

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Australian Taxation Office
Supplementary Budget Estimates
22 October 2009

Topic: Temporary residents super measure - extensions

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Question: sbt 48

Senator BUSHBY—Were there any funds that sought extension but were not granted an extension?

Mr Olesen—Yes. There would have been some funds that sought extensions that we did not grant.

Senator BUSHBY—How many were there?

Mr Olesen—I do not have that information.

Senator BUSHBY—Can you take that on notice?

Mr Olesen—Certainly.

Senator BUSHBY—What consequences flowed from those funds seeking an extension but not being granted? Did they manage to comply?

Mr Olesen—Again, I would have to take that on notice.

Senator BUSHBY—In doing so, can you outline what actions you have taken against funds that have not complied with their requirements?

Answer:

The first notification relating to the payment of temporary resident unclaimed superannuation balances was sent to funds in April 2009 with reporting and payment due on 15 June 2009. In relation to this first notification, 177 of the 358 funds that were expected to make payments to the Tax Office requested a deferral. Of these, 22 requests for a deferral were not granted. At 15 June 2009 only two of these funds had failed to comply, and they have not been subject to penalty. All of these 22 funds have since reported and paid.

Of the 181 funds that did not request a deferral, 74 failed to comply by 15 June 2009, and they have also not been subject to penalty. All but ten of these funds have since complied. Review of the ten funds that have not complied indicates that they are no longer in fact operating as funds. The Tax Office has therefore revoked the relevant notices and will seek to trace the affected accounts to successor funds.

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As this is a new measure, Tax Office activity to date has been focussed on educating and assisting funds with meeting their obligations. Funds who did not meet their obligations on time were subject to follow up action by the Tax Office to ensure reporting and payment was received. Additionally, the Tax Office is undertaking a number of audits to ensure that funds have been reporting correctly. Over the coming year the focus of Tax Office activity will shift from an educational focus more towards enforcement. Funds will not be penalised in the first 12 months of application of this measure if they have made a genuine attempt to comply.