

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

(Budget Estimates 29, 30 & 31 May 2007)

**Question:** BET 8 (ATO)

**Topic:** New Business Intensive Assistance Programme

**Hansard Page:** Written

**Senator EVANS asked:**

**New Business Intensive Assistance Programme**

Expense (\$m)	2007-08	2008-09	2009-10	2010-11
Australian Taxation Office	10.0	10.0	10.0	10.0

The Government will provide \$40.0 million over four years to enable the Australian Taxation Office (ATO) to increase support it provides to new businesses, particularly those that prepare their own Business Activity Statements, with effect from 1 July 2007.

This measure will enable the ATO to conduct more face-to-face visits and telephone visits to new businesses, assisting them to understand their GST and other record keeping obligations and to develop good record keeping procedures.

(Budget paper no.2, page 306)

Have businesses expressed dissatisfaction with their compliance burden?

Why can't the measure be met from existing resources?

**Answer:**

- For some time the Tax Office has dedicated resources to assist taxpayers new to business to establish themselves on a sound footing as far as their taxation obligations are concerned. Over time it became apparent that this resource was insufficient to cover the number of taxpayers involved. The additional funding will be used to expand the current assistance service by providing:
  - tailored assistance to businesses that are new to an obligation such as pay as you go withholding;
  - practical assistance eg providing advice when a business hires an employee for the first time, to help taxpayers use the business portal and transact on-line with the Tax Office;
  - an increase in the number of assistance visits to small businesses;
  - an expanded range of support to businesses who may be genuinely experiencing difficulties in meeting their obligations; and
  - more seminars and workshops for small businesses.