**Senate Economics Legislation Committee**

ANSWERS TO QUESTIONS ON NOTICE

**TREASURY**

**Australian Taxation Office**

(Additional Estimates 15 February 2006)


**Topic:**　　　**NTS-budget allocation**

**AT82**　　　**Hansard Page:E56**


Senator Fielding asked:

I think you referred before to the national taxpayer system. Is it part of the—

> *Mr Farr—The national taxpayer system is our main income tax processing system, yes.*

**Senator FIELDING**—What percentage of the budget is allocated to that replacement?

> *Mr Farr—One of the problems that we have, without getting too technical, is that we have any number of different processing systems. So we have the national taxpayer system processing our income tax. We have another system doing our GST and our BAS payments. We have another one doing our FBT payments. We have different accounting systems, different processing systems, different registration systems. That makes it very difficult to get a complete picture of a taxpayer—their history, their accounts and things. So all of those systems essentially will be replaced and we will have one processing system, one registration system and one accounting system, irrespective of what sort of tax it is. So it is not really possible to put a figure on replacing*
> *that system, but certainly when we do that that will be a pretty big chunk of our funds, probably at least a third of the funds, and I can take it on notice to give you a more accurate figure.*

**Senator FIELDING**—That is fine.


Answer:

The core tax processing system is the Integrated Core Processing (ICP). This system delivers a single account, single register, single processing capability, integrated data structure and foundation of the tax administration for ATO. This functionality is delivered as part of Release 3 of the Change Program. Release 3 will also deliver Enterprise Case Management to the Provision of Written Advice workforce.

Release 3 accounts for approximately $195m or 45% of the total change program costs.

The new processing system will also integrate with the Release 1 and Release 2 capabilities that have already been deployed under the Change Program, as follows
- Release 1 – Client Relationship Management (CRM)
- Release 2 – Correspondence & Work Management.
- Release 2 – Case Management.

These capabilities will be enhanced in Release 3 to integrate with ICP – for example the CRM system will use the ICP register as the basis for client information, and the Case Management system will link directly to the ICP Accounting system to track financial treatment for audit and debt management cases.

The major core processing systems being replaced as part of Release 3 these include:

NTS - National Tax System (Processing and Accounting);
IPS – Instalment Processing System (Processing and Accounting)
AIS – ATO Integrated System (Registration and Accounting)
FBT – Fringe Benefits Tax (Processing and Accounting)
PAYG – Pay As You Go (Processing)
ECS – Excise Collections System (Processing and Accounting)
GPS – Generic Payments System (Processing)
HES – Higher Education Scheme (Processing)
ATOMS – ATO Matching Systems (Processing and Case Management)
RMS – Receivables Management System
TDMS – Technical Decision Making System (Advice)

Note that these systems were created using a variety of technologies – including Cobol, Telon, Cool:Gen and Microsoft COM.