

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
TREASURY
Australian Taxation Office
(Budget Estimates 30 May 2006)

Question **BET 142**
Topic: **CASH ECONOMY**
Hansard page: **Written Question**

Senator Sherry asked:

To find out more about visits to strip clubs by ATO field officers

The ANAO did an audit of the ATO's efforts to control and evaluate the black economy and the ATO officers made "field visits" to strip clubs.

1. How many dancing clubs operate in Australia?

Answer: There are approximately 75 known venues within Australia.

2 & 4. How many pole dancing clubs were visited?

According to the recent ANAO report into the cash economy, ATO field officers visited dance clubs? How many clubs have been visited in 2004-2005 and 2005-2006?

Answer: 70 venues have been subject to compliance enquiry to date over the past two financial years. Over 90% of the work with the owners is now completed, and any future work will be around educating and ensuring the compliance of new entrants into industry and maintaining the associated dancer registration and education approaches.

3. How many field officers were involved?

Answer: The project has invested the equivalent of around 5-6 full time staff for one year on this work. At different times there have been up to 20 staff with some involvement.

4. See response to Q2.

5. Do field officers volunteer for these visits?

Answer: Yes. Audit work in the adult industry is undertaken voluntarily, in that staff who are not comfortable with working in this area are not required to do so.

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6. How are these field visits conducted?

Answer: Any audit activities undertaken in connection with clubs co-operating in the voluntary provision of dancer registration information are conducted within normal daytime business hours when the clubs are likely to be closed. A number of these activities and enquiries are conducted at the offices of accounting and legal representatives.

. These visits are undertaken by female officers, with male officers providing security support.. Male officers do not participate in the interview process with dancers. Strict protocols, for example, in connection with secrecy requirements and taxpayer privacy, are observed.

7. Are dancers questioned by field officers during these visits?

Answer: Yes

8. What was the compliance rate for providing receipts for tips etc?

Answer: Specific information in connection with this is not available to the Tax Office..

9. Have any prosecutions followed this audit process?

Answer: No.