

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates 2013

5 June 2013

Question: BET 54

Topic: Wine equalisation tax

Hansard Page: Wednesday 5 June 2013, Page 76

Senator EDWARDS asked:

Senator EDWARDS: Okay. The chair is already indulging me. I have one last one. We have all that on the record.

Mr Quigley: I am sorry. I do not understand what it is that you are asking.

Senator EDWARDS: Where did the extra money come from to do double the amount of audits?

Mr Quigley: What I am saying is that the figures that I have got here do not show that we are doing double the amount of audits.

Senator EDWARDS: Yes, you are. You are doing 379. What were you doing in the previous years?

Mr Quigley: All I can say is that 379 does not tally with what I have, so I will need to take that figure—

Senator EDWARDS: We will have a discussion about that or I will reframe it. Finally, is there a commitment from your department to continue to audit between 15 per cent and 20 per cent of the Australian wine industry

Mr Quigley: I have not got the projected audits, I am afraid.

Senator EDWARDS: You will take that on notice?

Mr Quigley: Yes, I will.

Answer:

The reference to 379 audits was provided in response to Question on Notice AET 150 where the ATO advised that we had planned to complete 379 audits during 2012-13.

At 30 June 2013, 139 WET audits were completed and an additional 64 WET audits were underway. This means that in the 2012-13 financial year 203 WET audits were in progress or completed. This aligns broadly with prior years as advised previously in response to Questions on Notice AET 148, 149, 152:

ATO audits of Wine Equalisation Tax and Rebate	
Financial Year	Audits
2007/08	212
2008/09	177
2009/10	174
2010/11	165
2011/12	151
Total	879

The ATO selects cases for audit based on an assessment of the compliance risk and not a set percentage of the market. This approach applies to compliance activities involving the Wine Equalisation Tax. We continually review our case allocations across a range of risks subject to available resources and the progress of the individual audits.