



Australian Government
Inspector-General of Taxation

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PRESS RELEASE

INSPECTOR-GENERAL'S REPORT ON INTEREST REMISSION RELEASED

The Minister for Revenue and Assistant Treasurer, the Hon Mal Brough, released today the report of the Inspector-General of Taxation on the Review of the Remission of the General Interest Charge (GIC) for Groups of Taxpayers in Dispute with the Tax Office (ATO).

The review examined the range of processes associated with the Tax Office's approach to remitting GIC for groups of taxpayers. A particular focus was the circumstances of participants in Employee Benefit Arrangements (EBAs). EBAs are a range of tax planning arrangements marketed to many small businesses in the 80's and 90's.

The Inspector-General of Taxation, Mr David Vos said he was pleased with the outcome from his first major review. "The particular issues and complexity inherent in this matter did not make for an easy review. This matter has been a difficult issue for both the Tax Office and the taxpayers involved".

"The review highlights the importance of fully taking into account the individual circumstances of taxpayers who may get caught up in contentious issues".

"I believe the Tax Commissioner's response to my report to be a positive outcome for taxpayers. The result provides taxpayers inadvertently caught up in the various EBA matters an opportunity to have their individual circumstances fully considered. This will lead to a fairer outcome, with reduced interest and penalty payable by many".

"Importantly, the Tax Office has agreed to review and publish new guidelines for the future".

The report is available at www.igt.gov.au

The details of the Tax Office response can be found at www.ato.gov.au

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