					
Title of review	Date undertaken or planned	Date concluded or expected conclusion date	Has review been provided to Government?	When will/did the Government respond to review?	Estimated cost of review
Working group to consult on the implementation of a national foreign owned register for agricultural land	Review announced on 15 June 2012.	Consultation submissions closed on 1 February 2013.	Yes	N/A	N/A
Sharing of report information in the automotive industry	15 July 2011	20 December 2012	Yes	April 2013	Nil
Gift cards in the Australian market	9 December 2011	6 July 2012	Yes	N/A - the Commonwealth Consumer Affairs Advisory Council reports findings to the Minister only.	Nil
App purchases by Australian consumers on mobile and handheld devices	12 December 2012	Consultation submissions closed on 31 January 2013.	No	N/A - the Commonwealth Consumer Affairs Advisory Council reports findings to the Minister only.	Nil
Review of Benchmarks for industry-based customer dispute resolution schemes	6 July 2012	Issues paper released late March/early April 2013.	No	N/A - the Commonwealth Consumer Affairs Advisory Council reports findings to the Minister only.	Nil
Consumers and Fuel Price Boards	7 December 2012	Consultation submissions closed on 15 February 2013.	No	N/A - Consumer Affairs Australia and New Zealand reports findings to the Minister only.	Nil
Exposure draft for component pricing	4 December 2012	Consultation submissions closed on 18 January 2013.	Yes	The review is expected to be put to a vote on the Legislative and Governance Forum on Consumer Affairs in the first half of 2013.	Nil
Post-implementation review of the unit pricing code	July 2012	October 2012	No Government response required		Nil

Reviews undertaken in Financial year to date (1 July 2012 – 30 June 2013)Continued					
Title of review	Date undertaken or planned	Date concluded or expected conclusion date	Has review been provided to Government?	When will/did the Government respond to review?	Estimated cost of review
Review of Tax Arrangements Applying to Permanent Establishments	This review was announced on 24 May 2012.	30 April 2013	Yes.	The timing of the Government's response to the report, once delivered, will be a matter for the Government to determine.	The review is being conducted by the Board of Taxation, with assistance from Treasury and ATO staff. Consultant costs are estimated not to exceed \$90,000.
Post-implementation review of certain aspects of the consolidation regime	This review was announced on 3 June 2009. The initial report (the phase one report) was provided to the Government on 26 June 2012. On 25 November 2011, the Government requested that the Board also investigate and report on various further issues (the phase two report).	The phase one report was completed in June 2012. The phase two report was completed in April 2013.	Yes.	The Government responded to both reports on 14 May 2013.	The review was conducted by the Board of Taxation, with assistance from Treasury and ATO staff. Consultant costs for the phase one review were approximately \$85,000. Consultant costs for the phase two review are estimated not to exceed \$110,000.
Debt and Equity Tax Rules	This review was announced on 14 May 2013.	March 2015	No	The timing of the Government's response to the report, once delivered, will be a matter for the Government to determine.	Consultant costs are estimated not to exceed \$87,000
Thin Capitalisation Arm's Length Test	This review was announced on 14 May 2013.	December 2014	No	The timing of the Government's response to the report, once delivered, will be a matter for the Government to determine.	Consultant costs are estimated not to exceed \$75,000.
Review of Venture Capital and Entrepreneurial Skills	2012	December 2012	Yes	Response released as part of the Government's industry and innovation policy statement on 17 February 2013.	No additional cost.

Reviews undertaken in Financial year to date (1 July 2012 – 30 June 2013)Continued

Title of review	Date undertaken or planned	Date concluded or expected conclusion date	Has review been provided to Government?	When will/did the Government respond to review?	Estimated cost of review
Law Value Parcel Processing Taskforce	December 2011	31 July 2012	Yes	Interim response released 3 December 2012. Final response will be released in 2013.	The cost of the Taskforce and supporting Secretariat was met by the agencies participating in the Secretariat. Treasury provided one staff member for a period of approximately seven months and contributed funding of \$101,195.85 (\$58,886.00 in 2011-12 and \$42,308.86 in 2012-13).
Review of not-for-profit fundraising	2012	Review concluded.	Yes	N/A	Consultation paper released.
Review into appropriate governance arrangements for the not-for-profit sector	December 2011 - December 2012	Review concluded.	Yes	Yes, Government tabled regulations for ACNC Governance standards in March 2013.	Review conducted internally.
Review of tax concessions for the not-for-profit sector	Commenced February 2012.	Report provided to Government in May 2013.	Yes.	N/A	The review is being conducted by the NFP Sector Tax Concession Working Group. Its secretariat is provided by Treasury, with resources provided from existing budget funding.
Review of the GST Distribution	Announced on 30 March 2011.	Review concluded on 2 November 2012.	Final report provided to Government on 2 November 2012 and publicly released by Government on 30 November 2012.	Discussions with the States and Territories on the final report recommendations are ongoing.	The Government has provided \$0.8 million in 2011-12 and \$0.2 million in 2012-13 for the review. The cost of the Secretariat for the review is being absorbed within the Treasury budget.

Reviews undertaken in Financial year to date (1 July 2012 – 30 June 2013)Continued

Title of review	Date undertaken or planned	Date concluded or expected conclusion date	Has review been provided to Government?	When will/did the Government respond to review?	Estimated cost of review
Post-implementation review of Division 7A	This review was announced on 18 May 2012.	30 June 2013	No	The timing of the Government's response to the report, once delivered, will be a matter for the Government to determine.	The review is being conducted by the Board of Taxation, with assistance from Treasury and ATO staff. Consultant costs are estimated not to exceed \$15,000.
Business Tax Working Group (BTWG) Final Report	1 May 2012 (First BTWG report concluded in April 2012)	1 November 2012	Yes	N/A	Review conducted by independent working group with internal support from the BTWG secretariat. The cost absorbed within the Treasury budget.
Post Implementation Review – Financial Claims Scheme for General Insurance Policyholders	2008	September 2012	Yes	N/A	Review conducted by Treasury staff. Costs absorbed within Treasury budget.
Taxation of Native Title and Traditional Owner Benefits and Governance Working Group	Announced on 18 March 2013	1 July 2013	Yes. The Working Group was required to report to Government on 1 July 2013.	The Government has not yet responded to the Working Group's recommendations. There are no statutory requirements or announced commitments regarding a response.	The review was conducted by the Working Group. Members were reimbursed for travel expenses. The secretariat for the Working Group was provided by Treasury, with costs being absorbed within the Treasury budget. The secretariat was supported by the Attorney-General's Department and Department of Families, Housing, Community Services and Indigenous Affairs.

Reviews undertaken in Financial year to date (1 July 2012 – 30 June 2013)Continued

Title of review	Date undertaken or planned	Date concluded or expected conclusion date	Has review been provided to Government?	When will/did the Government respond to review?	Estimated cost of review
Review of the Regulatory Arrangements for Employee Share Schemes	The review was announced as part of the Industry and Innovation Statement in February 2013 and the Update to the National Digital Economy Strategy on 12 June 2013.	December 2013	No.	The timing of the Government's response to the report, once delivered, will be a matter for the Government.	No funding has been provided for the review.
Review of exemption from the Credit Act for point of sale retailers	Discussion paper released January 2013.	No date specified.	No.	N/A	Review conducted by Treasury staff. Costs absorbed with Treasury budget.
Removing the tax advantages available to multiple entry consolidated groups	13 June 2013	February 2014	No	The timing of the Government's response to the report, once delivered, will be a matter for the Government to determine.	Review is being conducted by a tripartite steering committee involving the Treasury, the ATO and private sector consultants. The cost of consultants is estimated to be \$78,540.