

Schedule 6

Australian Business Register

Background

7.1 Schedule 6 relates to the government's *Standard Business Reporting Program*, a multi-agency initiative aimed at simplifying business-to-government reporting. Government agencies participating in the program include the Treasury, Australian Bureau of Statistics, APRA, Australian Securities and Investments Commission, Australian Taxation Office and all state and territory government revenue offices.¹ The programme is estimated to be available to businesses from 1 July 2010 provided a number of key dependencies such as information technology are in place.²

7.2 The Australian Business Register (ABR) was established to reduce administrative costs for small business by 'limiting the number of times a business would be asked for similar information by different [government] agencies'.³ However, currently online communication with various government agencies requires businesses to undergo multiple identity establishment processes.⁴

7.3 Businesses register with the ABR to be able to identify themselves reliably in their dealings with government departments.⁵ However, due to there being 'no provision to enable the Registrar to update' business details either from publicly available information or from its own resources, it is difficult for the Registrar to achieve and maintain an accurate register.⁶

7.4 Despite these problems, because of the ABR's capacity to 'establish the identity of a business person based on their tax file number' and link a person to a business, it is perceived to be in a position to facilitate business-to-government online interaction.⁷

1 Australian Government, Standard Business Reporting, http://www.sbr.gov.au/content/standard_business_reporting_program.htm (accessed 24 March 2009).

2 Explanatory Memorandum, pp. 95–96.

3 Explanatory Memorandum, p. 86.

4 Explanatory Memorandum, p. 86.

5 Explanatory Memorandum, p. 86.

6 Explanatory Memorandum, p. 86.

7 Explanatory Memorandum, p. 86.

Purpose

7.5 The proposed amendments introduce a new measure. Part 1 of the schedule amends the *A New Tax System (Australian Business Number) Act 1999* to 'improve the integrity and efficiency of the ABR'.⁸ These include the right to use the approved form provisions for a range of purposes, including provision of certain information, notification of changes and cancellation of an Australian Business Number. The Registrar would also be able to update details on the ABR.⁹

7.6 Part 2 of the schedule provides for the Registrar to act as the Multi-agency Registration Authority to facilitate electronic dealings by businesses, and for the Registrar to 'create and maintain a register of representatives of businesses' for this purpose. Enterprises are able to nominate individuals to be registered as their representatives. The legislation contains provisions for appeal rights against the Registrar's decisions.¹⁰

7.7 The proposed legislation makes consequential amendments to two other tax Acts clarifying the existing law: *Product Grants and Benefits Administration Act 2000* and *Taxation Administration Act 1953*.

Financial impact

7.8 Nil. Compliance cost impact is minimal and 'far outweighed by the substantial reduction in costs that benefit businesses in their reporting to governments'.¹¹

Committee view

7.9 The committee supports the idea to streamline the interaction between the private sector and the government and considers that the Registrar of the ABR is in a position to take on these added responsibilities.

8 Explanatory Memorandum, p. 85.

9 Explanatory Memorandum, pp. 86–87.

10 Explanatory Memorandum, p. 92.

11 Explanatory Memorandum, p. 7.