

**Senate Economics Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Supplementary Budget Estimates

2016 - 2017

**Division/Agency:** Corporate and International Tax Division

**Question No:** 440

**Topic:** Revenue commitments from compliance measures (ANAO audit)

**Reference:** Written

**Senator:** Ketter, Chris

**Question:**

- 1) Is Treasury familiar with the Australian National Audit Office report Meeting Revenue Commitments from Compliance Measures, an audit of ATO practice, delivered in September?
- 2) Does Treasury have concerns that the ATO has not agreed to all recommendations in the report, particularly Recommendation 1a that the ATO “documents in its funding proposals how the additional revenue from a measure will be determined and any pre-existing level of activity related to the compliance risks addressed by the measure”?
- 3) Has Treasury been involved in briefings with Government ministers on the findings of the Audit Office report?
- 4) Have Government Ministers sought feedback from Treasury on the Audit Office report?
- 5) In the 2016-17 Budget, the Government committed to funding a Tax Avoidance Taskforce in the Australian Taxation Office. When formulating these estimates, does Treasury rely on the Australian Taxation Office for estimates of expenses and revenue from specific funding measures?
- 6) Does the Audit Office report cast doubt on the Tax Avoidance Taskforce expense and revenue expectations?
- 7) Is Treasury concerned that the Australian Taxation Office may use specific funding for ongoing business?

**Answer:**

- 1) Yes.
- 2) Treasury considers that the response to this report is a matter for the Australian Taxation Office (ATO).
- 3) No.
- 4) No.
- 5) Treasury works closely with the ATO in formulating revenue estimates. The respective roles of Treasury and the ATO regarding tax costings are set out in the ATO–Treasury protocol available at: [www.ato.gov.au/General/New-legislation/In-detail/ATO---Treasury-protocols/ATO---Treasury-protocol/](http://www.ato.gov.au/General/New-legislation/In-detail/ATO---Treasury-protocols/ATO---Treasury-protocol/).
- 6) No.
- 7) The management of the ATO is the responsibility of the Commissioner of Taxation.