CHAPTER 3: REVIEW AND AMENDMENT OF ASSESSMENTS

This Chapter explains the current rules governing the amendment of assessments and discusses whether they should be changed to give taxpayers earlier certainty as to their income tax liability. The Chapter considers various approaches including shortening amendment periods, early notification of compliance activity and extending pre-assessment agreements.

The rules governing the amendment of income tax assessments attempt to balance two competing objectives, namely that:

- A taxpayer should pay the correct amount of tax according to law.
- Whether or not a taxpayer has paid the correct amount, eventually their tax affairs for a particular year should become final, unless they have deliberately sought to evade their responsibilities.

The law seeks to balance these objectives by allowing the Tax Office to amend assessments to correct errors, but only within time limits set out in the law.

This Review has examined the topic from the perspective that, in order to promote the concept of certainty, the period permitted for amendment should approach the minimum required by the Tax Office (and the taxpayer) to identify incorrect assessments and take action to correct them.

3.1 The amendment rules before self assessment

Before self assessment, the Tax Office's ability to amend an assessment depended on whether the taxpayer had made a 'full and true disclosure' in their tax return of all the facts necessary for the Tax Office to make an assessment.[1]

1. Former sub-sections 170(2) and 170(3) *Income Tax Assessment Act 1936*.

Where a taxpayer had done this, the Tax Office could increase the assessment within three years from the date that the tax on the original assessment became due and payable, but only to correct an error in calculation or a mistake of fact. The Tax Office could not amend an assessment to correct a mistake of law. In practice, this meant that if a person told the Tax Office all about a claim they were making in an attachment to their tax return and the assessor allowed it incorrectly, the Tax Office could not usually correct its mistake later. However, if an assessor had simply made a mistake in working out the details of the claim (say by wrongly calculating the proportion of private use of a motor vehicle used partly for work), that mistake could be corrected later, if discovered within the time limit.

Where a taxpayer had not made a full and true disclosure (for example, by not giving the correct details about a deduction claimed), or had been involved in a tax avoidance scheme, the Tax Office could alter the assessment for up to six years. There were special rules allowing amendments in longer time frames in certain cases.

Finally, if the underpayment of tax was due to fraud or evasion[2], the Tax Office could amend the assessment at any time.

The rules for decreasing assessments did not depend directly on the adequacy of the disclosure by the taxpayer. Once an assessment had been made, the Tax Office could correct calculation errors and factual mistakes (for example, a forgotten claim for a tax deductible gift) within three years of the original assessment, but could only correct an error of law if the taxpayer objected to the assessment within 60 days.

3.2 The current amendment rules

The standard period now allowed for the Tax Office to amend an assessment (either to increase or reduce a taxpayer's liability) is four years.[3] For certain individuals with very

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2. The income tax law defines neither fraud nor evasion. The ordinary legal meaning of fraud is obtaining a material advantage by unfair or wrongful means; it involves obliquity (Osborn, P 2001, *Osborn's concise law dictionary*, 9th ed, Sweet & Maxwell, United Kingdom). It involves the making of a false representation knowingly, without belief in its truth, or recklessly. In *Denver Chemical Manufacturing Co v Commissioner of Taxation (NSW)* (1949) CLR 296 at 313, Dixon J said that evasion requires a blameworthy act or omission by the taxpayer (or those for whom the taxpayer is responsible).
3. For individual taxpayers, the amendment period is calculated from the day on which tax became due and payable under an assessment. For full self assessment taxpayers (primarily companies and superannuation funds), the four year period is calculated from the day on which the assessment is deemed to be made, which is the date the taxpayer lodged its return. Where the Tax Office has begun an audit of a taxpayer's affairs, but not completed it within the period allowed for amendment, the Tax Office can apply to the Federal Court for an order extending the amendment period, or request the taxpayer to consent to an extension.

simple tax affairs[4], the period is two years.

With self assessment, the concept of 'full and true disclosure' was removed from the amendment rules because taxpayers were no longer required to disclose the full details of their income and deductions in their returns and assessors no longer scrutinised that information before an assessment was issued. Amendment is now effectively unrestricted within the relevant time limits.

Where the Tax Office considers that there has been fraud or evasion, there continues to be no time limit on the Tax Office amending an assessment.

The law now also allows for 'self amendment' of assessments (to increase or decrease liability), meaning that the Tax Office can rely on statements made by a taxpayer in a request for amendment in the same way it can rely on a statement in a return.

3.2.1 Special amendment rules

There is a special period for amendment where Part IVA (the general anti-avoidance provision) is invoked. As with the previous system, the Tax Office has up to six years (from the date on which tax became due and payable under an assessment) to amend an assessment to cancel a tax benefit under that Part.

There are also some specific provisions allowing the Tax Office to amend an assessment to deal with special issues, regardless of the normal time limits. These special cases are discussed in more detail below at 3.4.6.

3.2.2 International comparisons

The table below summarises the periods of review that apply in Australia, Canada, New Zealand, the United Kingdom and the United States.

4. To be a Shorter Period of Review (SPOR) taxpayer, the taxpayer must be an individual deriving only salary or wages (or certain other income subject to withholding), interest or public company dividends. The taxpayer must not claim deductions except for gifts, account-keeping fees or government charges on account transactions and expenses of managing tax affairs. There are also disqualifying factors such as having a capital gain or loss. The Tax Office estimates that about 1.5 million taxpayers are SPOR taxpayers.

Table 3.1: Time limitation on tax amendments

Country	General rule from date of original assessment	Where taxpayer has misrepresented information or tax fraud occurs
Australia	4 years, 2 years for taxpayers with simple affairs	Unlimited
Canada	4 years for large corporations, 3 years for individuals and other businesses	Unlimited
New Zealand	4 years	Unlimited
United Kingdom	5 years and 10 months for self employed or individuals with complex affairs, 22 months for employed individuals without complex affairs (for the UK, this time period starts at the end of the tax year)	20 years and 10 months
United States	3 years from due date for filing return, 6 years for major understatements	Unlimited

3.3 How long does the Tax Office need to complete its compliance activities?

In the beginning of this Chapter, the Review proposed that the period permitted for amendment should approach the minimum required by the Tax Office (and the taxpayer) to identify incorrect assessments and take action to correct them.

The Tax Office currently tailors its compliance activities to meet the differing circumstances and characteristics of taxpayers. It does this by adopting a market segment approach that distinguishes between businesses of various sizes, individuals who are not in business and not-for-profit taxpayers (for example, charities and government agencies).

The range of compliance activities that the Tax Office might adopt will vary according to the compliance profile of the taxpayer and the market segment to which they belong. While most returns are subject to office based analysis, such as risk profiling and data matching, relatively few are selected for comprehensive audit. Selection for audit is generally based on a risk assessment[5], rather than arising merely by chance, or because it is 'your turn'.

The length of time that the Tax Office takes to review returns will therefore vary according to the compliance activities it has chosen.

5. Risk assessment is the process of identifying potential risks to the revenue, quantifying their likelihood of occurrence and assessing their likely impact. Case selection occurs after risk assessment and is part of the risk mitigation process.

For non-business individuals with simple affairs, the compliance activity will often be based primarily on processes such as income matching[6]. The Tax Office can generally complete these processes within 12 months of the taxpayer lodging a return. If these activities reveal possible non-compliant behaviour, the Tax Office may take further action. Either way, the Tax Office is generally in a position to know whether an amendment should be made to a non-business individual's assessment in much less than the four years presently allowed.

At the other extreme, large business taxpayers with complex (sometimes international) affairs and transactions involving substantial amounts of money will often be subject to more comprehensive audits. These require more time to complete, reflecting the complexity of these taxpayers' affairs and the administrative processes (usually intended to protect taxpayers' rights) that accompany these audits.[7] Audit actions may be delayed by difficulties with access to the facts or evidence, claims of legal professional privilege[8], administrative law remedies, delays in responding to requests for information or time to comment on Tax Office statements of facts or position papers.

Consequently, large audits often extend for the full time allowed under the Act for amendment, and sometimes go beyond the normal statutory limit, either with the agreement of the taxpayer, or by an order of the Federal Court.[9]

3.4 Issues and possible approaches

As canvassed in Chapter 1, the length of time that elapses before a person's assessment can no longer be amended represents an aspect of uncertainty for them. If that time can be reduced, the time that people experience the 'costs' of uncertainty will also be reduced. This section canvasses whether this might be achieved without a negative impact on compliance behaviour or revenue collection.

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6. Income matching means comparing income returned by a taxpayer with information provided by third parties, for example, electronically comparing the database of information about interest paid by financial institutions and dividends paid by public companies with the information in returns.
7. These processes may involve the Tax Office issuing a statement of facts or a position paper on the legal issues, which a taxpayer can dispute or clarify, and further discussions, negotiations and exchanges of papers. At any stage either or both parties may need time to obtain legal advice, expert advice or valuations, etc. The taxpayer can also request that the Tax Office review its position and has the opportunity to provide a submission on any penalty issues that may arise.
8. Legal professional privilege is a common law ground upon which a party may object to the disclosure or inspection of confidential communications between a legal adviser and their client in relation to litigation taking place or being contemplated by the client.
9. The Federal Court can extend the amendment period where, because of any act or omission of the taxpayer, it was inappropriate or not reasonably practicable for the Tax Office to complete an audit within the normal period, see subsections 170(4)-(4C) of the *Income Tax Assessment Act 1936*.

3.4.1 A shorter amendment period for individuals and very small businesses

Many individuals who are not in business (and some very small businesses) have straightforward tax affairs. The Tax Office generally completes its compliance activity for these taxpayers within two years of the original assessment, although some amendments are completed in the third year.

In the 2002-03 financial year, the Tax Office initiated just over 217,000 amendments to increase the liability of individuals not in business (excluding tax avoidance cases) raising total revenue of about $173 million. Of those, about 175,000 amendments (81%), raising revenue of about $135 million, were completed within two years.

Similarly for very small businesses, the Tax Office usually completes the majority of its audits, accounting for about half of the extra tax, interest and penalties raised from this group, within about two years of the original assessment.

On these raw figures, it seems as if the current period of review for individuals and very small businesses could be reduced somewhat — perhaps to a period of two years, rather than the present four — without greatly prejudicing compliance or increasing risks presented by these groups. If some changes need to be made, the Tax Office (and possibly taxpayers) could reorganise resources and activities to accommodate those changes.

Very small businesses

While there may be no ideal dividing line for defining *very small business*, the law would be simpler if it used a definition already in existence.

The current eligibility test for a Simplified Tax System (STS) taxpayer may be well suited for this delineation because its purpose is to distinguish businesses with simpler income tax affairs. This test broadly requires that the taxpayer:

- carries on a business in that income year
- has an average annual turnover of less than $1 million (ignoring GST credits)
- has depreciating assets with an end of year value below $3 million.

So, one approach would be to make the two year amendment period available to non-business individuals and those business taxpayers who choose to be STS taxpayers (and thus adopt simpler tax accounting methods). Another approach could limit the two year amendment period to those eligible to be STS taxpayers.

Possible exclusions from a two year period

Other businesses

Most Tax Office audits of other businesses are not completed within two years of the original assessments. Indeed, in the 2002-03 year about 35% of the audit amendments for large businesses, raising 63% of the additional revenue from such audit amendments, were completed in the fourth year after the original assessment, or later (where the taxpayer consented to an extension of the standard four year amendment period). These timeframes reflect the comprehensive investigations that occur with taxpayers with complex affairs.

Given these figures, unless the Tax Office is able to change its approach (with consequent impact on taxpayers) there are sound reasons for the current four year amendment period to continue to apply. Table 3.1 shows that the amendment period for large businesses in Australia is similar to that of Canada, New Zealand, the UK and the US.

To shorten the audit process for larger businesses, the Tax Office may have to truncate either its investigatory processes or the administrative procedures designed to protect taxpayers' rights. This could endanger large amounts of revenue or limit the opportunity for taxpayers to respond to Tax Office positions during the audit.

As larger businesses already commonly agree to an extension of the amendment period, a reduction of the period is likely to result in this happening more often. While this could lessen any undesirable consequences of a reduction, it also raises doubts as to whether any reduction is worthwhile.

Other possible exclusions

The Tax Office would have difficulty completing its compliance activity for some individuals and very small businesses within two years. This would particularly be the case for those with complex affairs and where information from third parties (for example, about capital gains) is not readily available. Consequently, it might be necessary to exclude more complex cases (and some special cases) from the two year period for individuals and small businesses, such as:

- recipients of partnership income or trust distributions where the partnership or trust is excluded from the shorter amendment period
- schemes to produce tax benefits to which Part IVA (the general anti-avoidance provision) applies (or would have applied if the benefit had not been denied by other provisions of the law)
- international transactions

- capital gains omitted from tax returns.

Fraud and evasion cases should continue to have an unlimited period for amendment — people who engage in calculated behaviour to evade tax should remain permanently at risk. Deliberate behaviour designed to make it more difficult for the Tax Office to find and remedy any understatement of liability within two years would be likely to amount to fraud or evasion.

In some cases taxpayers omit significant amounts of income from their tax returns, but it is unclear whether there has been fraud or evasion. It may be necessary to define evasion to cover major understatements of taxable income.

3.4.2 A new amendment period for arrangements conferring tax benefits

Currently, there is a six year period for amendments to give effect to a determination under Part IVA, the general anti-avoidance provision. This is effectively a 50% extension on the standard time for taxpayers to be exposed to the uncertainty of a possible increase in their liability.

Originally, the Part IVA amendment period was aligned with the standard period for amendment where a taxpayer failed to make a full and true disclosure. When the standard amendment period became four years, the six year period was not changed.

In an environment where large and complex cases are generally able to be completed within four years, a six year period seems an unnecessarily long time, especially when records are usually only required to be kept for five years. The question therefore arises whether the time allowed for Part IVA amendments could be reduced, perhaps to that for large and complex cases, that is, four years.

A four year amendment period could apply generally to arrangements where someone who entered into or carried out the arrangement had the dominant purpose that they (or someone else) obtain a tax benefit from the arrangement.[10] Under this approach the amendment period would be the same whether the Tax Office was relying on Part IVA, specific anti-avoidance provisions or ordinary provisions.

As shortening the amendment period on tax avoidance cases would require the Tax Office to formally identify risks to revenue earlier, it might need to acquire some

10. This would be similar to the current law for penalties relating to tax avoidance schemes: see section 284-145 of Schedule 1 to the *Taxation Administration Act 1953*.

information earlier. For example, it may require more information in the tax return about areas with a significant revenue risk.[11]

3.4.3 Early notification of intended compliance activity

As noted above, amendments for many taxpayers, even those who are formally audited, are often finalised within two years of the original assessment (in the case of individuals and very small business) or four years (in the case of larger businesses).

However, taxpayers who 'pass' the checking activity that goes on behind the scenes do not know the Tax Office is satisfied with their return until the statutory time has passed. Only those 'caught out' are aware of Tax Office income matching processes. Statistically, most taxpayers are never subjected to full audits, reflecting the Tax Office's sophisticated compliance strategies that target taxpayers and transactions where the highest risk of non-compliance is likely.

The current review periods therefore prolong uncertainty for the vast bulk of taxpayers who are considered, but not selected, in a given year, for comprehensive scrutiny. This could be avoided if the Tax Office were required to notify, at an early stage, those taxpayers it selects for further compliance activity. Taxpayers not so notified would know that the Tax Office could not amend their assessments (except in limited cases).

Such a system might work in the following way:

- The Tax Office would have, say, half of the applicable amendment period to notify a taxpayer that they will be subject to further scrutiny. The notice would not need to specify the issues to be reviewed, although the Tax Office could mention issues to assist the taxpayer to prepare for the review.
  - Once the Tax Office has notified a taxpayer within that period, the normal amendment times would apply for all issues in the income year.
  - If, however, a taxpayer was *not* notified within the period, the Tax Office would be unable to amend (other than to address fraud or evasion).

A statutory notification period of this type might result in some loss of revenue as the Tax Office does not currently identify all understatements of tax or compliance risks within the time that would be allowed for notification. This is especially the case for

11. In the US, corporate taxpayers that enter into 'reportable transactions' must (among other things) disclose details of the transactions to the Internal Revenue Service (IRS) in their annual tax return. Reportable transactions are ones identified by the IRS as tax shelter transactions or that have characteristics typically found in tax shelter transactions.

larger businesses and other complex cases. The early notification approach may therefore need to be accompanied by further declaration requirements.

Furthermore, this approach could reduce the incentive for taxpayers to 'self amend' to increase their liabilities and might encourage more risk taking on the perception that the Tax Office would be less likely to catch transgressors. Currently, substantial numbers of taxpayers self amend to increase their liabilities more than one year after tax became due and payable under their original assessment.[12]

An alternative to introducing a statutory notification period might be for the Tax Office to change its procedures administratively. The Tax Office could notify certain taxpayers, particularly those with straightforward affairs, either that there will be no review of an assessment or that it will review a particular risk area. The Tax Office could do this as soon as possible after it issues an assessment (or for a full self assessment taxpayer, as soon as possible after the taxpayer lodges its return). This administrative approach to providing earlier finality on an assessment could be included in the *Taxpayers' Charter*.

3.4.4 Extending pre-assessment agreements

Another way to reduce the period of uncertainty for taxpayers, in this case predominantly larger ones, would be to extend the Tax Office's existing pre-assessment agreements to cover a wider range of transactions or circumstances. Currently, taxpayers can enter into pre-assessment agreements with the Tax Office to bring early finality (and therefore certainty) to some limited activities covered by the agreement, such as transactions relating to transfer pricing[13] and certain GST activities.[14] One advantage of this approach is cost effectiveness — on average, transfer pricing pre-assessment agreements take nine months to complete, compared with audits on the topic, which can take two to three years.[15]

12. In 2002-03 about 9,400 very small businesses and 66,000 individuals not in business (excluding tax avoidance cases) requested amendments increasing their liabilities, with about three quarters doing so within one year of their original assessment. The amendments after one year raised revenue of about $53 million.
13. Transfer pricing agreements set out the transfer pricing methodology to be used in the future apportionment or allocation of income and deductions for income tax purposes. The benefit of these agreements is that the Tax Office will not make any adjustments to the tax liability established under the agreements provided taxpayer has complied with the terms and conditions of the agreement.
14. GST pre-assessment agreements apply where the Tax Office is satisfied that businesses have appropriate internal controls in place to meet their full range of GST responsibilities. By obtaining an agreement with the Tax Office, businesses can reduce the risk of audits and penalties, provided they properly implement and maintain the agreed assurance processes.
15. Australian Taxation Office 2003, *Large Business and Tax Compliance*, Australian Taxation Office, Canberra, p.5.

If the pre-assessment agreement approach could be adopted more broadly, it would be equivalent to re-introducing the 'pre-self assessment' certainty that practitioners have spoken to the Review team about. However, as the agreements require significant resources from both the taxpayer and the Tax Office, they are likely to be most suitable for large issues that might otherwise require substantial expense to resolve.

Examples of transaction based income tax activities that might lend themselves to pre-assessment agreements include:

- the application of losses
- research and development expenditure.

Examples of appropriate internal controls that might be covered by a pre-assessment agreement include:

- trading stock calculations involving significant volumes
- depreciation calculations.

3.4.5 Loss and nil liability returns

Where a taxpayer returns a tax loss in an income year, the Tax Office effectively has an unlimited period to review their affairs. This is because, as explained above, the time limitations only start to run from when tax becomes *due and payable under an assessment*[16] and, for a taxpayer returning a loss, no tax is due and payable. The same issue arises in other nil liability cases, for example, where the taxpayer's taxable income is below the tax-free threshold, or where the taxpayer's tax offsets reduce the tax payable on their taxable income to nil.

Taxpayers and practitioners have argued that it is unfair to face an effectively unlimited period of review in these circumstances.

In principle, there are no compelling reasons to distinguish so drastically between taxpayers who, for example, claim large deductions to reduce tax payable to a very small amount and those who do the same to reduce tax to zero.

16. For full self assessment taxpayers (primarily companies and superannuation funds) the four year period is calculated from the date on which the assessment is deemed to be made. However, the Tax Office considers that there is no deemed assessment when a full self assessment taxpayer lodges a non-taxable return (Australian Taxation Office 2004, *Draft Taxation Determination TD 2004/D2*, Australian Taxation Office, Canberra).

One possible way to remedy the problem would be to apply equivalent rules to limit the period for the Tax Office to review a nil liability as for assessments. However, to minimise the risk to revenue, the deductibility of a tax loss would still be determined in the year that the taxpayer has income against which to offset the loss.

If this change were made, the Tax Office may wish to allocate more resources to reviewing loss returns and other nil liability cases, suggesting some lead time may be necessary.

3.4.6 Addressing other unlimited review periods

The law currently sets out a number of special cases where the Tax Office can amend an assessment at any time. Examples include the expenditure recoupment scheme provisions, the car expenses provisions, the farm management deposit provisions and the private health insurance offset provisions.

In some cases there is a logical rationale for the unlimited period, for example, where a taxpayer incurs an expense and claims a deduction, which is subsequently reimbursed.

However, in other cases, an unlimited period may not be justified. The substantiation provisions, for example, have an unlimited amendment period although taxpayers are only required to keep the necessary records for five years.

3.4.7 Where the Tax Office fails to amend within a reasonable time of having all the material facts

Some taxpayers and practitioners have criticised the Tax Office's handling of mass marketed investment arrangements because of the apparent delay between the Tax Office becoming aware of the details of the arrangements and taking action to amend assessments to deny deductions.

It has therefore been suggested that taxpayers could be given a remedy where the Tax Office has delayed unreasonably in issuing an amended assessment after it received all the relevant information.

This idea is similar to the doctrine of *laches* (which is an equitable defence where a claimant unreasonably delays seeking their equitable remedy), applied as a statutory defence to the Tax Office's claims. The defence of laches arises only if a plaintiff delays unreasonably in commencing proceedings and, in view of the nature and consequences of that delay, it would be unjust in all the circumstances to grant the relief sought. The idea would be that, if the Tax Office has all the information necessary to raise an amendment, but takes an unreasonable time to do anything, there may be circumstances where it would be unjust to allow an amendment, even within the statutory time limit.

In practice this approach might present some practical problems.

First, this approach would not fit comfortably with the rest of the income tax law. The statutory time limits already attempt to balance the merits of finality against the ideal of all taxpayers paying their correct liability. Superimposing a rule that would require the Tax Office to act within reasonable time of having all the material facts would add significant complexity. The principle has long been established that the Act should govern the right to tax collection, rather than the Tax Office's actions.[17]

Secondly, as taxpayers assess their own liability when they lodge their return, they do not — and are not required to — disclose all the facts to the Tax Office.

Thirdly, the approach would introduce two fresh sources of uncertainty and potential dispute, namely the time when the Tax Office had all the material facts and the reasonableness of the period after that in which the Tax Office could amend. (Before the introduction of self assessment, there were many disputes about when and if the taxpayer had made a full and true disclosure of all the material facts.)

Currently, the Parliament has addressed the concern that the Tax Office needs to act in a timely way by limiting the time for it to act. A more direct way to improve certainty without the possible practical or evidentiary problems of a 'laches' approach may be to reduce these periods of review as canvassed above.

Other consequences of delays in amendments are discussed in Chapter 5 (dealing with the General Interest Charge).

3.4.8 Amendments to reduce a liability

Currently, the periods for an amendment *reducing* a taxpayer's liability mirror those for amendments *increasing* a taxpayer's liability. This approach has been supported in the past on the basis of fairness — if it is fair that the Tax Office is able to increase a taxpayer's liability for a particular period, it should also be fair that a taxpayer can request it to reduce it in the same period.

If the shorter review period canvassed above was adopted, the question arises whether symmetrical periods should be maintained, so that a two year period applied generally

17. *Federal Commissioner of Taxation v Wade* (1951) 84 CLR 105 at 117 per Kitto J: 'No conduct on the part of the commissioner could operate as an estoppel against the operation of the Act ...'.

for amendments reducing a taxpayer's liability with a four year period applying to the more complex cases.

An alternative approach would be to have a set amendment period (of say four years) for all amendments reducing a taxpayer's liability.

3.5 Questions for consultation

3.A Should the period for an amendment increasing the liability of an individual not in business, and/or a very small business be reduced to, say, two years?

- Should the eligibility of a very small business be based on whether it has chosen to be a Simplified Tax System taxpayer?
- What exclusions from a two year period would be appropriate?

3.B Should the amendment period for medium and large businesses and other complex cases remain as four years?

3.C Should the amendment period for arrangements conferring unintended tax benefits (including arrangements covered by Part IVA) be reduced from six years to, say, four years? Should taxpayers be required to disclose certain tax planning arrangements more fully in returns?

3.D Is there benefit in the idea of the Tax Office providing early notice to those taxpayers that it has decided to audit?

- What would be a suitable notification period?
- What exclusions from the notification regime would be appropriate?
- Would this idea still be beneficial if taxpayers had to disclose more information?

3.E Should pre-assessment agreements be extended to a wider range of cases?

3.F Should a taxpayer who lodges a nil liability return be subject to the same time limits as apply in amending an assessment?

3.G What amendment periods should apply to cases that currently have an unlimited period?

3.H Should taxpayers have a remedy where the Tax Office delays unreasonably in issuing an amended assessment after it has all the relevant information?

3.I Should the period for an amendment reducing a taxpayer's liability be the same as for increasing liability, or be set at a fixed period?

3.J Would it be better to implement some of the possible changes raised in this Chapter (for example, early notification of compliance activity) by changing administrative procedures, rather than by changes to the law?