

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

TREASURY

Australian Taxation Office

(Budget Estimates 2 June 2005)

Outcome 2

Topic: Data matching and record sharing activities

Supplementary: Supp Lundy 6

Senator Lundy asked:

Is the ATO involved in any formal or informal discussion with DoFA and/or Human Services regarding data management, record keeping, sharing, data-matching or any similar type activities? This may be through the MAC, CIDC, CIOC or any other interdepartmental mechanism?

If so, what are the activities?

Answer:

In addition to the regular data matching activities that are undertaken as part of the Tax Office compliance program, formal discussions have been held with the Department of Human Services in connection with the Tax Office income tax return pre-population project. This initiative provides the facility for taxpayers to download income tax return information from Centrelink and the Health Insurance Commission at the time this income tax return is prepared. The specific details for each agency follow:

- Health Insurance Commission (HIC) pilot

This pilot will enable approximately 3000 taxpayers who use the e-tax product to lodge their income tax return to download the Medicare Financial Tax Statement information from HIC to their e-tax return.

- Centrelink pilot

Taxpayers who use the e-tax product to lodge their income tax return will be offered the opportunity to have details of payments received from Centrelink automatically downloaded into their e-tax return. It is expected that approximately 200,000 taxpayers will use this facility for their 2004/05 tax return.