

**House of Representatives Economics Committee**

**Inquiry into Tax Deductibility**

**ANSWERS TO QUESTIONS ON NOTICE**

**Australian Taxation Office**

March 2017

**Department/Agency: ATO**

**Question: Hansard pg 10**

**Topic: Compliance activity on workplace deductions**

**Question:**

**Mr KEOGH:** Would you say that the workplace deductions are any more difficult or less difficult to get compliance with than others? Like if it takes up nearly two-thirds of the cost or the value of deductions, is it two-thirds of the work or is it actually 90 per cent of the work or is it only 10 per cent of the work?

**Mr Kendrick:** That is where our focus has been because it is two-thirds of total deductions. As I said before, we are getting better. We are evolving over time. Particularly through the better use of data, we have been able to better understand and get more coverage.

**Mr KEOGH:** But you could not give an allocation of what proportion of compliance activity ends up being dedicated to workplace versus other?

**Mr Kendrick:** I think we would have to take that on notice.

**Answer:**

In 2015-2016, the ATO had approximately 435 staff working on compliance activities relating to individual taxpayers. This includes activities relating to omitted income, over-claimed deductions, offsets and credits, tax agents and refund integrity. Around 120 of these staff (28%) focused on work-related expense deductions.