

**Senate Economics Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**TREASURY**

**Australian Taxation Office**

(Budget Estimates 30 May 2006)

**Question BET 155**

**Topic: HIGH WEALTH INDIVIDUALS**

**Hansard Page: E94-95**

**Senator Sherry asked:**

1. How many high wealth individuals have been prosecuted? Let us take this financial year to date and the previous financial year.

*Mr Konza—I would have to take that question on notice. I do not know.*

**Senator SHERRY asked:**

2. What about high wealth individuals in the same periods that I have asked about who were not prosecuted but agreed to pay a sum settlement?

*Mr Konza—Again, I do not know. I would have to take that on notice.*

**Senator SHERRY asked:**

1. & 2. If you could take both questions on notice and perhaps give us a total figure for those categories.

*Mr Konza—This is in the last year that you are referring to?*

**Senator SHERRY—**This financial year and the last full financial year.

**Answer:**

1. Whilst there were no prosecutions of high wealth individuals or any of their associates in 2004-05 and 2005-06, 3 cases in 2004-05, and 2 cases in 2005-06, were discussed with the Director of Public Prosecutions with a view to pursuing prosecution action. However, it was considered too early to progress action at that time. This situation has now changed and 2 of the cases referred to above are now actively being reconsidered for prosecution in light of further evidence

2. In 2004-05 the High Wealth Individuals Taskforce negotiated 56 settlement agreements, in relation to 12 High Wealth Individual Taskforce cases.

In 2005-06 the High Wealth Individuals Taskforce negotiated 35 settlement agreements, in relation to 15 High Wealth Individual Taskforce cases.

**Senate Economics Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**TREASURY**

**Australian Taxation Office**

(Budget Estimates 30 May 2006)

The numbers of negotiated settlements exceed the number of HWI cases as there are often separate settlements in respect of persons and/or entities, associated with each High Wealth Individual Taskforce case.

The majority of settlements have been the subject of independent quality assurance reviews to ensure cases are settled in accordance with the Code of Settlement Practice.

Tax officers do not have the authority to agree to a condition of a settlement that a taxpayer or another person will not be prosecuted, or that proceedings associated with a prosecution will not be taken by the Tax Office or another agency.