



## Media release

9 October 2018

# Tax Avoidance Taskforce helps net \$5.6 billion in first two years

The more detailed scrutiny of the tax affairs of multinationals, large corporations and wealthy individuals, made possible by the formation of the Tax Avoidance Taskforce, has collected \$5.6 billion in extra tax in just two years.

Deputy Commissioner Mark Konza said “the \$679.9 million the Government funded the ATO for the Tax Avoidance Taskforce has allowed the ATO to significantly expand its compliance approaches.

“While the ATO has always tackled tax avoidance, this funding allows us to intensify our focus on the top 1,000 multinational and public companies as well as the top 320 private groups and the high wealth individuals who control them.

“This means that the ATO is running a fine-toothed comb over two thirds of all corporate tax paid in any given year.” Mr Konza said

With the help of the Tax Avoidance Taskforce, we have collected just over \$5.6 billion in the first two years, at the same time we have raised over \$10 billion in tax liabilities.

Our current focus on wealthy individuals and associated groups, including trusts and aggressive tax planning includes reviewing or auditing 700 taxpayers.

In addition, the ATO has 71 audits covering 67 multinational corporations underway, along with Multinational Anti-Avoidance Law (MAAL) and Diverted Profits Tax (DPT) reviews.

As a direct response to the MAAL, 44 taxpayers have brought or are bringing their Australian sourced sales back onshore.

“As a result of the Multinational Anti-Avoidance Law, more than \$7 billion in sales annually is expected to be returned to the Australian tax base. We have also seen more than half a billion dollars in extra GST paid in 2017-18 as a result of some global entities restructuring in response to the MAAL. We expect this will continue to grow,” Mr Konza said.

Along with the MAAL and DPT, the strengthening of transfer pricing laws, the general anti-avoidance powers, and the sharing of country-by-country reports with other tax jurisdictions are also having a significant effect.

Country-by-country reporting is providing a broader picture of compliance behaviour, providing an in-depth view of multinationals’ global structure, operational and economic activity. This information is extremely important, as it allows the ATO to build a complete picture of the taxpayer.

“We’re very confident that with these measures now fully in place, and with continued resourcing of the Tax Avoidance Taskforce commitments, we can ensure significant private groups and large companies, including multinationals, are fulfilling their tax obligations in Australia.”