

**SENATE ECONOMICS
LEGISLATION COMMITTEE**

Budget estimates 2005–06

TABLED DOCUMENTS

Document: Letter from MYOB to Mr Wayne Swan MP

Tabled by: Senator Fifield

Date: Thursday, 2 June 2005



31 May 2005

Mr Wayne Swan MP
House of Representatives
Parliament House
Canberra ACT 2600

Dear Mr Swan

Looming Crisis for Small Businesses - Deadline for Tax Table Decision: 06/06/05

As you know, the ATO recently responded to a looming crisis for small businesses by gaining approval for the release of two tax tables to financial software developers. At MYOB, this was greatly appreciated as it allowed time to develop and quality-assure our compliance upgrades for the business community who depend on us. However, the next step is a matter of urgency.

The fact remains that releasing two schedules to the business community is far from ideal. As currently designed, businesses who insert the MYOB payroll upgrade will automatically install the tax tables approved from the 2004 budget. They will then need to manually override this automatic process and insert a password to access the 2005 tables should they be approved. I must emphasise that this is a solution of last resort for our customers. The limited technical capacity of the average small business renders any manual activity of this kind a recipe for confusion, error and ultimately potential miscalculation.

In our experience the accurate payment of employees is a role that business owners take very seriously. It is a highly sensitive topic, felt most keenly at their end of financial year peak. If there is any confusion as to what the correct option is, mass frustration will be felt not only by the business owners themselves, but by their 1.5 million plus employees, providers like MYOB, accounting practices and the ATO. They will quite rightly be calling for an explanation.

MYOB begins producing upgrade CDs for our customers on 6 June. So unless the ATO is in a position to authorise delivery by this date we cannot make the 2005 tax tables the default option. This is, therefore, the last chance for all involved to eliminate imminent confusion for small business owners around the nation. I implore you to take the required steps to avert an unnecessary and far reaching quandary.

I look forward to hearing from you at your earliest convenience, and appreciate your efforts in anticipation. I understand that you have already spoken with Andrew Fiori-Dea, so please feel free to contact either of us for further information at any stage.

Yours faithfully

Craig Winkler
Chief Executive Officer
MYOB Limited

cc: Mr Tony Burke MP
cc: The Hon Kim Beazley MP