

Economics Legislation Committee (Estimates)

2 June 2021



Australian Government
Australian Taxation Office

Commissioner's Opening Statement

- > I wanted to take this opportunity to update you on a major program of work that is set to reduce the regulatory burden on Australian businesses.
- > Over the past 12 months, the ATO's support for the Australian community has been highly visible through our delivery of the economic stimulus programs such as JobKeeper, Cash Flow Boost and early release of super.
- > One of the many ways we'll continue to support the reduction of red tape is by streamlining how businesses interact with government.
- > Today, for the first time, I appear before the committee not only as the Commissioner of Taxation but also as the Registrar of the Australian Business Registry Services, or ABRS.
- > The primary aim of the ABRS is to make it easier for businesses to meet their registration obligations, saving them time and effort.
- > We are modernising business registers and will bring together ASIC's 31 registers and the Australian Business Register (the ABNs) onto a single modern system.
- > Under the modernised system, businesses will be able to register a business and maintain the details of those registrations in one location.
- > The ATO is working alongside our colleagues in ASIC, the Treasury and other departments to progressively roll-out these improvements.
- > One of the first functions in this program of work, to be delivered later this year, is director identification numbers, or Director IDs.
- > This new identifier will introduce a requirement for directors to prove their identity. They will stay with directors for life, even if they stop working as a director, change their name, or move interstate or overseas.
- > Director IDs will be a significant part of our ongoing fight against illegal phoenix activity.
- > This is no small measure when you consider that the direct impact of illegal phoenix activity is estimated to be up to \$5 billion each year.
- > We want to make it easy for businesses to comply with their obligations, and difficult for those who seek to rort the system. ABRS is a great way to help us do just that.
- > Thank you.