

## APPENDIX 1: PRESS RELEASE



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### REVIEW OF ASPECTS OF INCOME TAX SELF-ASSESSMENT

Today I am announcing the Government's decision to review aspects of the income tax self-assessment system.

The review of the self-assessment system will examine whether the right balance has been struck between protecting the rights of individual taxpayers and protecting the revenue for the benefit of the whole Australian community.

The review will seek to identify whether there are refinements to the present arrangements that would reduce the level of uncertainty for taxpayers, reduce compliance costs and enhance the timeliness of ATO audits and amendments, while preserving the capacity of the ATO to collect legitimate income tax liabilities. The review will consider the self-assessment of income tax returns, especially:

- protection for taxpayers from unreasonable delays in enforcing the tax law;
- the statutory timeframes for amending assessments;
- the length of tax audits;
- aspects of the operation of the general interest charge;
- the level of reliance taxpayers can and should be able to place on taxation rulings and other forms of ATO advice; and
- the circumstances in which the ATO should undertake earlier examination of tax returns.

#### Review of Self Assessment

The review, to be conducted by the Department of the Treasury, will involve extensive public consultation with stakeholders and interested parties. An initial round of consultation will aid the Treasury in developing a discussion paper, which will contain a range of issues and options for public comment early next year. Following this broad consultation, Treasury will report to Government in mid-2004, including an assessment of the benefits of any proposed improvements against their implications for tax administration and revenue.

CANBERRA

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