

**Senate Economics Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
**Treasury Portfolio**  
Additional Estimates  
2014 - 2015

**Department/Agency:** ATO

**Question:** AET 62

**Topic:** ATO staff allocated to investigating avoidance and aggressive tax planning

**Reference:** Hansard page 68

**Senator:** Ketter

**Question:**

**Senator KETTER:** I am just following up on Senator Dastyari's line of questioning and I do not want to go back over things that we have already talked about. If I were to describe staff in this area as investigation and compliance, would that be the 700 that I think you mentioned earlier?

**Mr Reardon:** They would be called investigators, compliance officers and auditors. A lot of them have audit experience, auditing backgrounds and audit skills.

**Senator KETTER:** Of these staff, how many are dedicated to investigating corporate tax avoidance and aggressive tax planning?

**Mr Reardon:** I can only talk for the public listed groups. As I said, we have nearly 700 staff who are focused on publicly listed companies and doing audits and reviews of those companies.

**Senator KETTER:** If I was to ask you about investigations into tax evasion and avoidance by small business would it be the same answer?

**Mr Olesen:** We have been talking about the large corporate market so far in your questions.

**Senator KETTER:** Small business.

**Mr Olesen:** We have resources applied across all market segments—individuals, small businesses, private groups and large groups. We have resources devoted to criminal activity and working with partner agencies. We have resources devoted to looking at superannuation, excise, tobacco and wine rebates. We have resources spread across the range of risks that we need to address.

**Senator KETTER:** So, you would not be able to give me a specific number for small business?

**Mr Olesen:** A specific number about what?

**Senator KETTER:** For tax evasion and avoidance.

**Mr Olesen:** We could give you a specific number, for example, about how many resources we have, for example, looking at the cash economy. That is a kind of evasion, if you like. We could probably give you a number that we spend matching undeclared bank account or dividend income. That is a kind of evasion too or sometimes it is just a mistake. It is hard to draw the boundary between different kinds of behaviour. It is a little bit hard to be precise about what the analysis would be.

**Senator Ronaldson:** Perhaps we can take on notice what we can answer.

**Senator KETTER:** Would you be able to break that down to the number of staff investigating individual tax non-compliance?

**Senator Ronaldson:** We will give you what we can.

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**Answer:**

The ATO's audit functions cover all types of taxpayers (individuals through to multi-national corporations) and all types of revenue products including income tax, GST, excise and superannuation. As at February 2015, there was more than 4,700 ATO staff in the audit function:

- Large corporations including multinational corporates – approximately 700 audit staff
- Trusts taskforce, aggressive tax planning, Project Wickenby, tax crime, high wealth individuals, wealthy Australians, private groups – approximately 1,200 audit staff
- Small business income tax and business operating in the cash economy – approximately 480 audit staff
- Individuals income tax including data matching – approximately 650 audit staff
- GST, excise, luxury car tax and wine equalisation tax – approximately 960 audit staff.
- Employer obligations across all types and sizes of businesses – approximately 310 audit staff
- Superannuation including superannuation guarantee, self-managed superannuation funds, excess contribution tax and division 293 – approximately 410 audit staff.

In addition there was approximately 390 staff focussed on securing outstanding lodgments including income tax returns and activity statements.