

## Senate Standing Committee on Economics

### ANSWERS TO QUESTIONS ON NOTICE

#### Treasury Portfolio

#### Supplementary Budget Estimates

20 October 2011

**Question No:** SBT 7

**Topic:** Excess Contributions Tax – Commissioner’s discretion

**Hansard Page:** 131

**Senator CORMANN:** ...I have got a couple of questions in relation to the excess contributions tax, to take us home. With applications for the commissioner's discretion in relation to excess contributions to tax determinations, is there a time limit within which the ATO seeks to make a determination of a particular matter? If so, what number of applications went outside that period in 2008-09, 2009-10 and 2010-11? Some of that you might have to take on notice.

**Mr Olesen:** Yes, we will have to take that on notice. There are time limits, but I do not have the figures around the extent to which we have hit them. Perhaps a bit of context to offer, though, is that the workloads around excess contributions tax have been very high in the last couple of years as we have worked through that process, so I think we have struggled to hit the standards that we have set for ourselves for that body of work—but I will get the details for you.

**Answer:**

Applications for the Commissioner’s discretion in relation to excess contributions tax are classified as Interpretative guidance. The Commissioner seeks to finalise 85% of interpretative guidance requests within 28 days of receiving all necessary information from the taxpayer (or within a negotiated due date if the request raises complex technical matters).

In 2008-09, the ATO achieved the 28 day service benchmark in 95% of cases. A total of 113 cases were finalised: 107 met the standard and 6 did not.

In 2009-10, the ATO achieved the 28 day service benchmark in 66% of cases. A total of 291 cases were finalised: 191 met the standard and 100 did not.

In 2010-11, the ATO achieved the 28 day service benchmark in 76% of cases. A total of 2,367 cases were finalised: 1,803 met the standard and 564 did not.

In 2011-12, the ATO are achieving the 28 day service benchmark in 82% of cases to 31 October 2011, and expect to reach or exceed 85% over the course of the financial year. A total of 2,087 cases were finalised to 31 October 2011: 1,720 met the standard and 367 did not.