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Senate Economics Legislation Committee  
Parliament House  
Canberra  
**Economics.Sen@aph.gov.au**

**Response to Inquiry into the Treasury Laws Amendment (2019 Tax Integrity and Other Measures No. 1) Bill 2019**

Thank you for the opportunity to provide a submission on the important tax issues raised in this inquiry. We understand this bill contains a package of measures designed to improve the integrity of Australia's tax system, save businesses time and money through implementing an electronic invoicing framework, and protect workers' superannuation. We would like to comment on schedules 5, 6 and 7 only as we see no issues regarding the first four.

**Schedule 5**

We and many other industry and business representatives have been comprehensively consulted by the ATO on this measure. We congratulated the ATO on the process it has undertaken. The only area where we may need some clarification is to ensure that administrative processes cannot be ignored by a particularly overly energetic or misdirected ATO officer.

**Schedule 6** amends the *Taxation Administration Act 1953* to allow the ATO to implement an electronic invoicing framework in Australia. COSBOA and many of its members have been actively involved in the development of electronic invoicing and we are pleased to see this schedule. We highly recommend that industry representatives, especially those from the various software development organisations, continue to have a strong and unequivocal role in future developments. This should not be left solely for the public sector to implement due to the, at times, lack of understanding of small business needs and software demands.

**Schedule 7** protects superannuation by closing a legal loophole which has been used by some employers to short-change employees who make salary sacrificed contributions. COSBOA has for many years highlighted the complexity of the superannuation collection process for employers. We have advocated the removal of employers from the process and the inclusion of superannuation in PAYG payments to the ATO. Under such a system, this issue would not be a problem.

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