

In general we support the direction “Government procurement process will exclude businesses that do not have a satisfactory tax record”

The concept of “satisfactory tax record” is interesting and also the subject of other conversations within the ATO as to what is a compliant taxpayer. We seek the government to consider: No overdue lodgements, no debt beyond due date without an approved repayment plan, compliant with SG obligations including payment.

We also seek government to consider all entities in the supply of the ultimate item/service of procurement. Preventing shadow companies or downmarket non-compliance.

We challenge the threshold of procurements valued over \$4m and seek government to reconsider this amount. Most business in Australia is provided by Small business (defined for this purpose as turnover less than \$10m). We do not understand why the \$4m threshold would be so high as this effectively allows government to deal with non-compliant smaller businesses.

The Tax Compliance certificate could be an automated process generated by the business or their agent through a ATO Online Services request. We encourage a streamlined and automated process which also enables the application of this policy to all government procurement processes.