

SENATE ECONOMICS REFERENCES COMMITTEE

INQUIRY INTO NOT-FOR-PROFIT ENTITIES—TAX ASSESSMENTS

ANSWERS TO QUESTIONS ON NOTICE

Agency: Australian Taxation Office
Topic: Success KPI
Senator: Dean Smith

Question:

Senator Smith (acting chair): Are you working to a benchmark or KPI with regard to the number of organisations you expect to comply by 31 March?

Mr Day: I have a couple of points. Firstly, just to confirm Ms Woodward's evidence that, yes, if there are entities in the queue for charitable registration, of course we'll be pausing any further action on those, and we are working, as she has indicated, very closely together.

In terms of market penetration or awareness, we do have specific webpages on the ATO website, and we know that we've had something like 77,000 hits on how to prepare the not-for-profit self-review return and over 70,000 hits on how to notify changes to your not-for-profit. We do know that there is a great degree of awareness already. I've mentioned we'll continue our awareness campaigns, including specific advertising.

In terms of a particular KPI, no, as I mentioned earlier, we don't expect a hundred per cent lodgement by 31 March, but we'll continue to work with all those entities that haven't lodged.

Senator Smith (acting chair): But you must be working to some measure of success—80 per cent, 85 per cent? I'd be very surprised—

Mr Day: I don't have a specific measure.

Senator Smith (acting chair): But there is a specific measure? You just don't have it in front of you?

Mr Day: No, we have not set a specific measure. We're monitoring lodgements closely and will be following up with all those who haven't lodged. But, no, we don't have a specific measure for by 31 March.

Senator Smith (acting chair): If you could, on notice, reconfirm that to the committee in writing, that would be most appreciated.

Answer:

The not-for-profit (NFP) self-review return for the 2023-24 financial year can be lodged anytime between 1 July and 31 October 2024. NFPs who require additional time have until 31 March 2025 to lodge, as part of transitional arrangements.

While the ATO set a target of 83% for on-time lodgment of all income tax returns in 2023-24, the ATO does not have a specific target for the lodgment of the NFP self-review return by 31 March 2025.

The ATO is closely monitoring lodgments of the NFP self-review return for the 2023-24 year and will support NFPs who have not met their obligations by the extended due date.