

A photograph of the Hall Chadwick building at dusk. The building is a large, circular structure with a prominent central tower and a flagpole. The interior lights are on, and the sky is a mix of blue and grey. The foreground shows a paved plaza with a circular pattern. The image is overlaid with a dark grey diagonal shape on the left and a red diagonal shape at the bottom right.

HALL CHADWICK 

PERSPECTIVE

FEDERAL BUDGET

2022-23

Contents

BUDGET HIGHLIGHTS	3
INDIVIDUALS	6
Low and middle income tax offset to be increased by \$420	6
One-off payment to ease cost of living pressures	6
COVID-19 response package Aged care	6
Work-related COVID-19 tests tax deductible from 1 July 2021	7
Paid Parental Leave scheme enhancements	7
Medicare low-income thresholds for 2021-22	7
Increased support for affordable housing and home ownership	7
BUSINESS	8
More COVID-19 business grants will be tax exempt	8
Increased deduction for small business external training expenditure	9
Increased deductions for digital adoption by small business	9
Apprenticeship wage subsidy extended	9
Expanded access to unlisted company employee share schemes	9
PAYG income tax instalment system set for structural overhaul	9
Continued reforms to insolvency arrangements	10
Business registry fees to be streamlined	10
EXCISE AND CUSTOMS DUTY	11
Temporary reduction in fuel excise	11
COVID-19 tariff concession to be made permanent	11
Excise administration to be streamlined	12
SUPERANNUATION	13
Extension of the reduction in superannuation minimum drawdown rates	13
INNOVATION	14
Agricultural innovation: expansion of "patent box" tax concession	14
Low emissions innovation: expansion of "patent box" tax concession	14
Medical and biotechnology innovation: expansion of "patent box" tax concession	14
TAX ADMINISTRATION	15
PAYG instalment systems to be modernised	15
Reporting of taxable payments reporting system data	15
Digitalising trust and beneficiary income reporting and processing	16
Enhanced sharing of STP data	16
ATO Tax Avoidance Taskforce to be extended	16

Budget Highlights

The Federal Treasurer, Mr Josh Frydenberg, handed down the 2022–23 Federal Budget at 7:30pm (AEDT) on 29 March 2022.

In an economy emerging from the pandemic, the Treasurer has confirmed an unemployment rate of 4% and an expected budget deficit of \$78 billion for 2022–23. As international uncertainties add pressure on the cost of living, key measures in the Budget provide cost of living relief in the form of an increased Low and Middle Income Tax Offset, a one off \$250 payment for welfare recipients and pensioners and a 6-month fuel excise relief.

Other measures for business seek to promote innovation, with expanded “patent box” tax concessions proposed, and provide tax incentives for small business to invest in the skills of their employees. A lower GDP uplift rate for PAYG and GST instalments has also been proposed to support cash flows of small and medium businesses.

The full Budget papers are available at www.budget.gov.au and the Treasury ministers’ media releases are available at ministers.treasury.gov.au. The tax, superannuation and social security highlights are set out as follows.



INDIVIDUALS

- » The low and middle income tax offset will be increased by \$420 in the 2021-22 income year to ease the current cost of living pressures.
- » A one-off payment of \$250 will be made to individuals who are currently in receipt of Australian government social security payments, including pensions, to ease cost of living pressures.
- » Additional funding will be provided over 5 years to support older Australians in the aged care sector with managing the impacts of the COVID-19 pandemic.
- » Costs of taking a COVID-19 test to attend a place of work will be tax deductible for individuals and exempt from fringe benefits tax from 1 July 2021.
- » A single Paid Parental Leave scheme of up to 20 weeks paid leave will replace the existing system of 2 separate payments.
- » CPI indexed Medicare levy low-income threshold amounts for singles, families, and seniors and pensioners for the 2021-22 year announced.
- » The number of guarantees under the Home Guarantee Scheme will be increased to 50,000 per year to assist home buyers who have a lower deposit.

BUSINESS

- » Additional state and territory COVID-19 business support grant programs will be eligible for tax treatment as non-assessable non-exempt income until 30 June 2022.
- » Small and medium businesses will be able to deduct an additional 20% of expenditure incurred on external training courses provided to their employees.
- » Small and medium businesses will be able to deduct an additional 20% of eligible expenditure supporting digital adoption.
- » The Boosting Apprenticeship Commencements wage subsidy will be extended by 3 months.
- » Access to employee share schemes in unlisted companies will be expanded.
- » The PAYG instalment system is set for a structural overhaul with a set GDP uplift of 2% to apply for the 2022-23 income year.
- » Additional funding will be provided to further reform insolvency arrangements, including the insolvent trading "safe harbour".
- » Business registry fees will be streamlined over 3 years from 2023-24.





EXCISE AND CUSTOMS DUTY

- » Excise and excise-equivalent customs duty on petrol and diesel will be reduced by 50% from 30 March 2022 for 6 months.
- » The temporary tariff concession for COVID-19 related medical and hygiene products will be made permanent.
- » Administration of fuel and alcohol excise, and excise-equivalent customs duty will be streamlined.

SUPERANNUATION

- » The 50% reduction of the superannuation minimum drawdown requirements for account-based pensions will be extended for an additional year.

INNOVATION

- » Corporate income from the commercialisation of patents, issued from 29 March 2022, in respect to agricultural and veterinary (agvet) chemical products will be taxed at an effective rate of 17% for income years starting from 1 July 2023.
- » The effective tax rate of 17% for the "patent box" regime will also be expanded to include patents that have the potential to lower emissions.
- » Following on from the 2021 Federal Budget announcement of the "patent box" regime for medical and biotechnology innovations, the concessional tax treatment will be expanded to include certain overseas jurisdictions with equivalent patent regimes.

TAX ADMINISTRATION

- » Companies will be able to choose to have their PAYG instalments calculated based on current financial performance, extracted from business accounting software, with some tax adjustments.
- » Businesses will be allowed the option to report taxable payments reporting system data (via accounting software) on the same lodgment cycle as their activity statements.
- » Trust and beneficiary income reporting and processing will be digitalised.
- » IT infrastructure will be developed to allow the ATO to share single touch payroll data with state and territory revenue offices.
- » The ATO will be given funding to extend the operation of the Tax Avoidance Taskforce by 2 years.

Individuals

LOW AND MIDDLE INCOME TAX OFFSET TO BE INCREASED BY \$420

The low and middle income tax offset (LMITO) will include a cost of living tax offset in the 2021-22 income year. The cost of living tax offset is a flat \$420 to be applied to all recipients of LMITO when they lodge their tax return.

The minimum LMITO for 2021-22 will be \$675 for all individuals with a taxable income up to \$37,000.

Individuals between \$37,000 and \$48,000 will receive \$675 plus 7.5% of the amount of the income that exceeds \$37,000.

Individuals between \$48,000 and \$90,000 will receive the increased maximum of \$1,500.

Individuals over \$90,000 in taxable income will have the maximum amount reduced by 3 cents for every dollar above \$90,000, tapering off to an offset of \$420 at \$126,000 taxable income.

The LMITO is a non-refundable tax offset.

Source: Budget Paper No 2, p 16; Glossy "Australia's plan for a stronger future — Overview", p 26.

ONE-OFF PAYMENT TO EASE COST OF LIVING PRESSURES

Individuals who are currently in receipt of an Australian government allowance or pension will receive a one-off payment of \$250 in April 2022 to ease the cost of living pressures. Certain concession card holders will also get the payment.

The cost of living payment will be exempt from tax and will not count towards an individual's income for social security income test purposes.

The payment will cover individuals in receipt of the age pension, disability support pension, parenting payment, carer payment, carer allowance, JobSeeker payment, youth allowance, Austudy and Abstudy living allowance, double orphan pension, special benefit, farm household allowance and eligible Veterans' Affairs payments.

The payment will also go to individuals who hold a Pensioner concession card, a Commonwealth seniors health card or a Veteran Gold card. However, if an individual receives multiple pensions or allowances, they will only receive the one-off payment once.

Source: Budget Paper No 2, p 167.

COVID-19 RESPONSE PACKAGE | AGED CARE

There will be a further \$458.1 million in funding over 5 years to support older Australians in aged care and aged care workers to manage the impact of COVID-19.

Part of the funding will be directed as follows:

- » Approximately \$215 million over 2 years from 2021-22 to provide bonuses of up to \$800 to aged care workers in residential aged care and home care.
- » Just under \$125 million in 2022-23 to extend and expand funding for the Aged Care Preparedness program that supports aged care providers to manage and prevent outbreaks of COVID-19 and prepare providers to transition to living with COVID-19.

The funding will also be used to increase the capacity for vaccination services to residents and staff and extend PCR testing in residential facilities for a further 3 months to 30 September 2022.

Source: Budget Paper No 2, p 88-89.

WORK-RELATED COVID-19 TESTS TAX DEDUCTIBLE FROM 1 JULY 2021

Costs of taking a COVID-19 test to attend a place of work will be tax deductible for individuals and exempt from fringe benefits tax from 1 July 2021.

Legislation will be introduced to clarify that work-related COVID-19 test expenses incurred by individuals are tax deductible. Employers will not incur fringe benefits tax if they provide COVID-19 testing to their employees for work-related purposes.

The amendments will take effect from the beginning of the 2021-22 tax year.

Source: Budget Paper No 2, p 18; Assistant Treasurer's press release "[Tax deductibility of COVID-19 test expenses](#)", 8 February 2022.

PAID PARENTAL LEAVE SCHEME ENHANCEMENTS

The Paid Parental Leave scheme will be overhauled by combining the current Parental Leave Payment (18 weeks paid leave for the primary carer) and the Dad and Partner leave payment (2 weeks paid leave) into a single combined Paid Parental Leave pay scheme of up to 20 weeks.

Leave will be fully flexible and both parents will be able to choose how they split the leave periods between themselves. The Paid Parental Leave can be taken any time within 2 years of the birth or adoption of their child.

The income test will also be broadened to have an additional household income eligibility test.

Source: Budget Paper No 2, p 169.

MEDICARE LOW-INCOME THRESHOLDS FOR 2021-22

The CPI indexed Medicare levy low-income threshold amounts for singles, families, and seniors and pensioners for the 2021-22 year of income have been announced.

The new thresholds are:

Medicare levy low income threshold (at or below which no Medicare levy payable) 2021-22 (2020-21)

Class of People	Single	Family
Individual	\$23,365 (\$23,226)	\$39,402 (\$39,167)
Senior Australians and eligible pensioners	\$36,925 (\$36,705)	\$51,401 (\$51,094)
Threshold increment for each additional dependent child/student	\$3,619 (\$3,597)	

Source: Budget Paper No 2, pp24-25.

INCREASED SUPPORT FOR AFFORDABLE HOUSING AND HOME OWNERSHIP

The number of guarantees under the Home Guarantee Scheme will be increased to 50,000 per year for 3 years from 2022-23 and then 35,000 a year thereafter to support home buyers to purchase a home with a lower deposit.

The guarantees will be allocated to provide:

- » 35,000 guarantees per year ongoing for the First Home Guarantee (formerly the First Home Loan Deposit Scheme)
- » 5,000 places per year to 30 June 2025 for the Family Home Guarantee
- » 10,000 places per year to 30 June 2025 for a new Regional Home Guarantee that will support eligible citizens and permanent residents who have not owned a home for 5 years to purchase a new home in a regional location with a minimum 5% deposit.

Source: Budget Paper No 2, p 170.

Business

MORE COVID-19 BUSINESS GRANTS WILL BE TAX EXEMPT

Payments from additional state and territory COVID-19 business support grant programs will be made non-assessable non-exempt income (NANE) for income tax purposes until 30 June 2022. The NANE treatment is to support businesses affected by state or territory lockdowns during the pandemic.

Since the 2021-22 MYEFO, the following programs have been made eligible:

- » New South Wales Accommodation Support Grant
- » New South Wales Commercial Landlord Hardship Grant
- » New South Wales Performing Arts Relaunch Package
- » New South Wales Festival Relaunch Package
- » New South Wales 2022 Small Business Support Program
- » Queensland 2021 COVID-19 Business Support Grant
- » South Australia COVID-19 Tourism and Hospitality Support Grant
- » South Australia COVID-19 Business Hardship Grant.

Source: Budget Paper No 2, p 17.



INCREASED DEDUCTION FOR SMALL BUSINESS EXTERNAL TRAINING EXPENDITURE

Small and medium businesses will be able to deduct an additional 20% of expenditure incurred on external training courses provided to their employees. The additional deduction will apply for businesses with aggregated turnover of less than \$50 million. The external training course must be delivered by an Australian entity and provided to employees in Australia or online. In-house or on-the-job training and expenditure for persons other than employees will be excluded.

The measure will apply for eligible expenditure incurred from 7:30pm (AEDT) on 29 March 2022 (Budget night) until 30 June 2024. Where eligible expenditure is incurred before 1 July 2022, the additional deduction will be claimed in the tax return for the following income year.

Source: Budget Paper No 2, pp 26–27.

INCREASED DEDUCTIONS FOR DIGITAL ADOPTION BY SMALL BUSINESS

Small and medium businesses will be able to deduct an additional 20% of eligible expenditure supporting digital adoption.

The additional deduction will apply for businesses with aggregated turnover of less than \$50 million. Eligible expenditure will include the cost of depreciating assets and business expenses supporting digital adoption, such as portable payment devices, cyber security systems or subscriptions to cloud-based services. An annual cap of \$100,000 will apply to expenditure eligible for the additional deduction.

The measure will apply for eligible expenditure incurred from 7:30pm (AEDT) on 29 March 2022 (Budget night) until 30 June 2023. Where eligible expenditure is incurred before 1 July 2022, the additional deduction will be claimed in the tax return for the following income year.

Source: Budget Paper No 2, p 27.

APPRENTICESHIP WAGE SUBSIDY EXTENDED

The Boosting Apprenticeship Commencements wage subsidy will be extended to support businesses and Group Training Organisations that take on new apprentices and trainees. The

subsidy will now be available to 30 June 2022. This measure will provide for an additional 35,000 apprentices and trainees. Eligible businesses will be reimbursed up to 50% of an apprentice or trainee's wages of up to \$7,000 per quarter for 12 months.

Source: Budget Paper No 2, p 76; Glossy "Australia's plan for a stronger future – Overview", p 46.

EXPANDED ACCESS TO UNLISTED COMPANY EMPLOYEE SHARE SCHEMES

For employers that make larger offers in connection with employee share schemes in unlisted companies, participants can invest up to:

- » \$30,000 per participant per year, accruable for unexercised options for up to 5 years, plus 70% of dividends and cash bonuses, or
- » any amount, if it would allow them to immediately take advantage of a planned sale or listing of the company to sell their purchased interests at a profit.

Regulatory requirements for offers to independent contractors will be removed, where they do not have to pay for interests.

Source: Budget Paper No 2, p 19.

PAYG INCOME TAX INSTALMENT SYSTEM FOR STRUCTURAL OVERHAUL

The gross domestic product (GDP) uplift rate that applies to pay-as-you-go (PAYG) instalments and GST instalments will be set at 2% for the 2022–23 income year.

The GDP adjustment factor is usually calculated by using data from the Australian Bureau of Statistics and is based on GDP changes over the previous 2 calendar years. Using this statutory formula, it was expected that the GDP uplift for PAYG instalments would be much higher, causing potential cash flow issues for businesses. The 2% uplift rate will apply to instalments for the 2022–23 income year that fall due after amending legislation receives assent.

The current annual aggregated turnover thresholds for using the GST instalment method is \$10 million and \$50 million for PAYG instalments.

Source: Budget Paper No 2, p 29.



CONTINUED REFORMS TO INSOLVENCY ARRANGEMENTS

Additional funding will be provided to further reform insolvency arrangements. This includes:

- » \$22 million to implement reforms to unfair preference rules, including enhancing the Assetless Administration Fund, from 1 July 2023
- » \$7 million to clarify the treatment of trusts with corporate trustees under Australia's insolvency laws, and
- » \$0.8 million in 2022-23 to implement the government's response to the recommendations of the [Review of the insolvent trading safe harbour](#), released in March 2022.

Source: Budget Paper No 2, p 171.

BUSINESS REGISTRY FEES TO BE STREAMLINED

Fees associated with Australia's business registers will be streamlined over 3 years from 2023-24.

Company registration and lifecycle management are scheduled to move to a modernised platform in September 2023. These reforms to Australia's business registers will:

- » remove the companies annual late review fee
- » reduce the number of fees paid for ad hoc lodgments under existing requirements
- » remove fees for searches conducted on the new platform, and
- » provide \$300,000 to the Department of Treasury to redesign wholesale business register search services facilitated by third-party services.

Source: Budget Paper No 2, p 6.

Excise and Customs Duty

TEMPORARY REDUCTION IN FUEL EXCISE

From 12:01 am on 30 March 2022, the excise and excise-equivalent customs duty on petrol and diesel will be reduced by 50%. The reduction in fuel excise will be in place for 6 months, ending at 11:59pm on 28 September 2022.

The 50% reduction will reduce the excise from 44.2 cents per litre to 22.1 cents per litre, and applies to petrol, diesel and all other fuel and petroleum-based products except for aviation fuels.

For businesses who usually claim fuel tax credits for heavy vehicles on public roads, this reduction in excise brings the full credit rate below the road user charge of 26.4 cents per litre. This will effectively reduce the fuel tax credits down to zero for 6 months.

Source: Budget Paper No 2, p 15; Glossy "Fuel Excise".

COVID-19 TARIFF CONCESSION TO BE MADE PERMANENT

The temporary tariff concession for certain medical and hygiene products to treat, diagnose or prevent the spread of COVID-19 will be made permanent.

In addition, the range of products eligible for the "free" rate of customs duty will be expanded and the current end-use restriction will be removed. The measure will apply from 1 July 2022.

Source: Budget Paper No 2, p 6.



EXCISE ADMINISTRATION TO BE STREAMLINED

Administration of fuel and alcohol excise, and excise-equivalent customs duty will be streamlined.

Fuel and alcohol businesses

Fuel and alcohol businesses with annual turnover of less than \$50 million will be able to lodge and pay excise and excise-equivalent customs duty on a quarterly basis, rather than on a weekly or monthly basis.

Businesses that import fuel and alcohol products for further manufacture or distribution that want to defer payment of excise or excise-equivalent customs duty will be able to transfer fuel or alcohol directly into a warehouse administered by the ATO after Australian Border Force customs clearance. Tax on direct imports will continue to be collected by the Australian Border Force.

Aligning excise system licensing requirements

Licensing requirements across the excise system will be streamlined by:

- » removing all renewal requirements for excise and excise-equivalent customs goods licences, removing licence fees, enabling the ATO and Australian Border Force to issue entity-level licences in addition to site-level licences, and providing blanket permission to move goods between sites controlled by licensed businesses
- » removing onshore producers of crude oil and condensate from the excise system until and unless they exceed the relevant production threshold to be liable for excise payments
- » extending the time limit to apply for a refund of excise overpayments from 12 months to 4 years after payment, and
- » creating a public register of excise and excise-equivalent customs goods licences administered by the ATO.

Excise and excise-equivalent customs duty for fuel

Amendments will be made to the excise and excise-equivalent customs duty regime for fuel to:

- » introduce a refund provision for excise-equivalent customs duty on petroleum-based oils used in the further manufacture of petroleum lubricants, ending double taxation of these oils
- » remove the requirement to pay and subsequently claim fuel tax credits in respect of excise or excise-equivalent customs duty on fuels used in domestic commercial shipping, and
- » set a single rate for businesses to calculate and claim Vapour Recovery Unit refunds.

A targeted exemption from excise licensing requirements will also apply for licensed hospitality venues to fill beer from kegs into sealed, non-pressurised containers of no more than 2 litres capacity that are not designed for medium to long term storage.

The changes will apply from 1 July 2023.

Source: Budget Paper No 2, pp 7-8.

Superannuation

EXTENSION OF THE REDUCTION IN SUPERANNUATION MINIMUM DRAWDOWN RATES

The halving of the superannuation minimum drawdown requirements for account-based pensions and similar products will be extended for a further year to 30 June 2023.

The minimum drawdown requirements determine the minimum amount of a pension that a retiree must drawdown from their superannuation in order to qualify for tax concessions.

Source: Budget Paper No 2, p 28.



Innovation

AGRICULTURAL INNOVATION: EXPANSION OF "PATENT BOX" TAX CONCESSION

Corporate income from the commercialisation of patents and eligible Plant Breeder's Rights (PBRs), issued from 29 March 2022, in respect to agricultural and veterinary chemical products will be taxed at an effective rate of 17% to the extent that the R&D took place in Australia, for income years starting from 1 July 2023.

Eligible patents are linked to agricultural and veterinary (agvet) chemical products listed on the:

- » Australian Pesticides and Veterinary Medicines Authority (APVMA), or
- » PubCRIS (Public Chemicals Registration Information System) register

Finalisation of the detailed design of the "patent box" expansion to agriculture will be subject to industry consultation.

The "patent box" concession was announced in last year's budget in relation to assessable income derived from exploiting a medical or biotechnology patent. *Treasury Laws Amendment (Tax Concession for Australian Medical Innovations) Bill 2022* introducing new Div 357 into the ITAA 97 was introduced into Parliament on 10 February 2022.

Source: Budget Paper No 2, p 22.

LOW EMISSIONS INNOVATION: EXPANSION OF "PATENT BOX" TAX CONCESSION

Corporate income from the commercialisation of patents, issued from 29 March 2022, that have the potential to lower emissions to the extent that the R&D took place in Australia, will be taxed at an effective rate of 17% for income years starting from 1 July 2023.

Patented technology that is considered to reduce emissions in the 140 technology areas listed in the Government's 2020 *Technology and Investment Roadmap Discussion Paper* or included as priority technologies in the Government's 2021

and future annual Low Emissions Technology Statements are potentially eligible for the concession. Finalisation of the detailed design of the "patent box" expansion to low emission technologies will be subject to industry consultation.

The "patent box" concession was announced in last year's budget in relation to assessable income derived from exploiting a medical or biotechnology patent. *Treasury Laws Amendment (Tax Concession for Australian Medical Innovations) Bill 2022* introducing new Div 357 into the ITAA 97, was introduced into Parliament on 10 February 2022.

Source: Budget Paper No 2, p 23.

MEDICAL AND BIOTECHNOLOGY INNOVATIONS: EXPANSION OF "PATENT BOX" TAX CONCESSION

The "patent box" tax concession announced in the 2021 Federal Budget in relation to assessable income derived from exploiting a medical or biotechnology patent was introduced into Parliament in *Treasury Laws Amendment (Tax Concession for Australian Medical Innovations) Bill 2022* introducing new Div 357 into the ITAA 97 on 10 February 2022. The introduced Bill expanded the original "patent box" to eligible patents issued in the following overseas jurisdictions with equivalent patent regimes:

- » IP Australia
- » utility patents issued by the United States Patent and Trademark Office (USPTO), and
- » European patents granted under the European Patent Convention (EPC).

The measure once enacted will apply in respect of income years starting on or after 1 July 2022 to income attributable to R&D conducted in Australia. See [Explanatory Memorandum Treasury Laws Amendment \(Tax Concession for Australian Medical Innovations\) Bill 2022](#).

Source: Budget Paper No 2, p 24.

Tax Administration

PAYG INSTALMENT SYSTEMS TO BE MODERNISED

Companies will be able to choose to have their PAYG instalments calculated based on current financial performance, extracted from business accounting software, with some tax adjustments.

The government will consult with affected stakeholders, tax practitioners and digital service providers to finalise the policy scope, design and specifications of this measure.

Subject to advice from software providers about their capacity to deliver, it is anticipated that systems will be in place by 31 December 2023, with the measure to commence on 1 January 2024, for application to periods starting on or after that date.

Source: Budget Paper No 2, p 21.

REPORTING OF TAXABLE PAYMENTS REPORTING SYSTEM DATA

Businesses will be allowed the option to report taxable payments reporting system data (via accounting software) on the same lodgment cycle as their activity statements.

Subject to advice from software providers about their capacity to deliver, it is anticipated that systems will be in place by 31 December 2023, with the measure to commence on 1 January 2024, for application to periods starting on or after that date.

Consultation with affected stakeholders, tax practitioners and digital service providers will take place to finalise the policy scope, design and specifications of the measure.

Source: Budget Paper No 2, p 28.



DIGITALISING TRUST AND BENEFICIARY INCOME REPORTING AND PROCESSING

Trust and beneficiary income reporting and processing will be digitalised, by allowing all trust tax return filers the option to lodge income tax returns electronically, increasing pre-filling and automating ATO assurance processes.

The measure is proposed to commence from 1 July 2024, subject to advice from software providers about their capacity to deliver.

Source: Budget Paper No 2, pp 18-19.

ENHANCED SHARING OF STP DATA

IT infrastructure will be developed to allow the ATO to share single touch payroll (STP) data with state and territory revenue offices on an ongoing basis.

The government will commit \$6.6 million for this measure. Funding has already been provided for by the government. The funding will be deployed following further consideration of which states and territories are able and willing to invest in their own systems and administrative processes to pre-fill payroll tax returns with STP data, to reduce compliance costs for businesses.

Source: Budget Paper No 2, p 172.

ATO TAX AVOIDANCE TASKFORCE TO BE EXTENDED

The ATO will be given funding to extend the operation of the Tax Avoidance Taskforce by 2 years to 30 June 2025.

The taskforce was established in 2016 to undertake compliance activities targeting multinationals, large public and private groups, trusts and high wealth individuals. The taskforce also scrutinises specialist tax advisors and intermediaries that promote tax avoidance schemes and strategies.

The ATO's total resourcing requirement, including for the delivery of the extension of the Tax Avoidance Taskforce, will be settled as part of the independent review of the ATO's ongoing resourcing requirement announced as part of the 2021-22 MYEFO measure titled *Australian Taxation Office - continuation of compliance programs and independent resourcing review*.

Source: Budget Paper No 2, p 29.



HALL CHADWICK

This publication is issued as a helpful guide to clients and for their private information. You should not act solely on the basis of the material contained in this publication. Items herein are general comments only and do not constitute or convey advice per se. Also changes in legislation may occur quickly. We therefore recommend that our formal advice be sought before acting in any of the areas. © 2022 Hall Chadwick Melbourne Pty Ltd ABN 88 081 186 450. Liability limited by a scheme approved under Professional Standards Legislation.

About Hall Chadwick

We are a chartered accounting firm delivering for our clients expert advice on a comprehensive range of accounting, audit, tax and advisory services. We provide specialist services for forensic and investigative reports, insolvency and business recovery, international business, accounting outsourcing solutions and superannuation. We focus on understanding what is important to you and deliver solutions that drive success in your business and growth in your private wealth. As one of Australia's top 20 accounting firms Hall Chadwick collaborates the talent and skills of more than 430 staff to deliver solutions across Australia and New Zealand.

NEW SOUTH WALES

Level 40, 2 Park Street
Sydney NSW 2000
T +61 2 9263 2600
sydney@hallchadwick.com.au

VICTORIA

Level 14, 440 Collins Street
Melbourne VIC 3000
T +61 3 9820 6400
hcm@hallchadwickmelb.com.au

WESTERN AUSTRALIA

Insolvency
Level 11 Allendale Square,
77 St Georges Terrace
Perth WA 6000
T +61 8 6557 6200
perth@hallchadwick.com.au

QUEENSLAND

Level 4, 240 Queen Street
Brisbane QLD 4000
T +61 7 3211 2500
general@hallchadwickqld.com.au

NORTHERN TERRITORY

Paspalis Business Centre
Level 1, 48-50 Smith St
Darwin NT 0800
T +61 8 8943 0645
darwin@hallchadwick.com.au

SOUTH AUSTRALIA

Level 2, 147 Pirie Street
Adelaide SA 5000
T +61 8 8545 8422
adelaide@hallchadwick.com.au

General Services
283 Rokeby Road
Subiaco WA 6008
T +61 8 9426 0666
perthgeneral@hallchadwickwa.com.au

NEW ZEALAND

Floor 26, 188 Quay St,
Auckland 1010 NZ
+64 9 363 3888
tadius@hallchadwick.co.nz

Hall Chadwick is a member of PrimeGlobal

Hall Chadwick is a member of PrimeGlobal, a worldwide Association of Independent Accounting Firms. In 2020/21 the association was named both the Association of the Year and Sustainable Organization of the Year at the International Accounting Bulletin Digital Accountancy Awards. PrimeGlobal has 29,000 staff in 941 office locations through 101 countries. As one of the five largest associations of independent accounting firms in the world, PrimeGlobal member firms offer a powerful range of services and industry expertise to meet client needs – around the globe, around the clock.



PrimeGlobal

An Association of
Independent Accounting Firms