

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

2016 - 2017

Division/Agency: Australian Taxation Office

Question No: 248

Topic: Blocking websites that do not collect Australian taxes

Reference: Written (19 October 2016)

Senator: Ketter, Chris

Question:

- 1) What preparations has the ATO made to comply with new GST requirements that are being introduced next year?
- 2) Specifically, how will the ATO respond to overseas websites that do not comply with GST requirements?
- 3) Does the ATO have an estimate on how many overseas websites would be non-compliant with incoming GST rules?
- 4) Has the ATO developed proposals on how it may use powers under the Telecommunications Act to force Internet Service Providers to block non-compliant overseas websites?
- 5) Has the ATO briefed Treasury or Government Ministers on powers under the Telecommunications Act to force ISPs to block non-compliant websites?
- 6) Who did the ATO brief?
- 7) Have Ministers and/or Treasury sought feedback from the ATO about forcing ISPs to block non-compliant overseas websites?
- 8) Who sought feedback from the ATO?

Answer:

- 1) The ATO is developing a simplified registration and remittance system for impacted non-residents. The ATO will also undertake a communication and awareness program targeted at non-residents (many of whom have already been identified as being suppliers of low value imported goods).
- 2) The ATO response will depend on each situation and determined on a case-by-case basis, in line with usual practice. If the ATO considers non-compliance is the result of a business not being aware of its obligations under the law, we would consider communication and education more appropriate. If non-compliance is considered deliberate, the Commissioner may register a business and issue a default assessment or seek international collaboration.
- 3) No.
- 4) No.
- 5) Yes.
- 6) The ATO briefed the Minister for Revenue and Financial Services and The Treasury.
- 7) No additional feedback has been sought.
- 8) No additional feedback has been sought.