

**Department/ Agency:** Australian Taxation Office

**Question:** BET 2083

**Topic:** Government payments of accounts

**Reference:** Written - 12 June 2014

**Senator:** Ludwig

**Question:**

2083. From Additional Estimates in February, 2014 to date, what has been the average time period for the department/agency paid its accounts to contractors, consultants or others?
- How many payments owed (as a number and as a percentage of the total) have been paid in under 30 days?
  - How many payments owed (as a number and as a percentage of the total) have been paid in between 30 and 60 days?
  - How many payments owed (as a number and as a percentage of the total) have been paid in between 60 and 90 days?
  - How many payments owed (as a number and as a percentage of the total) have been paid in between 90 and 120 days?
  - How many payments owed (as a number and as a percentage of the total) have been paid in over 120 days?
  - For accounts not paid within 30 days, is interest being paid on overdue amounts and if so how much has been paid by the portfolio/department agency since Additional Estimates in February, 2014?
  - Where interest is being paid, what rate of interest is being paid and how is this rate determined?

**Answer:**

2083. The average time for the ATO to pay its accounts was 2.96 days.
- The ATO paid 4,788 invoices (95.09 per cent) within 30 days of receipt of a correctly rendered invoice.
  - The ATO paid 164 invoices (3.26 per cent) between 30 and 60 days.
  - The ATO paid 33 invoices (0.66 per cent) between 60 and 90 days.
  - The ATO paid 24 invoices (0.48 per cent) between 90 and 120 days.
  - The ATO paid 26 invoices (0.52 %) in over 120 days.
  - The ATO paid \$1,595 interest to small businesses.
  - Interest is paid at the General Interest Charge (GIC) rate. The GIC rate is updated quarterly and calculated using a statutory formula based on the monthly arrangement yield of 90 day bank accepted bills, published by the Reserve Bank of Australia and an uplift factor of 7 per cent.