

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Treasury Portfolio

Supplementary Budget Estimates 1 - 2 November 2006

Question: sbt 55
Topic: Penalties to employees regarding super and TFNs
Hansard Page: E112

Senator SHERRY asked:

I know there is. But the fact of life is that a significant number of employers are not passing on at the present time. That is the current situation. There is a penalty and I accept you would get the provision rate up; but it still seems to me that there are going to be a significant number of people who are going to be penalised through no fault of their own.

Mr Lonsdale—There is, as I think you pointed out at the beginning, a significant pool of people who are at the moment not quoting their TFN or quoting it and that number is not being passed on, for whatever reason. We estimate that that pool will shrink considerably.

Senator SHERRY—What is your estimate of the shrinkage?

Mr Lonsdale—We do not have a public estimate for that, but it is built into the costings. We think that that pool will reduce significantly.

Senator SHERRY—I accept that it will reduce. You have just said you do not have a public estimate. Can you provide the estimate to me of what you think the shrinkage will be of non-provision.

Mr Lonsdale—The estimate is built into the total aggregate costings.

Senator SHERRY—Sure, I know that. But that is why I am asking for the figure.

Mr Lonsdale—And for the same reason, it is difficult for us to provide a breakdown of measure by measure. But if you would like us to go back and take that on notice, we are happy to do that.

Senator SHERRY—Yes, I would like you to take it on notice; not with any great expectation I will get the information, frankly. But on this issue, obviously there will be an increase in revenue collection from a person who does not have a tax file number identification. Have you built into the costings of this an estimate of the increase in revenue collection as a consequence?

Mr Gallagher—Yes, we have.

Answer:

This information is not published.