

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

31 May – 2 June 2011

Question No: BET 291

Topic: Safety net use

Hansard Page: Written

Senator Xenophon asked:

1. Under what conditions will you use the safety net this year?
 - a) When will the decision be made whether or not to use the safety net?
 - b) How much extra delay will using the safety net cause?
 - c) Does implementing the safety net flag a lack of confidence in the program's capacity to process correctly?

Answer:

1. As outlined in response to BET 52, the Safety Net provides the ATO with the capacity to manage the release of income tax assessments according to any identified defects or potential impacts on the community.
 - a) Any decision to deploy the Safety Net is based on predetermined criteria. Other than using the Safety Net during the production pilot period (occurring in late June 2011), there are no plans to deploy the Safety Net at a particular time during Tax Time 2011.
 - b) The delay caused by using the Safety Net is dependent on why it was triggered and how many returns are captured. This is why the deployment and governance process includes a review point for the ongoing requirement of the Safety Net when volumes held reach a threshold of 5,000 or the Safety Net has been in place for four weeks, whichever occurs first.
 - c) The purpose of the Safety Net is to trap specific returns and enable staff to verify or correct any issues before releasing income tax assessments. Other returns not stopped by the Safety Net continue to issue. The only planned use of the Safety Net is for the production pilot to control processing and verify tax returns prior to the start of Tax Time. This allows for final testing in a production like environment and does not reflect a lack of confidence in systems performance.