

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

TREASURY

Australian Taxation Office

(Budget Estimates 30 May 2006)

Question **BET154**

Topic: **OPERATION WICKENBY—REVENUE IMPACTS**

Hansard Page: **E89**

Senator **Murray** asked:

—You mentioned revenue. I see two aspects to this. One is punishing people for breaking the law, but the other one is recouping revenue if you can. Are you anticipating substantial revenue recoupment?

Ms Martin—I am not sure if I have the revenue figures here. I can check on those for you. In some of the settlement offers there have already been voluntary disclosures, usually including payment arrangements, so there would be some revenue implications. I will just have to check on the final figure. I have a figure but I am not sure of it.

Answer:

Operation Wickenby is driven by protection of the revenue base rather than pursuit of additional revenue, as there is no doubt participation in these or similar arrangements will spread if not acted on. For this reason, the revenue estimates are conservative and based on what was known at the time of the joint agency costing proposal in October 2005.

The Tax Office expects the Operation Wickenby to result in increased tax revenue of \$323 million by the end of the 2009-10 financial year through compliance activities and improved compliance behaviour by the relevant taxpayers. The Tax Office also believes that the Operation will result in additional revenue being collected under the *Proceeds of Crime Act 2002*, although the Tax Office is unable to estimate these amounts at this early stage.