

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

TREASURY

Australian Taxation Office

(Budget Estimates 30 May 2006)

Question: bet 151

Topic: Superannuation Guarantee – legal action

Hansard page: E82

Senator Sherry asked:

Senator SHERRY—So far this financial year—you may not have the data, but for the previous financial year—against how many employers has legal action been taken for the collection of unpaid superannuation contributions?

Ms Vivian—I would need to take that on notice, because I think it would be combination. In some cases, we do take prosecution action against employers. That is in terms of providing us with the information.

Answer:

The Tax Office takes two types of legal action against employers concerning unpaid superannuation contributions: action for failing to provide information and action for outstanding Superannuation Guarantee Charge liability.

Failing to provide information:

- (a) In 2004-05, 209 employers were successfully prosecuted as a result of non-compliance with notices under Section 77. This section requires an employer to provide a written response to the notice or face prosecution for non-compliance.
- (b) In 2005-06 (to 31 May 2006), 240 employers were successfully prosecuted as a result of non-compliance with Section 77 notices.

Outstanding Superannuation Guarantee Charge liability:

- (a) In 2004-05, the Tax Office commenced legal action against 276 employers for outstanding Superannuation Guarantee Charge liability.
- (b) In 2005-06 (up to 12 June 2006), the Tax Office has commenced legal action against 181 employers for outstanding Superannuation Guarantee Charge liability.

Figures for legal action include garnishee notices, statutory demands and Tax Office actions subject to court processes.