Submission on IMPROVING TAX COMPLIANCE – ENHANCED THIRD PARTY REPORTING, PRE-FILLING AND DATA MATCHING

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<u>Submission</u>

1. A start date of 1st July 2014 is not practical for software developers if significant changes need to be made

2. The Taxable Payments report mentioned in section 2.4 (Government Grants and Payments) can be submitted on a quarterly basis meaning that the first reports could be submitted to the ATO in October 2014. Will the information in respect of grants need to be detailed separately from other taxable payments?

The proposed start date of the measure is 1st July 2014 with the closing date for consultation being 11th March 2014. This means that finalised details of the reporting requirements will not be available until close to the start date. At this time, software developers will already have planned features to include in their software for releases due towards the end of the financial year.

It should also be noted that many software developers are already extremely busy preparing for SuperStream which commences from 1st July 2014 in respect of contributions by employers. This will keep many software developers busy throughout 2014.

It is therefore unlikely that developers will be able to include any changes in respect of the Improved Tax Compliance - Enhanced Third Party Reporting, Pre-Filling and Data Matching proposal to be able to capture data.

In general. software developers should be given a 12 month lead time for changes of this nature. This point has previously been made to Treasury both by software developers and directly to Treasury staff by the Software Industry Liaison Unit of the ATO.

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