

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates 2012

30 May 2012

QUESTION: BET 50

Topic: Proceeds of crime – resourcing (ATO)

Hansard Page: Written

Senator HEFFERNAN asked:

50. Is the ATO appropriately resourced to carry out this particular function? If yes, how much departmental funding is allocated to this section, please provide details for last 3 financial years and the next financial year?

Answer:

50. Since 2010-11, the ATO has allocated dedicated resources for its response to organised crime. Prior to 2010-11, these activities were resourced as part of our broader compliance activities. Approximately \$10 million was allocated in each of the 2010-11 and 2011-12 income years. Based on current planned activities, we anticipate that a similar amount will be allocated in 2012-13.

Joint agency approaches, including taskforces, are emerging as the preferred whole of government option to address organised crime. Working collaboratively allows agencies to combine their powers to remove the profit from crime by the most efficient and effective means.

The ATO is currently involved in five national taskforces and 24 joint agency operations. Activity is likely to increase significantly in the future, as tax remedies are increasingly recognised as an effective treatment strategy and alternative disruption method for the activities of organised criminals. A recent matter investigated by the Criminal Assets Confiscation Taskforce, of which the ATO is a partner agency, was referred to the ATO for tax treatment as an alternative to pursuing a long and resource intensive criminal investigation. As a result of this referral, \$19 million in tax assessments were raised.