

2012

**THE LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

TAXATION ADMINISTRATION AMENDMENT BILL 2012

EXPLANATORY STATEMENT

Circulated by the authority of the Treasurer
Andrew Barr MLA

Taxation Administration Amendment Bill 2012

Summary

The Taxation Administration Amendment Bill 2012 amends Section 75 of the *Taxation Administration Act 1999*.

Overview

The Australian Taxation Office (ATO) has for many years provided the ACT Revenue Office (ACTRO) with taxpayer information that enabled ACTRO compliance officers to identify and recover under declared ACT taxes. All other State and Northern Territory Revenue Offices receive similar information from the ATO.

A recent amendment to the Commonwealth *Taxation Administration Act 1953* prevents the ATO from providing any taxpayer information to the Commissioner for ACTRO. Prior to this Commonwealth amendment, section 75 of the ACT's *Taxation Administration Act 1999* (when read in conjunction with the ATO legislation), allowed the Australian Taxation Office (ATO) to disclose restricted taxpayer information to the Commissioner for ACT Revenue.

Although this issue has arisen due to ATO amendments, legal advice received recommends the most appropriate remedy for this issue is to make a minor amendment to the ACT's *Taxation Administration Act 1999*. The amendment will describe the Commissioner for ACTRO as a **Territory** taxation officer, rather than the current Act which describes the Commissioner as a **State** taxation officer.

The purpose of this Bill is to address an unintended consequence of a recent amendment to Commonwealth legislation which prevents the ATO from providing taxpayer information to the ACT Revenue Office.

Advice received from ATO and the GSO is that the proposed amendment will remove this impediment and the ATO will be able to disclose the taxpayer information immediately.

Commencement Date

The Bill's amendments will be effective from the day after its notification.

Details of the Taxation Administration Amendment Bill 2012

Clause 1 – Name of Act

This is a technical clause that provides the title of the Act. The name of the Act is the *Taxation Administration Amendment Act 2012*.

Clause 2 – Commencement

This Act commences on the day after its notification day.

Clause 3 – Legislation amended

This is a technical clause stating that the Act being amended is the *Taxation Administration Amendment Act 2012*.

Clause 4 –Section 75

This clause substitutes the title and the wording of Section 75, from:

the commissioner exercising the functions of a **State** taxation officer; to

the commissioner exercising the functions of a **Territory** taxation officer.

This will then align with the ATO *Taxation Administration Act 1953* (Cwlth) in relation to the release of information to the ACT Revenue Commissioner.