

TERMS OF REFERENCE

The Australian Senate has referred to the Economics References Committee the following matters for inquiry and report by 30 March 1995 (extended to 29 June 1995):

- (a) the impact of the timing of the payments of taxation, particularly provisional tax, PAYE tax, tax under the prescribed payments system and fringe benefits tax, company tax and wholesale sales tax, on the cashflows of small business;
- (b) changes in the overall burden of tax on small business, in particular the impact of tax changes introduced by and since the 1993 budget, including increases in excise and wholesale sales tax;
- (c) whether the tax system can be improved to prevent tax failing due prior to the taxable income actually being received by small business;
- (d) the appropriateness of the quantum, and current form, of the provisional tax uplift factor;
- (e) the appropriateness of the thresholds for early payment of company tax for small business;
- (f) the potential for reducing tax compliance costs for small business through the improvement of tax payment arrangements; and
- (g) such other matters as the committee considers to be reasonably relevant to the above terms of reference on improving the tax treatment of small business.