



Manager
Small Business Entities and Industry Concessions Unit
Treasury
Langton Crescent
Parkes ACT 2600
E-mail: businessstaxdebt@treasury.gov.au

**Submission from the Tax Justice Network Australia on Exposure
Draft to Disclose Business Tax Debts
August 2019**

The Tax Justice Network Australia (TJN-Aus) welcomes this opportunity to make submission on the *Taxation Administration (Tax Debt Information Disclosure) Declaration 2019* exposure draft. The TJN-Aus is supportive of the exposure draft as a means to get businesses to engage with the Australian Taxation Office for the payment of larger outstanding tax debts.

The TJN-Aus has concerns that the exposure draft may lead to entities not wishing to pay the tax debt and lodging appeals against the tax debt that have no merit to avoid the ATO disclosing the tax debt to credit reporting bureaus. The TJN-Aus therefore recommends that while the threshold for the debt be maintained at \$100,000 the period the debt has been outstanding for before it can be disclosed be reduced to 60 days. This is to take into account how long a business owner will be able to obstruct the disclosure through complaints and appeal processes to the Commissioner for Taxation, to the Inspector-General of Taxation, to the Administrative Appeals Tribunal and to the Federal Court.

Further, TJN-Aus recommends that, if passed, the measure be assessed for its effectiveness in two years' time, to see if it is encouraging businesses to engage with the ATO to pay tax debts, or if it encourages businesses to make complaints and appeals against the tax debt that have no merit as a means to obstruct disclosure of the tax debt to credit reporting bureaus.

Dr Mark Zirnsak
Secretariat
Tax Justice Network Australia
c/- 29 College Crescent
Parkville, Victoria, 3052
Phone: (03) 9340 8807
E-mail: mark.zirnsak@victas.uca.org.au

Background on the Tax Justice Network Australia

The Tax Justice Network Australia (TJN-Aus) is the Australian branch of the Tax Justice Network (TJN) and the Global Alliance for Tax Justice. TJN is an independent organisation launched in the British Houses of Parliament in March 2003. It is dedicated to high-level research, analysis and advocacy in the field of tax and regulation. TJN works to map, analyse and explain the role of taxation and the harmful impacts of tax evasion, tax avoidance, tax competition and tax havens. TJN's objective is to encourage reform at the global and national levels. The Tax Justice Network aims to:

- (a) promote sustainable finance for development;
- (b) promote international co-operation on tax regulation and tax related crimes;
- (c) oppose tax havens;
- (d) promote progressive and equitable taxation;
- (e) promote corporate responsibility and accountability; and
- (f) promote tax compliance and a culture of responsibility.

In Australia the current members of TJN-Aus are:

- ActionAid Australia
- Aid/Watch
- Anglican Overseas Aid
- Australian Council for International Development (ACFID)
- Australian Council of Social Service (ACOSS)
- Australian Council of Trade Unions (ACTU)
- Australian Education Union
- Australian Manufacturing Workers Union
- Australian Nursing & Midwifery Federation
- Australian Services Union
- Australian Workers Union, Victorian Branch
- Baptist World Aid
- Caritas Australia
- Centre for International Corporate Tax Accountability and Research
- Community and Public Service Union
- Electrical Trades Union, Victorian Branch
- Evatt Foundation
- Friends of the Earth
- GetUp!
- Greenpeace Australia Pacific
- International Transport Workers Federation
- Jubilee Australia
- Maritime Union of Australia
- National Tertiary Education Union
- New South Wales Nurses and Midwives' Association
- Oaktree Foundation
- Oxfam Australia
- Save the Children Australia
- Save Our Schools
- SEARCH Foundation
- SJ around the Bay
- Social Policy Connections
- TEAR Australia
- The Australia Institute
- Union Aid Abroad – APHEDA
- UnitedVoice
- Uniting Church in Australia, Synod of Victoria and Tasmania

- UnitingWorld
- Victorian Trades Hall Council
- World Vision Australia