

**Senate Economics Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury**  
**Australian Taxation Office**  
Budget Estimates 2004-05, (3 June)

**Outcome 2, Output 2.2.1**

**Topic: Cost of GST system implementation**

**Hansard Page: E40(i)**

Senator Lundy asked:

Just going back to prior to the Change Program being initiated, with the technology changes over the years, particularly those surrounding the implementation of the GST, is the tax office able to provide an overall figure of the costs associated with the implementation of the GST from an IT expenditure point of view? I know we traversed this some years ago, but I cannot recall ever getting an aggregate figure for the net cost to the ATO of that change.

*Mr Farr—I clearly do not have it with me, but I would think that we would be able to go back and reconstruct our records to provide that.*

Answer:

The total IT expenditure (capital) recorded against GST for the years listed below is as follows:

<b>Year</b>	<b>Amount</b>
1999/2000	\$17,579,526
2000/2001	\$7,978,954
2001/2002	\$2,275,267
2002/2003	(adjustment) -\$5,502
<b>Total</b>	<b>\$27,828,245</b>

A substantial number of IT projects were being undertaken in the ATO over the same period of time which supported GST implementation, but which were not recorded against GST, because of their integration with other components of The New Tax System (such as the BAS system).

The above figures do not include expenditure on infrastructure for ongoing operational support of GST, such as personal computer equipment for GST staff.