

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

TREASURY

Australian Taxation Office

Budget Estimates 2 June 2009

Question **bet 36**

Topic: **Small to medium businesses penalised by ATO for late payment/non-payment of debt**

Hansard Page: **E98**

Senator EGGLESTON—I am interested in small-to-medium business. How many of these small to medium sized businesses have been penalised by the ATO for late payment or non-payment?

Ms Mrakovcic—We would have to take that on notice.

Answer:

The Tax Office classifies small to medium enterprises as having an annual turnover of between \$2 million and \$250 million.

Between 1 July 2008 and 28 June 2009, 102,478 small to medium enterprises incurred general interest charge for late or non payment of outstanding tax. The law requires interest to be charged.

The law provides the Commissioner with the discretion to remit all or part of the general interest charge depending on the circumstances. After remissions, 51,264 small to medium enterprises still had general interest charge due and payable between 1 July 2008 and 28 June 2009.