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The Treasury

IMPROVING COMPLIANCE THROUGH THIRD PARTY REPORTING AND DATA MATCHING

SUMMARY OF CONSULTATION PROCESS

The Government announced on 6 November 2013 its intention to proceed with the 2013-14 Budget measure *Tax compliance – improving compliance through third party reporting and data matching*.

This measure was included in Tax and Superannuation Laws Amendment (2015 Measures No. 6) Bill 2015, which was introduced into Parliament on 12 October 2015.

Consultation process

Consultation on the discussion paper was conducted between 7 February and 7 March 2014. Twenty-six submissions were received.

Consultation meetings in relation to government grants and payments were held with numerous government entities in every state and territory between August and December 2014. Meetings were also held with software developers between February and June 2015.

Consultation meetings in relation to transfers of real property were held with every state and territory State Revenue and Land Title Offices as well as law and conveyancing professional bodies between August and December 2014.

Consultation meetings in relation to shares and units were held with key financial industry bodies, stockbrokers, managed fund managers, share registries and the Australian Securities and Investments Commission (ASIC) in 2014.

Consultation meetings in relation to business transactions through payment systems were held with key financial industry bodies, financial institutions and other payment processors in 2014.

Consultation on the draft legislation was conducted between 10 July 2015 and 14 August 2015. Twenty-four submissions were received.

Consultation meetings in relation to transfers of real property were held with every state and territory State Revenue and Land Title Offices between August and September 2015

Consultation meetings in relation to shares and units were held with key financial industry bodies, stockbrokers, managed fund managers, share registries, financial institutions and ASIC between July and August 2015.

Consultation meetings in relation to business transactions through payment systems were held with key financial industry bodies, financial institutions and other payment processors between July and September 2015.



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Submissions can be viewed on the [Treasury website](#).

Summary of key issues

During consultation on the discussion paper, the main issues raised were the compliance burden of collecting and reporting the data and the need to streamline data requirements.

The draft legislation took into account the main issues raised. Certain entities and transactions were exempted from reporting and some data requirements were removed or simplified.

During consultation on the draft legislation, a key issue raised was the inability of some third parties to meet the start date due to significant business process and IT changes required. Another issue was the need for streamlining the data requirements to take into account other regulatory reporting requirements.

The main changes made as a result of consultation are to defer the start dates of some reporting obligations and legislate specific types of transactions and entities that would be exempt.

Feedback

Feedback on the consultation process for this measure can be forwarded to consultation@treasury.gov.au. Alternatively, you can contact Phil Akroyd on 02 6263 4385.

Thank you to all participants in the consultation process.