

Answer to question on notice:

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE ASIC ANNUAL REPORT (SECOND REPORT) 2019

QoN: ASIC38QON

Member: Wilson

Reference: Hansard, 23 October 2020, p. 44-45

Question:

CHAIR: Mr Shipton had tax advice paid for him by ASIC due to his relocation from the United States to Australia. Is that correct?

Ms Chester: That's correct.

CHAIR: Did that include straight financial advice, or did it also include penalty notices or other types of costs which were not related solely to tax advice?

Ms Chester: I'm not aware of it involving any penalty notices. I think the details of the invoices related to the taxation payments are in the section 26 letter, which I understand is the subject of disclosure by the Treasurer. Sorry, but I'm yet to see the press release to confirm that.

CHAIR: It's just that I've received a document which raises questions about whether there was some late filing of taxation returns.

Ms Chester: There was a late filing. I will need to take on notice whether the payments related to any penalties related to that late filing.

Answer:

ASIC did not pay any costs other than the costs of tax advice and assistance for Mr Shipton. No penalty notices or costs unrelated to tax advice and assistance were paid by ASIC.

The Auditor-General's letter to the Treasurer dated 22 October 2020 (attached to the Treasurer's media release of the same date) refers to KPMG invoices describing "assistance in respect of resolution of Massachusetts State tax notices and penalties due to late filing of 2017 Massachusetts state tax return."

The assistance described above was advice about penalties and assistance in relation to the penalties related to the filing of the relevant tax return.