

# AUSTRALIAN TAXATION OFFICE

|   |            |
|---|------------|
| <b>Section 1: Entity overview and resources .....</b>     | <b>185</b> |
| 1.1 Strategic direction statement .....                   | 185        |
| 1.2 Entity resource statement .....                       | 186        |
| 1.3 Budget measures.....                                  | 189        |
| <b>Section 2: Outcomes and planned performance .....</b>  | <b>191</b> |
| 2.1 Budgeted expenses and performance for Outcome 1 ..... | 192        |
| <b>Section 3: Budgeted financial statements.....</b>      | <b>225</b> |
| 3.1 Budgeted financial statements.....                    | 225        |
| 3.2 Budgeted financial statements tables .....            | 226        |



# AUSTRALIAN TAXATION OFFICE

## Section 1: Entity overview and resources

### 1.1 STRATEGIC DIRECTION STATEMENT

The role of the Australian Taxation Office (ATO) is to effectively manage and shape the tax and superannuation systems that support and fund services for Australians. Our vision is to be a leading tax and superannuation administration, known for our contemporary service, expertise and integrity.

Our strategic direction centres on fostering community participation in the tax and superannuation systems. We do this by ensuring integrity, building confidence in the administration of these systems, and by being streamlined, integrated and data driven.

We will continue to work with the community and other government agencies to support our country's economic recovery by delivering government measures, improving small business tax performance and harnessing data and technology to make interactions with the ATO and government more seamless. We will maintain a focus on cyber security and strive to become a more purposeful organisation to maximise value for the ATO and the community.

Our progress is monitored through the perspectives of our strategic objectives, focusing on client experience and participation in the tax and superannuation systems as our ultimate measures of success.

## **1.2 ENTITY RESOURCE STATEMENT**

Table 1.1 shows the total funding from all sources available to the entity for its operations and to deliver programs and services on behalf of the Government.

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for the entity's operations) classification.

For more detailed information on special accounts and special appropriations, please refer to *Budget Paper No. 4 – Agency Resourcing*.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome 1 tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

**Table 1.1: Australian Taxation Office resource statement — Budget estimates for 2021-22 as at Budget May 2021**

|   | 2020-21<br>Estimated<br>actual<br>\$'000 | 2021-22<br>Estimate<br>\$'000 |
|---|--|-------------------------------|
| <b>Departmental</b>   |  |                               |
| Annual appropriations - ordinary annual services (a)  |  |                               |
| Prior year appropriations available (b)   | 403,081                                  | 397,569                       |
| Departmental appropriation (c)  | 3,886,135                                | 3,682,694                     |
| s74 External Revenue (d)  | 107,011                                  | 125,104                       |
| Departmental capital budget (e)   | 117,686                                  | 118,051                       |
| Annual appropriations - other services - non-operating (f)  |  |                               |
| Prior year appropriations available (b)   | 36,570                                   | 61,846                        |
| Equity injection  | 126,249                                  | 88,741                        |
| Total departmental annual appropriations  | <u>4,676,732</u>                         | <u>4,474,005</u>              |
| Special accounts (g)  |  |                               |
| Opening balance   | 5,441                                    | 5,499                         |
| Appropriation receipts (h)  | 19,766                                   | 18,676                        |
| Total special accounts  | <u>25,207</u>                            | <u>24,175</u>                 |
| <i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i> | <u>19,766</u>                            | <u>18,676</u>                 |
| <b>Total departmental resourcing</b>  | <b><u>4,682,173</u></b>                  | <b><u>4,479,504</u></b>       |
| <b>Administered</b>   |  |                               |
| Annual appropriations - ordinary annual services (a)  |  |                               |
| Outcome 1   | 7,915                                    | 5,814                         |
| Total administered annual appropriations  | <u>7,915</u>                             | <u>5,814</u>                  |
| Special appropriations  |  |                               |
| <i>Public Governance, Performance and Accountability Act 2013 - s77</i>   | 120,000                                  | 120,000                       |
| <i>Product Grants and Benefits Administration Act 2000 - Product stewardship for oil</i>                          | 84,800                                   | 77,000                        |
| <i>Superannuation Guarantee (Administration) Act 1992</i>   | 951,840                                  | 417,000                       |
| <i>Taxation Administration Act 1953 - section 16 (i)</i>  | 101,568,449                              | 13,210,567                    |
| Total administered special appropriations   | <u>102,725,089</u>                       | <u>13,824,567</u>             |
| Special accounts (g)  |  |                               |
| Opening balance   | 75,657                                   | 76,857                        |
| Appropriation receipts (h)  | 25,000                                   | 26,300                        |
| Total special account receipts  | <u>100,657</u>                           | <u>103,157</u>                |
| <i>less administered appropriations drawn from annual/special appropriations and credited to special accounts</i> | <u>25,000</u>                            | <u>26,300</u>                 |
| <b>Total administered resourcing</b>  | <b><u>102,808,661</u></b>                | <b><u>13,907,238</u></b>      |
| <b>Total resourcing for Australian Taxation Office</b>  | <b><u>107,490,834</u></b>                | <b><u>18,386,742</u></b>      |
|   | <u>2020-21</u>                           | <u>2021-22</u>                |
| <b>Average staffing level (number)</b>  | <b>18,131</b>                            | <b>18,349</b>                 |

**Table 1.1: Australian Taxation Office resource statement — Budget estimates for 2021-22 as at Budget May 2021 (continued)**

**Third party payments from and on behalf of other entities**

|  | 2020-21<br>Estimated<br>actual<br>\$'000 | 2021-22<br>Estimate<br>\$'000 |
|--|--|-------------------------------|
| Payments made to other entities for the provision of services<br>(disclosed above)   | 218,158                                  | 215,801                       |
| Receipts received from other entities for the provision of services<br>(disclosed above in s74 External Revenue section above) | 86,007                                   | 98,447                        |
| Payments made to corporate entities within the Portfolio<br>Reserve Bank of Australia  | 77,795                                   | 91,351                        |

Prepared on a resourcing (that is, appropriations available) basis

All figures shown above are GST exclusive - these may not match figures in the cash flow statement.

- (a) Appropriation Bill (No. 1) 2021-22.
- (b) Excludes \$4.9m subject to administrative quarantine by Finance or withheld under section 51 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).
- (c) Excludes departmental capital budget (DCB).
- (d) Estimated External Revenue receipts under section 74 of the PGPA Act.
- (e) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (f) Appropriation Bill (No. 2) 2021-22.
- (g) Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM) and other special accounts. For further information on special accounts, please refer to *Budget Paper No. 4 - Agency Resourcing*. Please also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.
- (h) Amounts credited to the special account(s) from ATO's annual and special appropriations.
- (i) These figures relate to administered expenses such as the Economic response to the coronavirus payments, fuel tax credit, research and development tax incentives, and Australian screen and digital game production incentive. Estimated tax refunds for 2020-21 are \$120.4 billion including \$20 million made on behalf of the ATO by the Department of Home Affairs. Estimated tax refund items for 2021-22 are \$129.3 billion including \$120 million made on behalf of the ATO by the Department of Home Affairs.

### 1.3 BUDGET MEASURES

Budget measures in Part 1 relating to the ATO are detailed in Budget Paper No. 2 and are summarised below.

**Table 1.2: Australian Taxation Office 2021-22 Budget measures  
Measures announced since the 2020-21 Mid-Year Economic and Fiscal Outlook  
(MYEFO)**

|   | Program | 2020-21<br>\$'000 | 2021-22<br>\$'000 | 2022-23<br>\$'000 | 2023-24<br>\$'000 | 2024-25<br>\$'000 |
|---|---------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Payment measures</b>   |         |                   |                   |                   |                   |                   |
| COVID 19 Response Package — additional arts sector support                          |         |                   |                   |                   |                   |                   |
| Administered payment  | 1.5     | -                 | 5,000             | 15,000            | 25,000            | 30,000            |
| Digital Economy Strategy  |         |                   |                   |                   |                   |                   |
| Administered payment  | 1.1     | -                 | 1,132             | 3,455             | 3,700             | 11,600            |
| Departmental payment  | 1.1     | -                 | 6,725             | 7,134             | 2,383             | -                 |
| Early release for victims of family and domestic violence (a)                       |         |                   |                   |                   |                   |                   |
| Departmental payment  | 1.1     | (9,024)           | (13,927)          | (12,357)          | (12,235)          | (12,235)          |
| First Home Super Saver Scheme - technical changes (b)                               |         |                   |                   |                   |                   |                   |
| Departmental payment  | 1.1     | -                 | 14,547            | 4,345             | 2,221             | 1,389             |
| Flexible Super — repealing the work test for voluntary superannuation contributions |         |                   |                   |                   |                   |                   |
| Departmental payment  | 1.1     | -                 | 1,390             | 1,347             | 347               | 162               |
| GovERP — Common Corporate Australian Public Service System                          |         |                   |                   |                   |                   |                   |
| Departmental payment  | 1.1     | -                 | nfp               | -                 | -                 | -                 |
| Heavy Vehicle Road User Charge  |         |                   |                   |                   |                   |                   |
| Administered payment  | 1.7     | -                 | (16,000)          | (19,000)          | (19,000)          | (19,000)          |
| Junior Minerals Exploration Incentive — extension                                   |         |                   |                   |                   |                   |                   |
| Administered payment  | 1.6     | -                 | -                 | -                 | 19,400            | 19,400            |
| Modernising the individual residency rules (c)                                      |         |                   |                   |                   |                   |                   |
| Departmental payment  | 1.1     | -                 | -                 | 1,024             | -                 | -                 |
| Not for profits — enhancing the transparency of income tax exemptions(d)            |         |                   |                   |                   |                   |                   |
| Departmental payment  | 1.1     | -                 | -                 | 1,862             | -                 | -                 |

**Table 1.2: Australian Taxation Office 2021-22 Budget measures (continued)  
Measures announced since the 2020-21 Mid-Year Economic and Fiscal Outlook (MYEFO)**

| Program  | 2020-21<br>\$'000 | 2021-22<br>\$'000 | 2022-23<br>\$'000 | 2023-24<br>\$'000 | 2024-25<br>\$'000 |               |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|---------------|
| Patent Box — tax concession for Australian medical and biotechnology innovations (e) |                   |                   |                   |                   |                   |               |
| Departmental payment   | 1.1               | -                 | 1,274             | 2,682             | 1,216             | 1,188         |
| Removing the \$450 per month threshold for superannuation guarantee eligibility      |                   |                   |                   |                   |                   |               |
| Administered payment   | 1.11              | -                 | -                 | -                 | 10,000            | 10,000        |
| Departmental payment   | 1.1               | -                 | 1,970             | 4,804             | 3,842             | 909           |
| Self managed superannuation funds — Legacy retirement product conversions            |                   |                   |                   |                   |                   |               |
| Departmental payment   | 1.1               | -                 | 5,944             | 2,573             | 2,080             | -             |
| Transfer of superannuation to the KiwiSaver Scheme (f)                               |                   |                   |                   |                   |                   |               |
| Departmental payment   | 1.1               | -                 | 7,578             | 1,209             | 1,165             | 1,001         |
| Treasury Portfolio - resourcing for Government priorities                            |                   |                   |                   |                   |                   |               |
| Departmental payment   | 1.1               | -                 | 946               | 855               | 806               | -             |
| <b>Total</b>   |                   | <b>(9,024)</b>    | <b>16,579</b>     | <b>14,933</b>     | <b>40,925</b>     | <b>44,414</b> |
| <b>Total payment measures</b>  |                   |                   |                   |                   |                   |               |
| Administered payment   |                   | -                 | (9,868)           | (545)             | 39,100            | 52,000        |
| Departmental payment   |                   | (9,024)           | 29,772            | 15,478            | 1,825             | (7,586)       |
| <b>Total</b>   |                   | <b>(9,024)</b>    | <b>16,579</b>     | <b>14,933</b>     | <b>40,925</b>     | <b>44,414</b> |

Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

- (a) This measure includes reduction of capital funding of \$1.9 million for the ATO in 2020-21 and 2021-22.
- (b) This measure includes capital funding for the ATO of \$10.3 million over the Budget and forward years.
- (c) This measure includes capital funding for the ATO of \$1.0 million in 2022-23.
- (d) This measure includes capital funding for the ATO of \$1.9 million in 2022-23.
- (e) This measure includes capital funding for the ATO of \$1.8 million in 2022-23.
- (f) This measure includes capital funding for the ATO of \$1.7 million in 2021-22.



## Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years.

The ATO's outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

**Note:**

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements - included in Annual Reports - to provide a complete picture of an entity's planned and actual performance.

The most recent corporate plan for the Australian Taxation Office can be found at: (<https://www.ato.gov.au/About-ATO/About/corporate-plan/>)

The most recent annual performance statement can be found at: (<https://www.ato.gov.au/about-ato/commitments-and-reporting/annual-report-and-other-reporting-to-parliament/annual-report/>)

## 2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

**Outcome 1:**

Confidence in the administration of aspects of Australia's taxation and superannuation systems, including through helping people understand their rights and obligations, improving ease of compliance and access to benefits, and managing non-compliance with the law; and in delivering effective and efficient business registry services.

### Linked programs

**Australian Criminal Intelligence Commission**

Program 1.1 - Australian Criminal Intelligence Commission

**Contribution to Outcome 1 made by linked programs**

The Australian Criminal Intelligence Commission (ACIC) works collaboratively with the ATO to protect the financial system from criminal abuse, including through joint operations and task forces and the sharing of data and intelligence. The ACIC's special operations and investigations focus on the highest risk TSOC activities impacting Australia, including money laundering and serious financial crime.

**Australian Federal Police**

Program 1.1 - Federal Policing - Investigations

**Contribution to Outcome 1 made by linked programs**

The Australian Federal Police (AFP) relies on ATO intelligence and expertise for investigations, policy and taskforces combating serious financial crimes and its harm.

**Australian Financial Security Authority**

Program 1.1 - Personal Insolvency and Trustee Services

**Contribution to Outcome 1 made by linked programs**

Australian Financial Security Authority exchanges information with the ATO and administers the bankruptcy notices and payment arrangements to support this service.

|   |
|---|
| <p><b>Australian Securities and Investments Commission</b></p>  |
| <p>Program 1.1 – Australian Securities and Investment Commission</p> <p><b>Contribution to Outcome 1 made by linked programs</b></p> <p>Australian Securities and Investments Commission (ASIC) exchanges information with the ATO in relation to self-managed superannuation fund auditor registration, and financial crime intelligence. ASIC contributes to the management and governance of the Standard Business Reporting program.</p>                    |
| <p><b>Australian Transaction Reports and Analysis Centre</b></p>  |
| <p>Program 1.1 – AUSTRAC</p> <p><b>Contribution to Outcome 1 made by linked programs</b></p> <p>Australian Transaction Reports and Analysis Centre (AUSTRAC) exchanges information with the ATO and delivers financial crime intelligence that assist key stakeholder agencies to make operational and intelligence decisions.</p>  |
| <p><b>Department of Agriculture, Water and the Environment</b></p>  |
| <p>Program 1.6 – Management of Hazardous Wastes, Substances and Pollutants</p> <p><b>Contribution to Outcome 1 made by linked programs</b></p> <p>The Department of Agriculture, Water and the Environment (DAWE) works with the Australian Taxation Office to administer financial aspects of the Product Stewardship for Oil program, pays the benefits on recycled motor oil and collects the levy on new oil entering the market from domestic sources.</p> |
| <p><b>Department of Education, Skills and Employment</b></p>  |
| <p>Program 2.4 – Higher Education Loan Program</p> <p>Program 3.1 – Building Skills and Capability</p> <p>Program 3.2 – VET Student Loans</p> <p><b>Contribution to Outcome 1 made by linked programs</b></p> <p>The Department of Education, Skills and Employment exchanges information with the ATO in relation to the Higher Education Loans Program and Trade Support Loans.</p>   |

|   |
|---|
| <b>Department of Health</b>   |
| Program 2.1 – Medical Benefits<br>Program 2.3 – Pharmaceutical Benefits<br>Program 2.4 – Private Health Insurance   |
| <b>Contribution to Outcome 1 made by linked programs</b><br>The Department of Health (DoH) contributes to the administrative arrangements for the Government’s Private Health Insurance Rebate. DoH also works with the ATO to deliver the Multi-agency Data Integration Project.   |
| <b>Department of Home Affairs</b>   |
| Program 3.3 – Border-Revenue Collection   |
| <b>Contribution to Outcome 1 made by linked programs</b><br>Department of Home Affairs exchanges information with the ATO, administers the Tourist Refund Scheme and collects border revenue for: Excise Equivalent Goods, Goods and Services Tax, Luxury Car Tax and Wine Equalisation Tax on behalf of the ATO.   |
| <b>Department of Industry, Science, Energy and Resources</b>  |
| Program 1.1 – Investing in science, technology and commercialisation<br>Program 1.2 – Growing innovative and competitive businesses, industries and regions   |
| <b>Contribution to Outcome 1 made by linked programs</b><br>Department of Industry, Science, Energy and Resources work together with the ATO to enable the growth and productivity for globally competitive industries through supporting science and commercialisation, growing business investment and improving business capability and streamlining regulation. |
| <b>Department of the Treasury</b>   |
| Program 1.1 – Department of the Treasury  |
| <b>Contribution to Outcome 1 made by linked programs</b><br>The Department of the Treasury (Treasury) contributes to the administration of the National Tax Equivalent Regime. Treasury co-regulates the <i>Foreign Acquisitions and Takeovers Act 1975</i> with the ATO, which also maintains current registers of foreign ownership.                              |

**Services Australia**

Program 1.1 – Services to the Community – Social Security and Welfare

Program 1.2 – Services to the Community – Health

Program 1.3 – Child Support

**Contribution to Outcome 1 made by linked programs**

Services Australia supports individuals, families and communities to achieve greater self-sufficiency by providing administration and payments services on behalf of the ATO.

**Budgeted expenses for Outcome 1**

This table shows how much the ATO intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

**Table 2.1: Budgeted expenses for Outcome 1**

|   | 2020-21<br>Estimated<br>actual<br>\$'000 | 2021-22<br>Budget<br>\$'000 | 2022-23<br>Forward<br>estimate<br>\$'000 | 2023-24<br>Forward<br>estimate<br>\$'000 | 2024-25<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>Program 1.1: Australian Taxation Office</b>                          |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Ordinary annual services<br>(Appropriation Bill No. 1)                  | 7,915                                    | 5,814                       | 6,196                                    | 295                                      | -  |
| <b>Administered total</b>   | <b>7,915</b>                             | <b>5,814</b>                | <b>6,196</b>                             | <b>295</b>                               | <b>-</b>                                 |
| Departmental expenses   |  |                             |  |  |  |
| Departmental appropriation  | 3,621,096                                | 3,487,095                   | 3,283,872                                | 2,765,363                                | 2,777,328                                |
| s74 External Revenue (a)  | 99,785                                   | 125,499                     | 114,745                                  | 115,188                                  | 119,118                                  |
| Expenses not requiring<br>appropriation in the Budget<br>year (b)       | 218,197                                  | 209,471                     | 203,494                                  | 189,141                                  | 188,939                                  |
| <b>Departmental total</b>   | <b>3,939,078</b>                         | <b>3,822,065</b>            | <b>3,602,111</b>                         | <b>3,069,692</b>                         | <b>3,085,385</b>                         |
| <b>Total expenses for program 1.1</b>                                   | <b>3,946,993</b>                         | <b>3,827,879</b>            | <b>3,608,307</b>                         | <b>3,069,987</b>                         | <b>3,085,385</b>                         |
| <b>Program 1.2: Tax Practitioners Board</b>                             |  |                             |  |  |  |
| Departmental expenses   |  |                             |  |  |  |
| Departmental appropriation  | 22,954                                   | 20,841                      | 19,517                                   | 19,578                                   | 19,633                                   |
| <b>Departmental total</b>   | <b>22,954</b>                            | <b>20,841</b>               | <b>19,517</b>                            | <b>19,578</b>                            | <b>19,633</b>                            |
| <b>Total expenses for program 1.2</b>                                   | <b>22,954</b>                            | <b>20,841</b>               | <b>19,517</b>                            | <b>19,578</b>                            | <b>19,633</b>                            |
| <b>Program 1.3: Australian Business Register</b>                        |  |                             |  |  |  |
| Departmental expenses   |  |                             |  |  |  |
| Departmental appropriation  | 122,852                                  | 156,082                     | 157,016                                  | 157,630                                  | 158,238                                  |
| <b>Departmental total</b>   | <b>122,852</b>                           | <b>156,082</b>              | <b>157,016</b>                           | <b>157,630</b>                           | <b>158,238</b>                           |
| <b>Total expenses for program 1.3</b>                                   | <b>122,852</b>                           | <b>156,082</b>              | <b>157,016</b>                           | <b>157,630</b>                           | <b>158,238</b>                           |
| <b>Program 1.4: Australian Charities and Not-for-profits Commission</b> |  |                             |  |  |  |
| Departmental expenses   |  |                             |  |  |  |
| Special accounts  |  |                             |  |  |  |
| Australian Charities and Not-for-profits<br>Commission Special Accounts | 19,766                                   | 18,676                      | 18,551                                   | 17,398                                   | 17,452                                   |
| <b>Departmental total</b>   | <b>19,766</b>                            | <b>18,676</b>               | <b>18,551</b>                            | <b>17,398</b>                            | <b>17,452</b>                            |
| <b>Total expenses for program 1.4</b>                                   | <b>19,766</b>                            | <b>18,676</b>               | <b>18,551</b>                            | <b>17,398</b>                            | <b>17,452</b>                            |

**Table 2.1: Budgeted expenses for Outcome 1 (continued)**

|   | 2020-21<br>Estimated<br>actual<br>\$'000 | 2021-22<br>Budget<br>\$'000 | 2022-23<br>Forward<br>estimate<br>\$'000 | 2023-24<br>Forward<br>estimate<br>\$'000 | 2024-25<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>Program 1.5: Australian Screen and Digital Game Production Incentive</b>                                     |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Special Appropriations  |  |                             |  |  |  |
| <i>Taxation Administration Act 1953 -<br/>    section 16 (Non-refund items)</i>                                 | 397,000                                  | 620,600                     | 566,900                                  | 482,600                                  | 492,300                                  |
| <b>Administered total</b>   | <b>397,000</b>                           | <b>620,600</b>              | <b>566,900</b>                           | <b>482,600</b>                           | <b>492,300</b>                           |
| <b>Total expenses for program 1.5</b>   | <b>397,000</b>                           | <b>620,600</b>              | <b>566,900</b>                           | <b>482,600</b>                           | <b>492,300</b>                           |
| <b>Program 1.6: Junior Minerals Exploration Incentive</b>   |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Special Appropriations  |  |                             |  |  |  |
| <i>Taxation Administration Act 1953 -<br/>    section 16 (Non-refund items)</i>                                 | 27,200                                   | 25,000                      | 25,000                                   | 25,000                                   | 25,000                                   |
| <b>Administered total</b>   | <b>27,200</b>                            | <b>25,000</b>               | <b>25,000</b>                            | <b>25,000</b>                            | <b>25,000</b>                            |
| <b>Total expenses for program 1.6</b>   | <b>27,200</b>                            | <b>25,000</b>               | <b>25,000</b>                            | <b>25,000</b>                            | <b>25,000</b>                            |
| <b>Program 1.7: Fuel Tax Credit Scheme</b>  |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Special Appropriations  |  |                             |  |  |  |
| <i>Taxation Administration Act 1953 -<br/>    section 16 (Non-refund items)</i>                                 | 7,623,130                                | 8,071,968                   | 8,449,993                                | 9,117,133                                | 9,859,999                                |
| <b>Administered total</b>   | <b>7,623,130</b>                         | <b>8,071,968</b>            | <b>8,449,993</b>                         | <b>9,117,133</b>                         | <b>9,859,999</b>                         |
| <b>Total expenses for program 1.7</b>   | <b>7,623,130</b>                         | <b>8,071,968</b>            | <b>8,449,993</b>                         | <b>9,117,133</b>                         | <b>9,859,999</b>                         |
| <b>Program 1.8: National Rental Affordability Scheme</b>  |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Special Appropriations  |  |                             |  |  |  |
| <i>Taxation Administration Act 1953 -<br/>    section 16 (Non-refund items)</i>                                 | 199,897                                  | 151,601                     | 124,764                                  | 90,602                                   | 46,740                                   |
| <b>Administered total</b>   | <b>199,897</b>                           | <b>151,601</b>              | <b>124,764</b>                           | <b>90,602</b>                            | <b>46,740</b>                            |
| <b>Total expenses for program 1.8</b>   | <b>199,897</b>                           | <b>151,601</b>              | <b>124,764</b>                           | <b>90,602</b>                            | <b>46,740</b>                            |
| <b>Program 1.9: Product Stewardship for Oil</b>   |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Special Appropriations  |  |                             |  |  |  |
| <i>Product Grants and Benefits<br/>    Administration Act 2000 - product<br/>    stewardship (oil) benefits</i> | 84,800                                   | 77,000                      | 78,000                                   | 78,000                                   | 78,000                                   |
| <b>Administered total</b>   | <b>84,800</b>                            | <b>77,000</b>               | <b>78,000</b>                            | <b>78,000</b>                            | <b>78,000</b>                            |
| <b>Total expenses for program 1.9</b>   | <b>84,800</b>                            | <b>77,000</b>               | <b>78,000</b>                            | <b>78,000</b>                            | <b>78,000</b>                            |

**Table 2.1: Budgeted expenses for Outcome 1 (continued)**

|   | 2020-21<br>Estimated<br>actual<br>\$'000 | 2021-22<br>Budget<br>\$'000 | 2022-23<br>Forward<br>estimate<br>\$'000 | 2023-24<br>Forward<br>estimate<br>\$'000 | 2024-25<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>Program 1.10: Research &amp; Development Tax Incentive</b>                   |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Special Appropriations  |  |                             |  |  |  |
| <i>Taxation Administration Act 1953 -<br/>    section 16 (Non-refund items)</i> | 3,084,572                                | 2,728,645                   | 2,758,778                                | 2,891,360                                | 3,030,241                                |
| <b>Administered total</b>   | <b>3,084,572</b>                         | <b>2,728,645</b>            | <b>2,758,778</b>                         | <b>2,891,360</b>                         | <b>3,030,241</b>                         |
| <b>Total expenses for program 1.10</b>  | <b>3,084,572</b>                         | <b>2,728,645</b>            | <b>2,758,778</b>                         | <b>2,891,360</b>                         | <b>3,030,241</b>                         |
| <b>Program 1.11: Low Income Superannuation Tax Offset</b>                       |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Special Appropriations  |  |                             |  |  |  |
| <i>Taxation Administration Act 1953 -<br/>    section 16 (Non-refund items)</i> | 605,000                                  | 693,000                     | 725,000                                  | 745,000                                  | 759,000                                  |
| <b>Administered total</b>   | <b>605,000</b>                           | <b>693,000</b>              | <b>725,000</b>                           | <b>745,000</b>                           | <b>759,000</b>                           |
| <b>Total expenses for program 1.11</b>  | <b>605,000</b>                           | <b>693,000</b>              | <b>725,000</b>                           | <b>745,000</b>                           | <b>759,000</b>                           |
| <b>Program 1.12: Private Health Insurance Rebate</b>                            |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Special Appropriations  |  |                             |  |  |  |
| <i>Taxation Administration Act 1953 -<br/>    section 16 (Non-refund items)</i> | 240,000                                  | 251,000                     | 257,000                                  | 264,000                                  | 271,191                                  |
| <b>Administered total</b>   | <b>240,000</b>                           | <b>251,000</b>              | <b>257,000</b>                           | <b>264,000</b>                           | <b>271,191</b>                           |
| <b>Total expenses for program 1.12</b>  | <b>240,000</b>                           | <b>251,000</b>              | <b>257,000</b>                           | <b>264,000</b>                           | <b>271,191</b>                           |
| <b>Program 1.13: Superannuation Co-contribution Scheme</b>                      |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Special Appropriations  |  |                             |  |  |  |
| <i>Taxation Administration Act 1953 -<br/>    section 16 (Non-refund items)</i> | 127,000                                  | 124,000                     | 124,000                                  | 117,000                                  | 114,000                                  |
| <b>Administered total</b>   | <b>127,000</b>                           | <b>124,000</b>              | <b>124,000</b>                           | <b>117,000</b>                           | <b>114,000</b>                           |
| <b>Total expenses for program 1.13</b>  | <b>127,000</b>                           | <b>124,000</b>              | <b>124,000</b>                           | <b>117,000</b>                           | <b>114,000</b>                           |
| <b>Program 1.14: Superannuation Guarantee Scheme</b>                            |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Special Appropriations  |  |                             |  |  |  |
| <i>Taxation Administration Act 1953 -<br/>    section 16 (Non-refund items)</i> | 951,840                                  | 417,000                     | 447,000                                  | 480,000                                  | 518,000                                  |
| <b>Administered total</b>   | <b>951,840</b>                           | <b>417,000</b>              | <b>447,000</b>                           | <b>480,000</b>                           | <b>518,000</b>                           |
| <b>Total expenses for program 1.14</b>  | <b>951,840</b>                           | <b>417,000</b>              | <b>447,000</b>                           | <b>480,000</b>                           | <b>518,000</b>                           |



**Table 2.1: Budgeted expenses for Outcome 1 (continued)**

|   | 2020-21<br>Estimated<br>actual<br>\$'000 | 2021-22<br>Budget<br>\$'000 | 2022-23<br>Forward<br>estimate<br>\$'000 | 2023-24<br>Forward<br>estimate<br>\$'000 | 2024-25<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>Program 1.15: Targeted assistance through the taxation system</b>    |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Special Appropriations  |  |                             |  |  |  |
| <i>Taxation Administration Act 1953 - section 16 (Non-refund items)</i> |  |                             |  |  |  |
|   | 22,000                                   | 19,000                      | 5,000                                    | 5,000                                    | 5,000                                    |
| <b>Administered total</b>   | <b>22,000</b>                            | <b>19,000</b>               | <b>5,000</b>                             | <b>5,000</b>                             | <b>5,000</b>                             |
| <b>Total expenses for program 1.15</b>                                  | <b>22,000</b>                            | <b>19,000</b>               | <b>5,000</b>                             | <b>5,000</b>                             | <b>5,000</b>                             |
| <b>Program 1.16: Interest on Overpayment and Early Payments</b>         |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Special Appropriations  |  |                             |  |  |  |
| <i>Taxation Administration Act 1953 - section 16 (Non-refund items)</i> |  |                             |  |  |  |
|   | 80,000                                   | 100,000                     | 100,000                                  | 100,000                                  | 100,000                                  |
| <b>Administered total</b>   | <b>80,000</b>                            | <b>100,000</b>              | <b>100,000</b>                           | <b>100,000</b>                           | <b>100,000</b>                           |
| <b>Total expenses for program 1.16</b>                                  | <b>80,000</b>                            | <b>100,000</b>              | <b>100,000</b>                           | <b>100,000</b>                           | <b>100,000</b>                           |
| <b>Program 1.17: Bad &amp; Doubtful Debts &amp; Remissions</b>          |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Expenses not requiring appropriation in the budget year (b)             |  |                             |  |  |  |
|   | 4,335,000                                | 6,653,000                   | 6,967,000                                | 7,182,000                                | 7,551,000                                |
| <b>Administered total</b>   | <b>4,335,000</b>                         | <b>6,653,000</b>            | <b>6,967,000</b>                         | <b>7,182,000</b>                         | <b>7,551,000</b>                         |
| <b>Total expenses for program 1.17</b>                                  | <b>4,335,000</b>                         | <b>6,653,000</b>            | <b>6,967,000</b>                         | <b>7,182,000</b>                         | <b>7,551,000</b>                         |
| <b>Program 1.18: Seafarer Tax Offset</b>                                |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Seafarer Tax Offset   |  |                             |  |  |  |
|   | 9,000                                    | 9,000                       | 9,000                                    | 9,000                                    | 9,000                                    |
| <b>Administered total</b>   | <b>9,000</b>                             | <b>9,000</b>                | <b>9,000</b>                             | <b>9,000</b>                             | <b>9,000</b>                             |
| <b>Total expenses for program 1.18</b>                                  | <b>9,000</b>                             | <b>9,000</b>                | <b>9,000</b>                             | <b>9,000</b>                             | <b>9,000</b>                             |
| <b>Program 1.19: Economic Response to the Coronavirus</b>               |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Special Appropriations  |  |                             |  |  |  |
| <i>Taxation Administration Act 1953 - section 16</i>                    |  |                             |  |  |  |
| <i>Boosting cash flow for employers</i>                                 | 12,159,218                               | -                           | -  | -  | -  |
| <i>JobKeeper Payment</i>  | 57,241,113                               | -                           | -  | -  | -  |
| <i>JobMaker Hiring Credit</i>   | 34,000                                   | 47,000                      | 12,000                                   | -  | -  |
| <b>Administered total</b>   | <b>69,434,331</b>                        | <b>47,000</b>               | <b>12,000</b>                            | <b>-</b>                                 | <b>-</b>                                 |
| <b>Total expenses for program 1.19</b>                                  | <b>69,434,331</b>                        | <b>47,000</b>               | <b>12,000</b>                            | <b>-</b>                                 | <b>-</b>                                 |

**Table 2.1: Budgeted expenses for Outcome 1 (continued)**

|   | 2020-21<br>Estimated<br>actual<br>\$'000 | 2021-22<br>Budget<br>\$'000 | 2022-23<br>Forward<br>estimate<br>\$'000 | 2023-24<br>Forward<br>estimate<br>\$'000 | 2024-25<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>Outcome 1 Totals by appropriation type</b>                     |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Ordinary annual services<br>(Appropriation Bill No. 1)            | 7,915                                    | 5,814                       | 6,196                                    | 295                                      | -  |
| Special appropriations  | 82,885,770                               | 13,334,814                  | 13,682,435                               | 14,404,695                               | 15,308,471                               |
| Expenses not requiring<br>appropriation in the Budget<br>year (b) | 4,335,000                                | 6,653,000                   | 6,967,000                                | 7,182,000                                | 7,551,000                                |
| <b>Administered total</b>   | <b>87,228,685</b>                        | <b>19,993,628</b>           | <b>20,655,631</b>                        | <b>21,586,990</b>                        | <b>22,859,471</b>                        |
| Departmental expenses   |  |                             |  |  |  |
| Departmental appropriation (a)                                    | 3,766,902                                | 3,664,018                   | 3,460,405                                | 2,942,571                                | 2,955,199                                |
| s74 External Revenue (b)  | 99,785                                   | 125,499                     | 114,745                                  | 115,188                                  | 119,118                                  |
| Special accounts  | 19,766                                   | 18,676                      | 18,551                                   | 17,398                                   | 17,452                                   |
| Expenses not requiring<br>appropriation in the Budget<br>year (b) | 218,197                                  | 209,471                     | 203,494                                  | 189,141                                  | 188,939                                  |
| <b>Departmental total</b>   | <b>4,104,650</b>                         | <b>4,017,664</b>            | <b>3,797,195</b>                         | <b>3,264,298</b>                         | <b>3,280,708</b>                         |
| <b>Total expenses for Outcome 1</b>                               | <b>91,333,335</b>                        | <b>24,011,292</b>           | <b>24,452,826</b>                        | <b>24,851,288</b>                        | <b>26,140,179</b>                        |
|   | 2020-21                                  | 2021-22                     |  |  |  |
| <b>Average staffing level (number)</b>                            | 18,131                                   | 18,349                      |  |  |  |

(a) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.

(b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make good expenses, audit fees, and other resources received free of charge.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

**Table 2.2: Performance criteria for Outcome 1**

Table 2.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2021-22 Budget measures have created new programs or materially changed existing programs.

|  |  |
|--|--|
| <b>Outcome 1</b>   |  |
| Confidence in the administration of aspects of Australia's taxation and superannuation systems, including through helping people understand their rights and obligations, improving ease of compliance and access to benefits, and managing non-compliance with the law; and in delivering effective and efficient business registry services. |  |
| <b>Program 1.1 – Australian Taxation Office</b>  |  |
| The objective of the ATO is to administer aspects of Australia's tax and superannuation systems providing confidence that the right amount of payments are being made and collected.   |  |
| <b>Delivery</b>  | The ATO will deliver their objective by: <ul style="list-style-type: none"> <li>• collecting revenue;</li> <li>• making it easy for the community to understand and comply with obligations;</li> <li>• administering the goods and services tax on behalf of the Australian States and Territories; and</li> <li>• administering major aspects of Australia's superannuation system.</li> </ul> |
| <b>Purposes</b>  | The ATO contributes to the economic and social wellbeing of Australians by fostering willing participation in the tax and superannuation systems.<br>We achieve this by: <ul style="list-style-type: none"> <li>• building trust and confidence</li> <li>• being streamlined, integrated and data driven</li> </ul>  |
| <b>Performance information 2020-21 and beyond</b>  |  |
| <b>Performance criteria</b>  | <b>Targets</b>   |
| Confidence — Community confidence in the ATO   | Result (2019-20): 66/100<br><br>Target 2020-21: 65/100<br><br>Target 2021-22 and beyond: As per 2020-21  |

*Australian Taxation Office Budget Statements*

| <b>Performance information 2020-21 and beyond</b>                                   |   |
|---|---|
| <b>Performance criteria</b>   | <b>Targets</b>  |
| Registration — Proportion of companies and individuals registered in the system     | <p>Result (2019-20): Companies registered in the system: 66.1%.<br/>Individuals registered in the system: 106.0%</p> <p>Target 2020-21: The ATO aims to ensure that all entities that are required to participate in the tax and superannuation systems are registered on the ATO client register, allowing a tolerance of 2% (companies) and 5% (individuals) from the last reporting period (increase or decrease)</p> <p>Target 2021-22 and beyond: As per 2020-21</p> |
| Lodgement — Proportion of activity statements and income tax returns lodged on time | <p>Result (2019-20): activity statements: 74.6%. income tax returns: 83.9% (2018-19 returns)</p> <p>Target: 2020-21:<br/>Activity statements lodged on time: 78%<br/>Income tax returns lodged on time: 83%</p> <p>Target 2021-22 and beyond: As per 2020-21</p>  |
| Payment — Proportion of liabilities paid on time by value                           | <p>Result (2019-20): 88.7%</p> <p>Target 2020-21: 88%</p> <p>Target 2021-22 and beyond: As per 2020-21</p>  |
| Correct reporting – Tax gap as a proportion of revenue                              | <p>Result (2019-20): refer to Commissioner of Taxation Annual Report 2019-20 (pages 62-64) for detailed information</p> <p>Target 2020-21: Reduce the gap to a level as low as practicable given the nature and complexity of the law and the resources available.</p> <p>Target 2021-22 and beyond: As per 2020-21</p>   |

*Australian Taxation Office Budget Statements*

| <b>Performance information 2020-21 and beyond</b>   |   |
|---|---|
| <b>Performance criteria</b>   | <b>Targets</b>  |
| Debt — Ratio of collectable debt to net tax collections (a)   | <p>Result (2019-20): 6.7%</p> <p>Target 2020-21: Below 5.5%</p> <p>Target 2021-22: Below 8.0%</p> <p>Target 2022-23: Below 7.5%</p> <p>Target 2023-24: Below 6.5%</p> <p>Target 2024-25: Below 6.0%</p>   |
| Total revenue effects — Tax revenue from all compliance activities  | <p>Result (2019-20): \$13.7 billion</p> <p>Target 2020-21: \$15 billion</p> <p>Target 2021-22 and beyond: As per 2020-21</p>  |
| Tax assured — Proportion of the tax base where the ATO has justified trust that tax paid is correct based on the proportion of income, deductions and tax offsets assured | <p>Result (2019-20): 47.6% (2017–18 year). Refer to Commissioner of Taxation Annual Report 2019-20 (page 65) for detailed information</p> <p>Target 2020-21: Increase the proportion of the tax base where the ATO has justified trust to a level as high as practicable given the nature and complexity of the law and resources available.</p> <p>Target 2021-22 and beyond: As per 2020-21</p> |
| Influence — Government and Treasury perceptions of the ATO and the quality of our advice  | <p>Result (2019-20): Very good</p> <p>Target 2020-21: Good</p> <p>Target 2021-22 and beyond: As per 2020-21</p>   |
| Compliance cost — Adjusted median cost to individual taxpayers of managing their tax affairs  | <p>Result (2019-20): 2.5% decrease (2018-19 returns)</p> <p>Target 2020-21: Remain steady</p> <p>Target 2021-22 and beyond: As per 2020-21</p>  |

- (a) Debt target has been increased due to the broader economic environment, which has been impacted by droughts, bushfires and the COVID-19 pandemic.

*Australian Taxation Office Budget Statements*

| <b>Performance information 2020-21 and beyond</b>   |   |
|---|---|
| <b>Performance criteria</b>   | <b>Targets</b>  |
| Working together — Partner perceptions of how the ATO is working together with them to administer the tax and superannuation system | <p>Result (2019-20): 67/100</p> <p>Target 2020-21: Equal to or better than the 2018-19 result (64/100)</p> <p>Target 2021-22 and beyond: As per 2020-21</p>   |
| Digital — Proportion of inbound transactions received digitally for key services  | <p>Result (2019-20): 91%</p> <p>Target 2020-21: 90%</p> <p>Target 2021-22: 92%</p> <p>Target 2022-23: 93.5%</p> <p>Target 2023-24: 95%</p> <p>Target 2024-25: 95%</p>   |
| Availability — Key digital systems availability   | <p>Result (2019-20): 99.7%</p> <p>Target 2020-21: 99.5% (excluding planned outages)</p> <p>Target 2021-22 and beyond: As per 2020-21</p>  |
| Culture — Level of employee engagement  | <p>Result (2019-20): 78%</p> <p>Target 2020-21: Equal to or better than the average result for large agencies</p> <p>Target 2021-22 and beyond: As per 2020-21</p>  |
| Gender equality — Female representation in the senior executive service (SES) and executive level (EL) classifications              | <p>Result (2019-20): SES 46.6% female, 53.4% male and EL 50.2% female and 49.8% male</p> <p>Target 2020-21: Approx. 50% of SES and approx. 50% of EL staff</p> <p>Target 2021-22 and beyond: As per 2020-21</p> |
| Indigenous representation — Proportion of ATO staff who identify as Indigenous  | <p>Result (2019-20): 2.3%</p> <p>Target 2020-21: 2.5%</p> <p>Target 2021-22 and beyond: 3%</p>  |

*Australian Taxation Office Budget Statements*

| <b>Performance information 2020-21 and beyond</b>  |  |
|--|--|
| <b>Performance criteria</b>  | <b>Targets</b>   |
| Staff experience – Employee perceptions around whether they have access to the tools and resources needed to perform well  | <p>Result (2019-20): 86%</p> <p>Target 2020-21: Equal or better than the average result for large agencies</p> <p>Target 2021-22 and beyond: As per 2020-21</p>                                |
| <p>Tax returns – Proportion of pre-filled data items unchanged</p> <p>Tax returns – Proportion of pre-filled items accepted without change</p> <p>(Note: change to measure name for 2021-22)</p> | <p>Result (2019-20): 87.1%</p> <p>Target 2020-21: 85%</p> <p>Target 2021-22: 90%</p> <p>Target 2022-23 and beyond: As per 2021-22</p>  |
| Budget — ATO manages its operating budget to balance   | <p>Result (2019-20): 0.2% surplus</p> <p>Target 2020-21: +/-0.6% of budget allocation</p> <p>Target 2021-22: +/-1.0% of budget allocation</p> <p>Target 2022-23 and beyond: As per 2021-22</p> |
| Cost of collection - Cost to collect \$100   | <p>Result (2019-20): \$0.66 (incl GST)<br/>\$0.62 (excl GST)</p> <p>Target 2020-21: Consistent with trend</p> <p>Target 2021-22 and beyond: As per 2020-21</p>                                 |

*Australian Taxation Office Budget Statements*

|  |  |
|--|--|
| <p><b>Program 1.2 – Tax Practitioners Board (TPB)</b></p> <p>The TPB has the general administration of the <i>Tax Agent Services Act 2009</i> (TASA) and is responsible for the registration and regulation of tax practitioners. These include tax agents, business activity statement (BAS) agents and tax (financial) advisers.</p> <p>The TPB's establishment, functions and powers are defined in the TASA. The TPB's role is to ensure that tax practitioner services are provided to the public in accordance with appropriate standards of professional and ethical conduct.</p> |  |
| <p><b>Delivery</b></p>   | <p>The TPB has overarching strategies to deliver its program:</p> <ul style="list-style-type: none"> <li>• Client Services will provide confidence to consumers of tax practitioner services by ensuring that registered tax practitioners meet and maintain the necessary competence and personal attributes for the tax practitioner profession.</li> <li>• Technology will support business outcomes with digital and IT solutions for clients and staff, including improved data analytics.</li> <li>• Law and Compliance unit will implement data-driven compliance activities that focus on the highest risk and unregistered tax practitioners.</li> <li>• Law and Policy will manage our litigation work program, develop policy and guidance, and work closely with Treasury to develop and implement the legislative changes that are expected to arise from the TASA review.</li> <li>• Corporate Services will implement and provide a complete and uniform governance framework that includes budgeting, people management, planning, risk assessment, communication, change management, and corporate strategy.</li> </ul> |
| <p><b>Purpose</b></p>  | <p>The TPB seeks to protect consumers of taxation services by regulating tax practitioners in a fair, consistent and practical way, thereby strengthening the integrity of the tax practitioner profession by:</p> <ol style="list-style-type: none"> <li>1. Efficient registration of tax practitioners</li> <li>2. Effective compliance through deterrence and education</li> <li>3. Innovation and preparation for the future</li> </ol>  |



*Australian Taxation Office Budget Statements*

| <b>Performance information 2020-21</b>   |  |
|--|--|
| <b>Performance criteria</b>  | <b>Targets</b>   |
| <b>Protect consumers of tax practitioner services</b>  |  |
| 1.1 Support consumers through targeted communications that raise awareness of consumer rights and tax professionals' obligations | <p>Effective communication is used to highlight risk, protect consumers and educate the profession.</p> <p>Forecast: We continued to see increased use across many of our communication channels.</p>  |
| 1.2 Deliver a complaints resolution framework that supports consumer protection  | <p>Complaints are handled effectively.</p> <p>Forecast: Case closure rates continue to improve as we increase our complex technical capabilities.</p>  |
| 1.3 Manage an effective public register that is readily accessible   | <p>The TPB Register is current and contemporary.</p> <p>Forecast: The public register remains available 99% of the time.</p>   |
| <b>Enhance the integrity of the registered tax practitioner profession</b>   |  |
| 2.1 Provide guidance and advice to tax practitioners on their eligibility and obligations  | <ul style="list-style-type: none"> <li>• Useful advice and guidance are provided.</li> <li>• Processing of all tax practitioner applications is timely.</li> </ul> <p>Forecast: Continue to engage effectively with our external stakeholders.</p> <p>Forecast: The TPB will continue to meet registrations targets.</p> |
| 2.2 Target the highest risk tax practitioners with investigations and compliance programs  | <p>Data and intelligence target the highest risk tax practitioners.</p> <p>Forecast: The TPB continues to refine its ability to access and use data in compliance work.</p>  |
| 2.3 Implement a strategic litigation program to clarify the law, support just outcomes and deter poor conduct                    | <p>Litigation cases that clarify the law and support TPB's goals.</p> <p>Forecast: The TPB has successfully achieved litigation outcomes.</p>  |

*Australian Taxation Office Budget Statements*

| <b>Performance information 2020-21</b>  |   |
|---|---|
| <b>Performance criteria</b>   | <b>Targets</b>  |
| <b>Implement the government's reform program</b>  |   |
| 3.1 Work with government to design and implement statutory reform   | The TPB influences legislative reform.<br><br>Forecast: The TPB continues to collaborate productively with the Government.  |
| 3.2 Ensure the public is confident to use tax practitioner services   | The Australian public continue to show high levels of trust and satisfaction with tax practitioners.<br><br>Forecast: The TPB will continue activities to maintain consumer confidence. |
| 3.3 Be an effective and efficient regulator   | The TPB is recognised as an efficient and effective regulator.<br><br>Forecast: Feedback from the external forums continues to be positive.   |
| <b>Performance information 2021-22</b>  |   |
| <b>Performance criteria</b>   | <b>Targets</b>  |
| <b>Efficient registration of tax practitioners</b>  |   |
| 1.1 Improve the registration experience for tax practitioners   | Improve the experience by streamlining processes and increasing automation.   |
| 1.2 Tax practitioner applications and enquiries are treated efficiently   | The majority of applications are processed within service standards. Response to enquiries is appropriate and timely.   |
| <b>Effective compliance through deterrence and education</b>  |   |
| 2.1 Provide guidance and advice to tax practitioners on their eligibility requirements and obligations under the <i>Tax Agent Services Act 2009</i> | Useful advice and guidance are provided.  |
| 2.2 Provide support through targeted communications that educate tax practitioners  | Effective communication is used to assist consumer protection and educate the profession.   |
| 2.3 Impede misconduct by tax practitioners and unregistered preparers through our compliance programs   | Data and intelligence are used to deliver an effective compliance program.  |
| 2.4 Implement a strategic litigation program to clarify the law, support just outcomes and deter poor conduct                                       | Litigation cases that clarify the law and support the TPB's goals.  |

*Australian Taxation Office Budget Statements*

| <b>Performance information 2021-22</b>   |   |
|--|---|
| <b>Performance criteria</b>  | <b>Targets</b>  |
| <b>Innovation and preparation for the future</b>   |   |
| 3.1 Work with Treasury and Government to design and implement reforms to the TASA and the TPB (including funding requirements) | Treasury considers submissions from the TPB and works collaboratively with the TPB on new law design. |
| 3.2 Deliver an ongoing technology program to support enhanced services and drive operational efficiency                        | System upgrades are contemporary and engaging.  |
| 3.3 Support our people by delivering a comprehensive People Program  | Implementation of a reward and recognition program.   |
| <b>Performance information 2022-23 and beyond</b>  |   |
| <b>Performance criteria</b>  | <b>Targets</b>  |
| As per 2021-22   | As per 2021-22  |

|  |  |
|--|--|
| <p><b>Program 1.3 — Australian Business Register</b></p> <p>The Commissioner of Taxation is the Registrar of the Australian Business Register (ABR), and has a number of separate and distinct registry functions and powers under the <i>A New Tax System (Australian Business Number) Act 1999</i>, the <i>Commonwealth Registers Act 2020</i> and the <i>Treasury Laws Amendment (Registries Modernisation and Other Measures) Act 2020</i>.</p> <p>The ABR program contributes to micro-economic reform initiatives as the custodian of trusted business information and provider of associated services used by businesses, government and communities to unlock economic and social value for Australia. Registry streamlining processes have commenced, with registry staff from ASIC moving to the ATO in April 2021.</p> <p>The ABR program encompasses:</p> <ul style="list-style-type: none"> <li>• the register of Australian Business Numbers (ABNs), which is a trusted national business dataset and business registry service;</li> <li>• Standard Business Reporting, which defines a common language for business information and standards for digital information exchange and sharing with businesses and government; and</li> <li>• the introduction of Director Identification Numbers as part of the Modernising Business Registers Program, which will provide traceability of a director's relationships over time, and across companies, to assist regulators and external administrators to investigate a director's involvement in illegal phoenix activity.</li> </ul> |  |
| <p><b>Delivery</b></p>   | <p>The ABR program works with Government, Digital Service Providers, the business community and other key stakeholders to support a fairer business environment that fosters greater economic growth and job creation. This will be achieved through increase use of a trusted national business dataset and use of consistent information exchange standards</p>  |
| <p><b>Purpose</b></p>  | <p>The ABR program contributes to improving national productivity by:</p> <ul style="list-style-type: none"> <li>• delivering effective and efficient business registry services that provide trusted and accessible national business data</li> <li>• encourage trust and confidence in the broader use of national business data, by the community, businesses and government to promote the development of new and better services for businesses, using the ABN as a key identifier</li> <li>• reducing the administrative cost to businesses in their dealings with other businesses and government.</li> </ul> |

*Australian Taxation Office Budget Statements*

| <b>Performance information 2020-21 and beyond</b>  |  |
|--|--|
| <b>Performance criteria</b>  | <b>Targets</b>   |
| Increased use of the ABR as the national business dataset                                    | <p>Result (2019-20):<br/>                     405 agencies using ABR Explorer (10% increase)<br/>                     27 agencies using ABR Connect (58% increase)<br/>                     1,519 million ABN Lookup searches (5% increase)</p> <p><u>Target 2020-21:</u><br/>                     ABR Explorer — 400<br/>                     ABR Connect — 16<br/>                     ABN Lookup — 1.5 billion</p> <p><u>Target 2021-22:</u><br/>                     ABR Explorer — 420<br/>                     ABR Connect — 18<br/>                     ABN Lookup — 1.8 billion</p> <p>Target 2022-23 and beyond: As per 2021-22</p> |
| Reduction in the administrative cost to businesses and government in dealing with each other | <p>Result (2019-20): \$1.95 billion</p> <p><u>Target 2020-21:</u><br/>                     Total — \$1.98 billion</p> <p><u>Target 2021-22:</u><br/>                     Total — \$2.00 billion</p> <p><u>Target 2022-23 and beyond:</u><br/>                     As per 2021-22</p>   |

| <b>Program 1.4 — Australian Charities and Not-for-profits Commission</b>  |  |   |
|---|--|---|
| <p>The Australian Charities and Not-for-profits Commission (ACNC) is the independent national regulator of charities. The ACNC Commissioner (the Commissioner) has a number of statutory functions and regulatory powers set out in the Australian Charities and Not-for-profits Commission Act 2012 (Cth) (ACNC Act), the Charities Act 2013 (Cth) (the Charities Act) and accompanying regulations.</p> |  |   |
| <b>Delivery</b>   | <p>The ACNC effectively manage a regulatory system for the Australian charitable sector by:</p> <ul style="list-style-type: none"> <li>• registering eligible not-for-profit entities as charities in accordance with the ACNC Act and the Charities Act.</li> <li>• providing information, guidance and advice about good governance practices and to assist charities to meet their obligations to maintain charity registration.</li> <li>• assess concerns raised about registered charities, investigate where appropriate and initiate compliance action against charities that contravene the ACNC Act, the Charities Act, Governance Standards or External Conduct Standards.</li> <li>• working with other Government agencies (Commonwealth, state and territory) to reduce unnecessary regulation on charities and align regulatory obligations through various mechanisms, including the ACNC's Charity Passport.</li> </ul> |   |
| <b>Purposes</b>   | <p>The ACNC has the following objects (included in the ACNC Act) which contribute to a charity sector that inspires confidence and respect. The objects are:</p> <ul style="list-style-type: none"> <li>• to maintain, protect and enhance public trust and confidence in the Australian not-for-profit sector;</li> <li>• to support and sustain a robust, vibrant, independent and innovative Australian not-for-profit sector;</li> <li>• to promote the reduction of unnecessary regulatory obligations on the Australian not-for-profit sector.</li> </ul>  |   |
| <b>Performance information</b>  |  |   |
| <b>Year</b>   | <b>Performance criteria</b>  | <b>Targets</b>  |
| <b>2021-22</b>  | <b>Maintain, protect and enhance public trust and confidence in the Australian not-for-profit sector</b>   |   |
|   | Percentage of new charity registrations completed within agreed timeframes   | 90%<br><br>Forecast 2020-21:<br>On track to be met or partially met by 30 June 2021 |
|   | Percentage of charities complying with timeliness of Annual Information Statement submission requirements  | 75%<br><br>Forecast 2020-21:<br>Results not yet available                           |
|   | Percentage of investigations finalised within 12 months  | 75%<br><br>Forecast 2020-21:<br>On track to be met or partially met by 30 June 2021 |

*Australian Taxation Office Budget Statements*

| <b>Performance information</b> |   |  |
|--------------------------------|---|--|
| <b>Year</b>                    | <b>Performance criteria</b>   | <b>Targets</b>   |
| <b>2021-22</b>                 | <b>Support and sustain a robust, vibrant, independent and innovative Australian not-for-profit sector</b>   |  |
|                                | The ACNC will collect new information, about the programs charities conduct, using a consistent taxonomy classification, where they conduct those programs and who those programs will benefit. Once collected, this information will be accessible to government and the public. | 2020-21 Target: Launch of enhanced charities register.<br>2021-22 Target: Searchable program data available.<br><br>Forecast 2020-21:<br>On track to be met or partially met by 30 June 2021 |
|                                | Percentage of time phone calls are answered within 4 minutes.   | 80%<br><br>Forecast 2020-21:<br>On track to be met or partially met by 30 June 2021  |
|                                | Information and guidance materials are reviewed and updated or published for the first time on the ACNC website to assist charities in understanding their obligations  | Information and guidance materials reviewed and updated or published for the first time as required<br><br>Forecast 2020-21:<br>On track to be met or partially met by 30 June 2021          |
| <b>2021-22</b>                 | <b>Promote the reduction of unnecessary regulatory obligations on the Australian not-for-profit sector</b>  |  |
|                                | Reduce unnecessary regulation for charities by simplifying and streamlining reporting   | The Regulator Performance Framework demonstrates a reduction in unnecessary regulation for charities<br><br>Forecast 2020-21:<br>On track to be met or partially met by 30 June 2021         |
| 2022-23 and beyond             | As per 2021-22  | As per 2021-22   |

*Australian Taxation Office Budget Statements*

|   |   |
|---|---|
| <b>Program 1.5 – 1.19 Administered programs</b>   |   |
| The ATO administers a range of payments and transfers on behalf of the Australian Government, including incentives and rebates delivered through the taxation and superannuation systems. |   |
| <b>Delivery</b>   | Administered programs may be administered by the ATO with policy and delivery assistance from other Commonwealth agencies, or directly through the taxation and superannuation systems. |
| <b>Purpose</b>  | The ATO contributes to the economic and social wellbeing of Australians through governing a range of programs that result in transfers and benefits back to the community.              |

|   |  |
|---|--|
| <b>Program 1.5 — Australian Screen and Digital Game Production Incentive</b>  |  |
| <p>The Australian Screen Production Incentive comprises three refundable film tax offsets: the Producer Offset, the Location Offset, and the Post, Digital and Visual Effects (PDV) Offset. These offsets are designed to ensure Australia remains competitive in attracting high budget film and television productions and are aimed at providing increased opportunities for Australian casts, crew, post-production companies and other services to participate in these productions.</p> <p>The Digital Game Offset is a new tax incentive, commencing from 1 July 2022 that would provide a refundable tax offset for qualifying Australian games expenditure to eligible businesses.</p> <p>The Ministry for the Arts, along with Screen Australia and the ATO, have co-administration responsibilities for the program. Screen Australia has responsibility for the Producer Offset while the Ministry for the Arts has responsibility for the Location, PDV and Digital Game Offset. The ATO conducts verification and reconciliation with the certificates provided by the government agencies before the offset is paid to the taxpayer.</p> |  |
| <b>Performance information 2020-21 and beyond</b>   |  |
| <b>Performance criteria</b>   | <b>Targets</b>   |
| Value of tax offsets processed  | <p>Result (2019-20): \$349.4 million</p> <p>Target 2020-21: The ATO aims to administer the program in accordance with the law</p> <p>Target 2021-22 and beyond: As per 2020-21</p> |



|   |   |
|---|---|
| <p><b>Program 1.6 — Junior Minerals Exploration Incentive</b></p> <p>The Junior Minerals Exploration Incentive allows small mineral exploration companies with no taxable income to provide exploration credits, paid as a refundable tax offset, to their Australian resident shareholders for greenfield mineral exploration.</p> |   |
| <p><b>Performance information 2020-21 and beyond</b></p>  |   |
| <p><b>Performance criteria</b></p>  | <p><b>Targets</b></p>   |
| <p>All applications received are processed and taxpayers notified of their exploration credit allocation within 28 calendar days of the application period closing</p>  | <p>Result (2019-20): Target met</p> <p>Target 2020-21: 100% notifications issued within 28 calendar days of the application period closing</p> <p>Target 2021-22 and beyond: As per 2020-21</p> |
| <p>Public reporting data uploaded on data.gov.au (and linked to the ato.gov.au website) after determination letters are issued</p>  | <p>Result (2019-20): Target met</p> <p>Target 2020-21: Within 56 calendar days of the application period closing</p> <p>Target 2021-22 and beyond: As per 2020-21</p>                           |

|  |   |
|--|---|
| <p><b>Program 1.7— Fuel Tax Credits Scheme</b></p> <p>The objective of the Fuel Tax Credits Scheme is to remove or reduce the incidence of fuel tax levied on taxable fuels by providing a credit for fuel used for:</p> <ul style="list-style-type: none"> <li>• business activities in machinery, plant and equipment and vehicles;</li> <li>• the domestic generation of electricity by taxpayers not in business.</li> </ul> |   |
| <p><b>Performance information 2020-21 and beyond</b></p>   |   |
| <p><b>Performance criteria</b></p>   | <p><b>Targets</b></p>   |
| <p>Value of claims</p>   | <p>Result (2019-20): \$7.4 billion</p> <p>Target 2020-21: The ATO aims to administer the scheme in accordance with the law</p> <p>Target 2021-22 and beyond: As per 2020-21</p> |

|   |   |
|---|---|
| <p><b>Program 1.8 — National Rental Affordability Scheme</b></p> <p>The Department of Social Services has policy responsibility for the National Rental Affordability Scheme. The objectives are to:</p> <ul style="list-style-type: none"> <li>• increase the supply of new affordable rental housing;</li> <li>• reduce rental costs for low and moderate income households — National Rental Affordability Scheme homes rented to eligible tenants at a rate that is at least 20 per cent below the market value rent; and</li> <li>• encourage large-scale investment and innovative delivery of affordable housing through the provision of the following incentives: <ul style="list-style-type: none"> <li>— an Australian Government incentive per dwelling per year as a tax offset or direct payment; and</li> <li>— a State or Territory Government incentive as a direct payment per dwelling per year or in-kind financial support.</li> </ul> </li> </ul> |   |
| <p><b>Performance information 2020-21 and beyond</b></p>  |   |
| <p><b>Performance criteria</b></p>  | <p><b>Targets</b></p>   |
| <p>Value of tax offsets processed</p>   | <p>Result (2019-20): \$160.0 million</p> <p>Target 2020-21: The ATO aims to administer the scheme in accordance with the law</p> <p>Target 2021-22 and beyond: As per 2020-21</p> |

|   |   |
|---|---|
| <p><b>Program 1.9 — Product Stewardship for Oil</b></p> <p>The objective of the Product Stewardship for Oil Program is to:</p> <ul style="list-style-type: none"> <li>• provide incentives to increase used oil recycling; and</li> <li>• encourage the environmentally sustainable management and re-refining of used oil and its re-use.</li> </ul> <p>These objectives are met through the payment of a levy by producers and importers of petroleum based oils and their synthetic equivalents. Benefits are paid to oil recyclers as an incentive to undertake increased recycling of used oil.</p> <p>The Department of the Environment and Energy has policy responsibility for the program, with the ATO administering the program on its behalf.</p> |   |
| <p><b>Performance information 2020-21 and beyond</b></p>  |   |
| <p><b>Performance criteria</b></p>  | <p><b>Targets</b></p>   |
| <p>Value of revenue collected</p>   | <p>Result (2019-20): \$31.4 million</p> <p>Target 2020-21: The ATO aims to administer the program in accordance with the law</p> <p>Target 2021-22 and beyond: As per 2020-21</p> |
| <p>Value of payments processed</p>  | <p>Result (2019-20): \$90.4 million</p> <p>Target 2020-21: The ATO aims to administer the program in accordance with the law</p> <p>Target 2021-22 and beyond: As per 2020-21</p> |

*Australian Taxation Office Budget Statements*

|  |  |
|--|--|
| <p><b>Program 1.10 — Research and Development Tax Incentive</b></p> <p>The Research and Development (R&amp;D) Tax Incentive is an ongoing scheme designed to increase the level of research and development being conducted by Australian companies.</p> <p>The Department of Industry, Innovation and Science has the primary policy responsibility for the program with the aim of increasing both the number of companies investing in innovation and the value of innovation investment over time.</p> <p>The ATO has an important supporting role in processing claims through the tax system for the R&amp;D offset.</p> |  |
| <p><b>Performance information 2020-21 and beyond</b></p>   |  |
| <p><b>Performance criteria</b></p>   | <p><b>Targets</b></p>  |
| <p>Value of claims processed for companies claiming the non-refundable research and development tax offset (38.5% of notional R&amp;D deductions)</p>  | <p>Result (2019-20): \$2.1 billion tax offset paid</p> <p>Target 2020-21: The ATO aims to administer the program in accordance with the law</p> <p>Target 2021-22 and beyond: As per 2020-21</p> |
| <p>Value of claims processed for companies claiming the refundable research and development tax offset (43.5% of notional R&amp;D deductions)</p>  | <p>Result (2019-20): \$2.3 billion tax offset paid</p> <p>Target 2020-21: The ATO aims to administer the program in accordance with the law</p> <p>Target 2021-22 and beyond: As per 2020-21</p> |
| <p>Number of claims processed for companies claiming the non-refundable research and development tax offset (38.5% of notional R&amp;D deductions)</p>   | <p>Result (2019-20): 1,468</p> <p>Target 2020-21: The ATO aims to administer the program in accordance with the law</p> <p>Target 2021-22 and beyond: As per 2020-21</p>                         |

*Australian Taxation Office Budget Statements*

| <b>Performance information 2020-21 and beyond</b>   |   |
|---|---|
| <b>Performance criteria</b>   | <b>Targets</b>  |
| Number of claims processed for companies claiming the refundable research and development tax offset (43.5% of notional R&D deductions) | <p>Result (2019-20): 10,017</p> <p>Target 2020-21: The ATO aims to administer the program in accordance with the law</p> <p>Target 2021-22 and beyond: As per 2020-21</p> |
| Proportion of offsets processed within service standard timeframes  | <p>Result (2019-20): 85.6%</p> <p>Target 2020-21: The ATO aims to administer the program in accordance with the law</p> <p>Target 2021-22 and beyond: As per 2020-21</p>  |

| <b>Performance information 2020-21 and beyond</b> |  |
|---|--|
| <b>Performance criteria</b>                       | <b>Targets</b>   |
| Value of entitlements paid                        | <p>Result (2019-20): \$703.2 million</p> <p>Target 2020-21: The ATO aims to administer the program in accordance with the law</p> <p>Target 2021-22 and beyond: As per 2020-21</p> |

*Australian Taxation Office Budget Statements*

|   |  |
|---|--|
| <p><b>Program 1.12 — Private Health Insurance Rebate</b></p> <p>The objective of the Private Health Insurance Rebate is to provide access to a benefit to eligible individuals with private health insurance and to act as an incentive to take up private health insurance.</p> <p>The Department of Health has policy responsibility for the program, and the administration of the program is split between the ATO and registered health insurers, depending on the claim method.</p> |  |
| <p><b>Performance information 2020-21 and beyond</b></p>  |  |
| <p><b>Performance criteria</b></p>  | <p><b>Targets</b></p>  |
| <p>Value of rebates processed</p>   | <p>Result (2019-20): \$235.5 million</p> <p>Target 2020-21: The ATO aims to administer the program in accordance with the law</p> <p>Target 2021-22 and beyond: As per 2020-21</p> |

|  |  |
|--|--|
| <p><b>Program 1.13 — Superannuation Co-contribution Scheme</b></p> <p>The Superannuation Co-contribution Scheme is to help low-and-middle income earners save for their retirement. Eligible individuals who make personal superannuation contributions to a complying superannuation fund or retirement savings account receive a co-contribution from the Government up to certain limits.</p> <p>The Treasury has policy responsibility for the program, while the ATO administers the program and provides information and support to individuals and superannuation funds through marketing and education services.</p> |  |
| <p><b>Performance information 2020-21 and beyond</b></p>   |  |
| <p><b>Performance criteria</b></p>   | <p><b>Targets</b></p>  |
| <p>Value of entitlements paid</p>  | <p>Result (2019-20): \$120.8 million</p> <p>Target 2020-21: The ATO aims to administer the program in accordance with the law</p> <p>Target 2021-22 and beyond: As per 2020-21</p> |

*Australian Taxation Office Budget Statements*

| <b>Program 1.14 — Superannuation Guarantee Scheme</b>   |   |
|---|---|
| <p>Under the <i>Superannuation Guarantee (Administration) Act 1992</i> (SGAA), most employers must pay superannuation contributions into a complying superannuation fund or retirement savings account.</p> <p>Non-compliance with the SGAA by employers means that eligible employees will not receive their entitlements to, and benefits of, superannuation in their retirement.</p> |   |
| <b>Performance information 2020-21 and beyond</b>   |   |
| <b>Performance criteria</b>   | <b>Targets</b>  |
| Superannuation guarantee gap as a proportion of superannuation guarantee contributions  | <p>Result (2019-20): 4.0% or \$2,440 million (2017–18)</p> <p>Target 2020-21: Reduce the gap to a level as low as practicable given the nature and complexity of the law and the resources available.</p> <p>Target 2021-22 and beyond: As per 2020-21</p>  |
| <p>Value of superannuation guarantee charge:</p> <ul style="list-style-type: none"> <li>• raised (including penalties and interest)</li> <li>• collected</li> </ul>   | <p>Result (2019-20): \$1,033.5 million raised; \$674.0 million collected</p> <p>(Raised)</p> <p>Target 2020-21: \$1,020 million<br/>           Target 2021-22: \$812 million<br/>           Target 2022-23: \$845 million<br/>           Target 2023-24: \$902 million<br/>           Target 2024-25: \$974 million</p> <p>(Collected)</p> <p>Target 2020-21: \$516 million<br/>           Target 2021-22: \$462 million<br/>           Target 2022-23: \$478 million<br/>           Target 2023-24: \$513 million<br/>           Target 2024-25: \$554 million</p> |
| Value of superannuation guarantee entitlements distributed to individuals or superannuation funds   | <p>Result (2019-20): \$611.2 million</p> <p>Target 2020-21: \$485 million<br/>           Target 2021-22: \$421 million<br/>           Target 2022-23: \$414 million<br/>           Target 2023-24: \$445 million<br/>           Target 2024-25: \$480 million</p>   |

Australian Taxation Office Budget Statements

| <b>Performance information 2020-21 and beyond</b>   |  |
|---|--|
| <b>Performance criteria</b>   | <b>Targets</b>   |
| Value of superannuation guarantee debt on hand and the amount of superannuation guarantee debt irrecoverable at law or uneconomical to pursue | <p>Result (2019-20): \$2.4 billion debt on hand; \$74.6 million irrecoverable at law or uneconomical to pursue</p> <p>Debt on hand:</p> <p>Target 2020-21: \$2,800 million<br/>           Target 2021-22: \$2,700 million<br/>           Target 2022-23: \$2,900 million<br/>           Target 2023-24: \$3,100 million<br/>           Target 2024-25: \$3,300 million</p> <p>Irrecoverable at law or uneconomical to pursue:</p> <p>Target 2020-21: \$203 million<br/>           Target 2021-22: \$195 million<br/>           Target 2022-23: \$198 million<br/>           Target 2023-24: \$203 million<br/>           Target 2024-25: \$209 million</p> |

| <b>Program 1.15 — Targeted Assistance Through the Taxation System</b>  |   |
|--|---|
| <p>Under the <i>Superannuation (Unclaimed Money and Lost Members) Act 1999</i>, superannuation funds must identify certain types of lost and former temporary resident accounts as unclaimed superannuation money and transfer amounts to the ATO every six months.</p> <p>Since 1 July 2013, any unclaimed superannuation money payments from the ATO to individuals includes interest, at a rate equivalent to the consumer price index, to preserve the value of these accounts. While the Treasury has policy responsibility, the ATO administers the program.</p> |   |
| <b>Performance information 2020-21 and beyond</b>  |   |
| <b>Performance criteria</b>  | <b>Targets</b>  |
| Value of interest payments processed   | <p>Result (2019-20): \$92.0 million</p> <p>Target 2020-21: The ATO aims to administer the program in accordance with the law</p> <p>Target 2021-22 and beyond: As per 2020-21</p> |



|  |   |
|--|---|
| <b>Program 1.16 — Interest on Overpayment and Early Payments of Tax</b>  |   |
| <p>The objective of the program is to apply credit interest to taxpayers' accounts where they are entitled under the law.</p> <p>The application of credit interest is non-discretionary where an entitlement exists under the <i>Taxation (Interest on Overpayments and Early Payments) Act 1983</i>. Administered interest regimes include:</p> <ul style="list-style-type: none"> <li>• interest on overpayments of tax;</li> <li>• delayed refund interest; and</li> <li>• interest on early payments of tax.</li> </ul> |   |
| <b>Performance information 2020-21 and beyond</b>  |   |
| <b>Performance criteria</b>  | <b>Targets</b>  |
| Value of credit interest applied to client accounts due to processing performance  | Result (2019-20): \$121.0 million   |
| Value of credit interest applied to client accounts<br>(Note: change to measure name for 2020-21)  | Target 2020-21: The ATO aims to administer the program in accordance with the law |
|  | Target 2021-22 and beyond: As per 2020-21   |

|  |   |
|--|---|
| <b>Program 1.17 — Bad and Doubtful Debts and Remissions</b>  |   |
| <p>The primary objective of the program is to help ensure that the value of tax receivables reported is a true and fair estimate of what can be collected on behalf of the Australian Government.</p> <p>The ATO may not be able to collect all tax liabilities due. The ATO estimates the amount it does not expect to recover and, in accordance with Australian Accounting Standards, creates an impairment allowance provision for this amount. This provision is one of the amounts offset against the gross total taxation receivables to determine the net total taxation receivables, which is a true and fair estimate of what can be collected on behalf of the Australian Government.</p> |   |
| <b>Performance information 2019-20 and 2020-21</b>   |   |
| <b>Performance criteria</b>  | <b>Targets</b>                            |
| Proportion of total tax receivables unlikely to be collected (provision)   | Result (2019-20): 35%                     |
|  | Target 2020-21: Below 35%                 |
|  | Target 2021-22 and beyond: not applicable |
| <b>Performance information 2021-22 and beyond</b>  |   |
| <b>Performance criteria</b>  | <b>Targets</b>                            |
| Ratio of debt uneconomical to pursue to ATO net tax collections  | Target 2021-22: Below 1%                  |
| (Note: change to measure for 2021-22. Previously proportion of total tax receivables unlikely to be collected (provision))   | Target 2022-23 and beyond: As per 2021-22 |

|   |   |
|---|---|
| <b>Program 1.18 — Seafarer Tax Offset</b>   |   |
| The <b>Seafarer Tax Offset</b> commenced from 1 July 2012 and is designed to stimulate employment opportunities for Australian seafarers to gain maritime skills. The offset will provide a refundable tax offset for qualifying companies employing eligible seafarers. A Bill to abolish the Seafarer Tax Offset was tabled in Parliament but has now lapsed. There has been no Government announcement on the future of the Seafarer Tax Offset since the lapsing of the Bill. |   |
| <b>Performance information 2020-21 and beyond</b>   |   |
| <b>Performance criteria</b>   | <b>Targets</b>  |
| <b>Seafarer Tax Offset</b>  |   |
| Eligible taxpayers are aware of how to claim the offset   | Result (2019-20): 100%<br><br>Target 2020-21: 100%<br><br>Target 2021-22 and beyond: As per 2020-21 |

|   |   |
|---|---|
| <b>Program 1.19 — Economic Response to the Coronavirus</b>  |   |
| The objective of the program is to support taxpayers and businesses through the coronavirus (COVID-19) pandemic. <b>JobMaker Hiring Credit</b> is a broad scheme to encourage job creation by employers in the COVID-19 recovery. JobMaker Hiring Credit is aimed at supporting young people (aged 16 to 35 years) into employment. This program also covered the <b>JobKeeper Payment scheme</b> and <b>Boosting cash flow for employers</b> , both of which ceased in the 2020-21 year.<br>The Treasury has policy responsibility for the program, while the ATO administers the program. |   |
| <b>Performance information 2020-21 and beyond</b>   |   |
| <b>Performance criteria</b>   | <b>Targets</b>  |
| Value of JobKeeper paid   | Result (2019-20): \$20.6 billion<br><br>Target 2020-21: The ATO aims to administer the program in accordance with the law<br><br>Target 2021-22: Not applicable (the program ceased in 2020–21) |
| Value of Cash flow boost paid   | Result (2019-20): \$14.5 billion<br><br>Target 2020-21: The ATO aims to administer the program in accordance with the law<br><br>Target 2021-22: Not applicable (the program ceased in 2020–21) |
| Value of Hiring credit paid   | Result (2019-20): Not applicable<br><br>Target 2020-21: The ATO aims to administer the program in accordance with the law<br><br>Target 2021-22 and beyond: As per 2020-21                      |

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2021-22 budget year, including the impact of budget measures and resourcing on financial statements.

### **3.1 BUDGETED FINANCIAL STATEMENTS**

#### **3.1.1 Differences between entity resourcing and financial statements**

The budgeted financial statements have been prepared on an accrual basis.

#### **3.1.2 Explanatory notes and analysis of budgeted financial statements**

The ATO's total operating revenue for 2021-22 is estimated at \$3.8 billion while expenditure is estimated to be \$4.0 billion, inclusive of unfunded depreciation. These budgeted amounts have increased since the 2020-21 Budget mainly due to new Budget measure funding to support Government initiatives.

#### **Departmental balance sheet (Table 3.2)**

ATO's net assets as at 30 June 2022 is expected to be \$231.3 million. Net assets have increased by \$3.7 million since 2020-21 Budget mainly due to increases in Trade and other receivables.

#### **Departmental capital budget statement (Table 3.5)**

Total capital appropriations in 2021-22 have increased by \$9.4 million since the 2020-21 Budget, as a result of new capital measures.

Total purchase of non-financial assets in 2021-22 have increased by \$11.1 million since the 2020-21 Budget, primarily due to new capital measures.

### 3.2. BUDGETED FINANCIAL STATEMENTS TABLES

**Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June**

|  | 2020-21<br>Estimated<br>actual<br>\$'000 | 2021-22<br>Budget<br>\$'000 | 2022-23<br>Forward<br>estimate<br>\$'000 | 2023-24<br>Forward<br>estimate<br>\$'000 | 2024-25<br>Forward<br>estimate<br>\$'000 |
|--|--|-----------------------------|--|--|--|
| <b>EXPENSES</b>  |  |                             |  |  |  |
| Employee benefits  | 2,119,106                                | 2,184,457                   | 2,187,098                                | 1,955,938                                | 1,956,000                                |
| Suppliers  | 1,548,309                                | 1,388,595                   | 1,159,831                                | 870,000                                  | 886,390                                  |
| Depreciation and amortisation (a)  | 424,543                                  | 432,837                     | 433,462                                  | 419,671                                  | 419,671                                  |
| Finance costs  | 12,692                                   | 11,775                      | 16,804                                   | 18,689                                   | 18,647                                   |
| <b>Total expenses</b>  | <b>4,104,650</b>                         | <b>4,017,664</b>            | <b>3,797,195</b>                         | <b>3,264,298</b>                         | <b>3,280,708</b>                         |
| <b>LESS:</b>   |  |                             |  |  |  |
| <b>OWN-SOURCE INCOME</b>   |  |                             |  |  |  |
| <b>Own-source revenue</b>  |  |                             |  |  |  |
| Sale of goods and rendering of services  | 73,555                                   | 87,371                      | 91,583                                   | 96,305                                   | 100,107                                  |
| Sublease income  | 16,497                                   | 15,792                      | 13,234                                   | 10,789                                   | 10,985                                   |
| Sublease interest income   | 326                                      | 244                         | 171                                      | 94                                       | 26                                       |
| Other  | 9,407                                    | 22,092                      | 9,757                                    | 8,000                                    | 8,000                                    |
| <b>Total own-source revenue</b>  | <b>99,785</b>                            | <b>125,499</b>              | <b>114,745</b>                           | <b>115,188</b>                           | <b>119,118</b>                           |
| <b>Gains</b>   |  |                             |  |  |  |
| Other  | 3,000                                    | 3,000                       | 3,000                                    | 3,000                                    | 3,000                                    |
| <b>Total gains</b>   | <b>3,000</b>                             | <b>3,000</b>                | <b>3,000</b>                             | <b>3,000</b>                             | <b>3,000</b>                             |
| <b>Total own-source income</b>   | <b>102,785</b>                           | <b>128,499</b>              | <b>117,745</b>                           | <b>118,188</b>                           | <b>122,118</b>                           |
| <b>Net (cost of)/contribution by services</b>                                      | <b>(4,001,865)</b>                       | <b>(3,889,165)</b>          | <b>(3,679,450)</b>                       | <b>(3,146,110)</b>                       | <b>(3,158,590)</b>                       |
| Revenue from Government  | 3,827,668                                | 3,682,694                   | 3,478,956                                | 2,959,969                                | 2,972,651                                |
| <b>Surplus/(deficit) attributable to the Australian Government</b>                 | <b>(174,197)</b>                         | <b>(206,471)</b>            | <b>(200,494)</b>                         | <b>(186,141)</b>                         | <b>(185,939)</b>                         |
| <b>Total comprehensive income/(loss)</b>   | <b>(174,197)</b>                         | <b>(206,471)</b>            | <b>(200,494)</b>                         | <b>(186,141)</b>                         | <b>(185,939)</b>                         |
| <b>Total comprehensive income/(loss) attributable to the Australian Government</b> | <b>(174,197)</b>                         | <b>(206,471)</b>            | <b>(200,494)</b>                         | <b>(186,141)</b>                         | <b>(185,939)</b>                         |

**Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June (continued)**

**Note: Impact of net cash appropriation arrangements**

|   | 2020-21<br>Estimated<br>actual<br>\$'000 | 2021-22<br>Budget<br>\$'000 | 2022-23<br>Forward<br>estimate<br>\$'000 | 2023-24<br>Forward<br>estimate<br>\$'000 | 2024-25<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>Total comprehensive income/(loss)<br/>less depreciation/amortisation<br/>expenses previously funded<br/>through revenue appropriations</b> | <b>41,000</b>                            | -                           | -  | -  | -  |
| plus: depreciation/amortisation<br>expenses previously funded through<br>revenue appropriations (a)   | 198,811                                  | 199,368                     | 186,519                                  | 174,308                                  | 174,308                                  |
| plus: depreciation/amortisation<br>expenses for ROU (b)   | 225,732                                  | 233,469                     | 246,943                                  | 245,363                                  | 245,363                                  |
| less: principal repayments on leased<br>assets (b)  | 209,346                                  | 226,366                     | 232,968                                  | 233,530                                  | 233,732                                  |
| <b>Total comprehensive income/(loss)<br/>- as per the statement of<br/>comprehensive income</b>   | <b>(174,197)</b>                         | <b>(206,471)</b>            | <b>(200,494)</b>                         | <b>(186,141)</b>                         | <b>(185,939)</b>                         |

Prepared on Australian Accounting Standards basis.

- (a) From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.
- (b) Applies leases under AASB 16 Leases.

**Table 3.2: Budgeted departmental balance sheet (as at 30 June)**

|   | 2020-21<br>Estimated<br>actual<br>\$'000 | 2021-22<br>Budget<br>\$'000 | 2022-23<br>Forward<br>estimate<br>\$'000 | 2023-24<br>Forward<br>estimate<br>\$'000 | 2024-25<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>ASSETS</b>                             |  |                             |  |  |  |
| <b>Financial assets</b>                   |  |                             |  |  |  |
| Cash and cash equivalents                 | 36,184                                   | 36,243                      | 36,243                                   | 36,243                                   | 36,243                                   |
| Trade and other receivables               | 519,245                                  | 520,793                     | 532,345                                  | 525,536                                  | 533,414                                  |
| <b>Total financial assets</b>             | <b>555,429</b>                           | <b>557,036</b>              | <b>568,588</b>                           | <b>561,779</b>                           | <b>569,657</b>                           |
| <b>Non-financial assets</b>               |  |                             |  |  |  |
| Land and buildings                        | 1,118,907                                | 1,164,827                   | 1,471,644                                | 1,376,265                                | 1,111,043                                |
| Property, plant and equipment             | 45,876                                   | 45,511                      | 47,683                                   | 42,499                                   | 41,787                                   |
| Intangibles                               | 562,465                                  | 565,012                     | 510,090                                  | 481,319                                  | 447,909                                  |
| Other non-financial assets                | 4,524                                    | 5,024                       | 5,528                                    | 5,528                                    | 5,528                                    |
| <b>Total non-financial assets</b>         | <b>1,731,772</b>                         | <b>1,780,374</b>            | <b>2,034,945</b>                         | <b>1,905,611</b>                         | <b>1,606,267</b>                         |
| <b>Total assets</b>                       | <b>2,287,201</b>                         | <b>2,337,410</b>            | <b>2,603,533</b>                         | <b>2,467,390</b>                         | <b>2,175,924</b>                         |
| <b>LIABILITIES</b>                        |  |                             |  |  |  |
| <b>Payables</b>                           |  |                             |  |  |  |
| Suppliers                                 | 241,324                                  | 243,414                     | 245,518                                  | 245,518                                  | 245,518                                  |
| Employees                                 | 44,042                                   | 52,863                      | 62,815                                   | 56,006                                   | 63,884                                   |
| Other payables                            | 3,454                                    | 3,459                       | 3,459                                    | 3,459                                    | 3,459                                    |
| <b>Total payables</b>                     | <b>288,820</b>                           | <b>299,736</b>              | <b>311,792</b>                           | <b>304,983</b>                           | <b>312,861</b>                           |
| <b>Interest bearing liabilities</b>       |  |                             |  |  |  |
| Leases                                    | 1,030,065                                | 1,072,146                   | 1,386,668                                | 1,319,166                                | 1,085,434                                |
| <b>Total interest bearing liabilities</b> | <b>1,030,065</b>                         | <b>1,072,146</b>            | <b>1,386,668</b>                         | <b>1,319,166</b>                         | <b>1,085,434</b>                         |
| <b>Provisions</b>                         |  |                             |  |  |  |
| Employee provisions                       | 727,857                                  | 727,916                     | 727,916                                  | 727,916                                  | 727,916                                  |
| Other provisions                          | 9,439                                    | 6,271                       | 6,271                                    | 6,271                                    | 6,271                                    |
| <b>Total provisions</b>                   | <b>737,296</b>                           | <b>734,187</b>              | <b>734,187</b>                           | <b>734,187</b>                           | <b>734,187</b>                           |
| <b>Total liabilities</b>                  | <b>2,056,181</b>                         | <b>2,106,069</b>            | <b>2,432,647</b>                         | <b>2,358,336</b>                         | <b>2,132,482</b>                         |
| <b>Net assets</b>                         | <b>231,020</b>                           | <b>231,341</b>              | <b>170,886</b>                           | <b>109,054</b>                           | <b>43,442</b>                            |
| <b>EQUITY*</b>                            |  |                             |  |  |  |
| <b>Parent entity interest</b>             |  |                             |  |  |  |
| Contributed equity                        | 2,115,520                                | 2,322,312                   | 2,462,351                                | 2,586,660                                | 2,706,987                                |
| Reserves                                  | 122,807                                  | 122,807                     | 122,807                                  | 122,807                                  | 122,807                                  |
| Retained surplus (accumulated deficit)    | (2,007,307)                              | (2,213,778)                 | (2,414,272)                              | (2,600,413)                              | (2,786,352)                              |
| <b>Total equity</b>                       | <b>231,020</b>                           | <b>231,341</b>              | <b>170,886</b>                           | <b>109,054</b>                           | <b>43,442</b>                            |

Prepared on Australian Accounting Standards basis.

\*'Equity' is the residual interest in assets after the deduction of liabilities.

**Table 3.3: Departmental statement of changes in equity — summary of movement  
(Budget year 2021-22)**

|  | Retained<br>earnings<br>\$'000 | Asset<br>revaluation<br>reserve<br>\$'000 | Contributed<br>equity/<br>capital<br>\$'000 | Total<br>equity<br>\$'000 |
|--|--------------------------------|---|---|---------------------------|
| <b>Opening balance as at 1 July 2021</b>                             |                                |   |   |                           |
| Balance carried forward from<br>previous period                      | (2,007,307)                    | 122,807                                   | 2,115,520                                   | 231,020                   |
| <b>Adjusted opening balance</b>                                      | <b>(2,007,307)</b>             | <b>122,807</b>                            | <b>2,115,520</b>                            | <b>231,020</b>            |
| <b>Comprehensive income</b>  |                                |   |   |                           |
| Surplus/(deficit) for the period                                     | (206,471)                      | -   | -   | (206,471)                 |
| <b>Total comprehensive income</b>                                    | <b>(206,471)</b>               | <b>-</b>                                  | <b>-</b>                                    | <b>(206,471)</b>          |
| <b>Transactions with owners</b>                                      |                                |   |   |                           |
| <b>Contributions by owners</b>                                       |                                |   |   |                           |
| Equity injection - Appropriation                                     | -                              | -   | 88,741                                      | 88,741                    |
| Departmental Capital Budget (DCB)                                    | -                              | -   | 118,051                                     | 118,051                   |
| <b>Total transactions with<br/>owners</b>                            | <b>-</b>                       | <b>-</b>                                  | <b>206,792</b>                              | <b>206,792</b>            |
| <b>Estimated closing balance as at<br/>30 June 2022</b>              | <b>(2,213,778)</b>             | <b>122,807</b>                            | <b>2,322,312</b>                            | <b>231,341</b>            |
| <b>Closing balance attributable to<br/>the Australian Government</b> | <b>(2,213,778)</b>             | <b>122,807</b>                            | <b>2,322,312</b>                            | <b>231,341</b>            |

Prepared on Australian Accounting Standards basis

**Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)**

|   | 2020-21<br>Estimated<br>actual<br>\$'000 | 2021-22<br>Budget<br>\$'000 | 2022-23<br>Forward<br>estimate<br>\$'000 | 2023-24<br>Forward<br>estimate<br>\$'000 | 2024-25<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>OPERATING ACTIVITIES</b>   |  |                             |  |  |  |
| <b>Cash received</b>  |  |                             |  |  |  |
| Appropriations  | 3,848,974                                | 3,681,962                   | 3,466,385                                | 2,966,778                                | 2,964,773                                |
| Sale of goods and rendering of services                             | 107,011                                  | 125,104                     | 114,332                                  | 115,188                                  | 119,118                                  |
| Net GST received  | 132,476                                  | 131,034                     | 130,218                                  | 128,786                                  | 128,786                                  |
| <b>Total cash received</b>  | <b>4,088,461</b>                         | <b>3,938,100</b>            | <b>3,710,935</b>                         | <b>3,210,752</b>                         | <b>3,212,677</b>                         |
| <b>Cash used</b>  |  |                             |  |  |  |
| Employees   | 2,147,047                                | 2,188,693                   | 2,185,961                                | 1,962,747                                | 1,948,122                                |
| Suppliers   | 1,536,244                                | 1,374,057                   | 1,146,416                                | 867,000                                  | 883,390                                  |
| Borrowing costs   | 12,692                                   | 11,775                      | 16,804                                   | 18,689                                   | 18,647                                   |
| Net GST paid  | 130,902                                  | 131,450                     | 128,786                                  | 128,786                                  | 128,786                                  |
| <b>Total cash used</b>  | <b>3,826,885</b>                         | <b>3,705,975</b>            | <b>3,477,967</b>                         | <b>2,977,222</b>                         | <b>2,978,945</b>                         |
| <b>Net cash from/(used by) operating activities</b>                 | <b>261,576</b>                           | <b>232,125</b>              | <b>232,968</b>                           | <b>233,530</b>                           | <b>233,732</b>                           |
| <b>INVESTING ACTIVITIES</b>   |  |                             |  |  |  |
| <b>Cash used</b>  |  |                             |  |  |  |
| Purchase of property, plant and equipment and intangibles           | 269,914                                  | 212,492                     | 140,039                                  | 124,309                                  | 120,327                                  |
| <b>Total cash used</b>  | <b>269,914</b>                           | <b>212,492</b>              | <b>140,039</b>                           | <b>124,309</b>                           | <b>120,327</b>                           |
| <b>Net cash from/(used by) investing activities</b>                 | <b>(269,914)</b>                         | <b>(212,492)</b>            | <b>(140,039)</b>                         | <b>(124,309)</b>                         | <b>(120,327)</b>                         |
| <b>FINANCING ACTIVITIES</b>   |  |                             |  |  |  |
| <b>Cash received</b>  |  |                             |  |  |  |
| Contributed equity  | 217,742                                  | 206,792                     | 140,039                                  | 124,309                                  | 120,327                                  |
| <b>Total cash received</b>  | <b>217,742</b>                           | <b>206,792</b>              | <b>140,039</b>                           | <b>124,309</b>                           | <b>120,327</b>                           |
| <b>Cash used</b>  |  |                             |  |  |  |
| Principal payments on lease liability                               | 209,346                                  | 226,366                     | 232,968                                  | 233,530                                  | 233,732                                  |
| <b>Total cash used</b>  | <b>209,346</b>                           | <b>226,366</b>              | <b>232,968</b>                           | <b>233,530</b>                           | <b>233,732</b>                           |
| <b>Net cash from/(used by) financing activities</b>                 | <b>8,396</b>                             | <b>(19,574)</b>             | <b>(92,929)</b>                          | <b>(109,221)</b>                         | <b>(113,405)</b>                         |
| <b>Net increase/(decrease) in cash held</b>                         | <b>58</b>                                | <b>59</b>                   | <b>-</b>                                 | <b>-</b>                                 | <b>-</b>                                 |
| Cash and cash equivalents at the beginning of the reporting period  | 36,126                                   | 36,184                      | 36,243                                   | 36,243                                   | 36,243                                   |
| <b>Cash and cash equivalents at the end of the reporting period</b> | <b>36,184</b>                            | <b>36,243</b>               | <b>36,243</b>                            | <b>36,243</b>                            | <b>36,243</b>                            |

Prepared on Australian Accounting Standards basis.



**Table 3.5: Departmental capital budget statement (for the period ended 30 June)**

|  | 2020-21<br>Estimated<br>actual<br>\$'000 | 2021-22<br>Budget<br>\$'000 | 2022-23<br>Forward<br>estimate<br>\$'000 | 2023-24<br>Forward<br>estimate<br>\$'000 | 2024-25<br>Forward<br>estimate<br>\$'000 |
|--|--|-----------------------------|--|--|--|
| <b>NEW CAPITAL APPROPRIATIONS</b>  |  |                             |  |  |  |
| Capital budget - Bill 1 (DCB)  | 117,686                                  | 118,051                     | 120,343                                  | 119,599                                  | 120,327                                  |
| Equity injections - Bill 2   | 100,056                                  | 88,741                      | 19,696                                   | 4,710                                    | -  |
| <b>Total new capital appropriations</b>                                      | <b>217,742</b>                           | <b>206,792</b>              | <b>140,039</b>                           | <b>124,309</b>                           | <b>120,327</b>                           |
| <i>Provided for:</i>   |  |                             |  |  |  |
| <i>Purchase of non-financial assets</i>                                      | <i>217,742</i>                           | <i>206,792</i>              | <i>140,039</i>                           | <i>124,309</i>                           | <i>120,327</i>                           |
| <b>Total items</b>   | <b>217,742</b>                           | <b>206,792</b>              | <b>140,039</b>                           | <b>124,309</b>                           | <b>120,327</b>                           |
| <b>PURCHASE OF NON-FINANCIAL ASSETS</b>                                      |  |                             |  |  |  |
| Funded by capital appropriations (a)   | 128,460                                  | 93,203                      | 18,455                                   | 4,710                                    | -  |
| Funded by capital appropriation - DCB (b)                                    | 141,454                                  | 119,289                     | 121,584                                  | 119,599                                  | 120,327                                  |
| <b>TOTAL</b>   | <b>269,914</b>                           | <b>212,492</b>              | <b>140,039</b>                           | <b>124,309</b>                           | <b>120,327</b>                           |
| <b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b> |  |                             |  |  |  |
| Total purchases  | 269,914                                  | 212,492                     | 140,039                                  | 124,309                                  | 120,327                                  |
| <b>Total cash used to acquire assets</b>                                     | <b>269,914</b>                           | <b>212,492</b>              | <b>140,039</b>                           | <b>124,309</b>                           | <b>120,327</b>                           |

Prepared on Australian Accounting Standards basis.

(a) Includes both current Bill 2 and prior Act 2/4/6 appropriations and special capital appropriations.

(b) Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental capital budgets (DCBs).

**Table 3.6: Statement of asset movements (Budget year 2021-22)**

|  | Buildings<br>\$'000 | Other<br>property,<br>plant and<br>equipment<br>\$'000 | Computer<br>software<br>and<br>intangibles<br>\$'000 | Total<br>\$'000  |
|--|---------------------|--|--|------------------|
| <b>As at 1 July 2021</b>   |                     |  |  |                  |
| Gross book value   | 234,987             | 75,215   | 2,052,722  | 2,362,924        |
| Gross book value - ROU assets  | 1,397,739           | 8,667  | -  | 1,406,406        |
| Accumulated depreciation/<br>amortisation and impairment             | (70,040)            | (35,966)   | (1,490,257)  | (1,596,263)      |
| Accumulated depreciation/amortisation<br>and impairment - ROU assets | (443,779)           | (2,040)  | -  | (445,819)        |
| <b>Opening net book balance</b>                                      | <b>1,118,907</b>    | <b>45,876</b>  | <b>562,465</b>                                       | <b>1,727,248</b> |
| <b>Capital asset additions</b>                                       |                     |  |  |                  |
| <b>Estimated expenditure on new<br/>or replacement assets</b>        |                     |  |  |                  |
| By purchase - appropriation equity (a)                               | -                   | -  | 93,203   | 93,203           |
| By purchase - appropriation<br>ordinary annual services (b)          | 45,125              | 15,010   | 59,154   | 119,289          |
| By purchase - appropriation ordinary<br>annual services - ROU assets | 268,447             | -  | -  | 268,447          |
| <b>Total additions</b>   | <b>313,572</b>      | <b>15,010</b>  | <b>152,357</b>                                       | <b>480,939</b>   |
| <b>Other movements</b>   |                     |  |  |                  |
| Depreciation/amortisation expense                                    | (34,183)            | (15,375)   | (149,810)  | (199,368)        |
| Depreciation/amortisation on<br>ROU assets                           | (233,469)           | -  | -  | (233,469)        |
| <b>Total other movements</b>   | <b>(267,652)</b>    | <b>(15,375)</b>  | <b>(149,810)</b>                                     | <b>(432,837)</b> |
| <b>As at 30 June 2022</b>  |                     |  |  |                  |
| Gross book value   | 280,112             | 90,225   | 2,205,079  | 2,575,416        |
| Gross book value - ROU assets  | 1,666,186           | 8,667  | -  | 1,674,853        |
| Accumulated depreciation/<br>amortisation and impairment             | (104,223)           | (51,341)   | (1,640,067)  | (1,795,631)      |
| Accumulated depreciation/amortisation<br>and impairment - ROU assets | (677,248)           | (2,040)  | -  | (679,288)        |
| <b>Closing net book balance</b>                                      | <b>1,164,827</b>    | <b>45,511</b>  | <b>565,012</b>                                       | <b>1,775,350</b> |

Prepared on Australian Accounting Standards basis.

- (a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2021-22.
- (b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2021-22 for depreciation/amortisation expenses, DCBs or other operational expenses.

**Table 3.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)**

|  | 2020-21 Estimated<br>actual<br>\$'000 | 2021-22<br>Budget<br>\$'000 | 2022-23 Forward<br>estimate<br>\$'000 | 2023-24 Forward<br>estimate<br>\$'000 | 2024-25<br>Forward estimate<br>\$'000 |
|--|---------------------------------------|-----------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| <b>EXPENSES</b>  |                                       |                             |                                       |                                       |                                       |
| Subsidies  | 80,859,930                            | 11,730,814                  | 12,024,435                            | 12,693,695                            | 13,541,280                            |
| Personal benefits  | 972,000                               | 1,068,000                   | 1,106,000                             | 1,126,000                             | 1,144,191                             |
| Penalty and interest charge remission expense                        | 1,330,000                             | 1,330,000                   | 1,390,000                             | 1,490,000                             | 1,600,000                             |
| Write-down and impairment of assets                                  | 3,005,000                             | 5,323,000                   | 5,577,000                             | 5,692,000                             | 5,951,000                             |
| Interest on overpayments   | 80,000                                | 100,000                     | 100,000                               | 100,000                               | 100,000                               |
| Superannuation Guarantee Charge                                      | 951,840                               | 417,000                     | 447,000                               | 480,000                               | 518,000                               |
| Unclaimed superannuation monies interest                             | 22,000                                | 19,000                      | 5,000                                 | 5,000                                 | 5,000                                 |
| Other Expenses   | 7,915                                 | 5,814                       | 6,196                                 | 295                                   | -                                     |
| <b>Total expenses administered on behalf of Government</b>           | <b>87,228,685</b>                     | <b>19,993,628</b>           | <b>20,655,631</b>                     | <b>21,586,990</b>                     | <b>22,859,471</b>                     |
| <b>LESS:</b>   |                                       |                             |                                       |                                       |                                       |
| <b>OWN-SOURCE INCOME</b>   |                                       |                             |                                       |                                       |                                       |
| <b>Own-source revenue</b>  |                                       |                             |                                       |                                       |                                       |
| <b>Taxation revenue</b>  |                                       |                             |                                       |                                       |                                       |
| Income tax   | 341,702,382                           | 329,417,815                 | 334,053,289                           | 365,704,705                           | 392,117,952                           |
| Indirect tax   | 96,880,000                            | 100,700,000                 | 104,660,000                           | 109,670,000                           | 115,100,000                           |
| Other taxes  | 3,215,000                             | 3,099,680                   | 3,187,434                             | 3,277,311                             | 3,090,636                             |
| <b>Total taxation revenue</b>  | <b>441,797,382</b>                    | <b>433,217,495</b>          | <b>441,900,723</b>                    | <b>478,652,016</b>                    | <b>510,308,588</b>                    |
| <b>Non-taxation revenue</b>  |                                       |                             |                                       |                                       |                                       |
| Unclaimed Superannuation Monies                                      | 434,000                               | 205,000                     | 93,000                                | 123,000                               | 88,000                                |
| Other Revenue  | 16,408                                | 16,416                      | 17,016                                | 20,031                                | 20,447                                |
| <b>Total non-taxation revenue</b>                                    | <b>450,408</b>                        | <b>221,416</b>              | <b>110,016</b>                        | <b>143,031</b>                        | <b>108,447</b>                        |
| <b>Total own-source revenue administered on behalf of Government</b> | <b>442,247,790</b>                    | <b>433,438,911</b>          | <b>442,010,739</b>                    | <b>478,795,047</b>                    | <b>510,417,035</b>                    |
| <b>Net (cost of)/contribution by services</b>                        | <b>355,019,105</b>                    | <b>413,445,283</b>          | <b>421,355,108</b>                    | <b>457,208,057</b>                    | <b>487,557,564</b>                    |
| <b>Surplus/(deficit) before income tax</b>                           | <b>355,019,105</b>                    | <b>413,445,283</b>          | <b>421,355,108</b>                    | <b>457,208,057</b>                    | <b>487,557,564</b>                    |

Prepared on Australian Accounting Standards basis.

**Table 3.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)**

|  | 2020-21<br>Estimated actual<br>\$'000 | 2021-22<br>Budget<br>\$'000 | 2022-23<br>Forward estimate<br>\$'000 | 2023-24<br>Forward estimate<br>\$'000 | 2024-25<br>Forward estimate<br>\$'000 |
|--|---------------------------------------|-----------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| <b>ASSETS</b>  |                                       |                             |                                       |                                       |                                       |
| <b>Financial assets</b>                                  |                                       |                             |                                       |                                       |                                       |
| Cash   | 546,126                               | 546,126                     | 546,126                               | 546,126                               | 546,126                               |
| <b>Total financial assets</b>                            | <b>546,126</b>                        | <b>546,126</b>              | <b>546,126</b>                        | <b>546,126</b>                        | <b>546,126</b>                        |
| <b>Non-financial assets</b>                              |                                       |                             |                                       |                                       |                                       |
| Taxation Receivables                                     | 35,084,063                            | 38,091,441                  | 40,582,862                            | 42,960,967                            | 45,499,829                            |
| Other Receivables  | 241,625                               | 241,625                     | 241,625                               | 241,625                               | 241,625                               |
| Accrued Revenues   | 13,903,242                            | 15,023,242                  | 15,103,242                            | 15,873,242                            | 16,218,242                            |
| <b>Total non-financial assets</b>                        | <b>49,228,930</b>                     | <b>53,356,308</b>           | <b>55,927,729</b>                     | <b>59,075,834</b>                     | <b>61,959,696</b>                     |
| <b>Total assets administered on behalf of Government</b> | <b>49,775,056</b>                     | <b>53,902,434</b>           | <b>56,473,855</b>                     | <b>59,621,960</b>                     | <b>62,505,822</b>                     |
| <b>LIABILITIES</b>                                       |                                       |                             |                                       |                                       |                                       |
| <b>Payables</b>  |                                       |                             |                                       |                                       |                                       |
| Subsidies  | 45,211                                | 45,211                      | 45,211                                | 45,211                                | 45,211                                |
| Personal benefits  | 8,281                                 | 8,281                       | 8,281                                 | 8,281                                 | 8,281                                 |
| Superannuation guarantee charge                          | 43,290                                | 43,290                      | 43,290                                | 43,290                                | 43,290                                |
| Taxation refunds due                                     | 1,216,301                             | 1,216,301                   | 1,216,301                             | 1,216,301                             | 1,216,301                             |
| Superannuation holding account                           | 76,857                                | 93,157                      | 108,557                               | 120,257                               | 133,557                               |
| Other payables   | 2,815                                 | 2,815                       | 2,815                                 | 2,815                                 | 2,815                                 |
| <b>Total payables</b>                                    | <b>1,392,756</b>                      | <b>1,409,056</b>            | <b>1,424,456</b>                      | <b>1,436,156</b>                      | <b>1,449,456</b>                      |

**Table 3.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June) (continued)**

|   | 2020-21<br>Estimated actual<br>\$'000 | 2021-22<br>Budget<br>\$'000 | 2022-23<br>Forward<br>estimate<br>\$'000 | 2023-24<br>Forward<br>estimate<br>\$'000 | 2024-25<br>Forward<br>estimate<br>\$'000 |
|---|---------------------------------------|-----------------------------|--|--|--|
| <b>Provisions</b>   |                                       |                             |  |  |  |
| Subsidies   | 4,600,059                             | 4,428,052                   | 4,417,761                                | 4,600,446                                | 4,889,787                                |
| Personal Benefits   | 1,100,000                             | 1,136,000                   | 1,178,000                                | 1,202,000                                | 1,227,047                                |
| Income Taxation refunds provided for                          | 1,610,209                             | 1,610,209                   | 1,610,209                                | 1,610,209                                | 1,610,209                                |
| Indirect Taxation refunds provided for                        | 278,368                               | 278,368                     | 278,368                                  | 278,368                                  | 278,368                                  |
| Superannuation guarantee payments                             | 868,069                               | 864,069                     | 897,069                                  | 932,069                                  | 970,069                                  |
| Unclaimed superannuation payments                             | 715,100                               | 725,100                     | 328,100                                  | 217,100                                  | 145,100                                  |
| Targeted Assistance through the Taxation Program              | 36,500                                | 52,500                      | 60,500                                   | 47,500                                   | 40,500                                   |
| Provision for interest on overpayments of taxes               | 18,975                                | 18,975                      | 18,975                                   | 18,975                                   | 18,975                                   |
| Other provisions  | 39,237                                | 31,237                      | 10,237                                   | 16,237                                   | 18,237                                   |
| <b>Total provisions</b>                                       | <b>9,266,517</b>                      | <b>9,144,510</b>            | <b>8,799,219</b>                         | <b>8,922,904</b>                         | <b>9,198,292</b>                         |
| <b>Total liabilities administered on behalf of Government</b> | <b>10,659,273</b>                     | <b>10,553,566</b>           | <b>10,223,675</b>                        | <b>10,359,060</b>                        | <b>10,647,748</b>                        |
| <b>Net assets/(liabilities)</b>                               | <b>39,115,783</b>                     | <b>43,348,868</b>           | <b>46,250,180</b>                        | <b>49,262,900</b>                        | <b>51,858,074</b>                        |

Prepared on Australian Accounting Standards basis.

**Table 3.9: Schedule of budgeted administered cash flows (for the period ended 30 June)**

|   | 2020-21<br>Estimated actual<br>\$'000 | 2021-22<br>Budget<br>\$'000 | 2022-23<br>Forward estimate<br>\$'000 | 2023-24<br>Forward estimate<br>\$'000 | 2024-25<br>Forward estimate<br>\$'000 |
|---|---------------------------------------|-----------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| <b>OPERATING ACTIVITIES</b>                                 |                                       |                             |                                       |                                       |                                       |
| <b>Cash received</b>  |                                       |                             |                                       |                                       |                                       |
| Taxes   | 435,948,222                           | 422,657,117                 | 431,992,302                           | 468,331,911                           | 499,848,726                           |
| Other   | 260,608                               | 27,716                      | 98,416                                | 33,731                                | 74,747                                |
| <b>Total cash received</b>                                  | <b>436,208,830</b>                    | <b>422,684,833</b>          | <b>432,090,718</b>                    | <b>468,365,642</b>                    | <b>499,923,473</b>                    |
| <b>Cash used</b>  |                                       |                             |                                       |                                       |                                       |
| Subsidies paid  | 99,894,138                            | 11,902,821                  | 12,034,726                            | 12,511,010                            | 13,251,939                            |
| Personal benefits   | 1,039,000                             | 1,032,000                   | 1,064,000                             | 1,102,000                             | 1,119,144                             |
| Suppliers   | 7,915                                 | 5,814                       | 6,196                                 | 295                                   | -                                     |
| Interest  | 80,000                                | 100,000                     | 100,000                               | 100,000                               | 100,000                               |
| Other   | 867,421                               | 432,000                     | 432,000                               | 457,000                               | 490,000                               |
| <b>Total cash used</b>                                      | <b>101,888,474</b>                    | <b>13,472,635</b>           | <b>13,636,922</b>                     | <b>14,170,305</b>                     | <b>14,961,083</b>                     |
| <b>Net cash from/(used by) operating activities</b>         | <b>334,320,356</b>                    | <b>409,212,198</b>          | <b>418,453,796</b>                    | <b>454,195,337</b>                    | <b>484,962,390</b>                    |
| <b>Net increase/(decrease) in cash held</b>                 | <b>334,320,356</b>                    | <b>409,212,198</b>          | <b>418,453,796</b>                    | <b>454,195,337</b>                    | <b>484,962,390</b>                    |
| Cash and cash equivalents at beginning of reporting period  | 546,126                               | 546,126                     | 546,126                               | 546,126                               | 546,126                               |
| Cash from Official Public Account for:                      |                                       |                             |                                       |                                       |                                       |
| - Appropriations  | 102,008,474                           | 13,592,635                  | 13,756,922                            | 14,290,305                            | 15,081,083                            |
| - Special accounts  | 23,800                                | 10,000                      | 11,600                                | 13,100                                | 14,300                                |
| <b>Total cash from Official Public Account</b>              | <b>102,032,274</b>                    | <b>13,602,635</b>           | <b>13,768,522</b>                     | <b>14,303,405</b>                     | <b>15,095,383</b>                     |
| Cash to Official Public Account for:                        |                                       |                             |                                       |                                       |                                       |
| - Administered receipts                                     | (436,327,630)                         | (422,788,533)               | (432,195,318)                         | (468,473,942)                         | (500,030,173)                         |
| - Special accounts  | (25,000)                              | (26,300)                    | (27,000)                              | (24,800)                              | (27,600)                              |
| <b>Total cash to Official Public Account</b>                | <b>(436,352,630)</b>                  | <b>(422,814,833)</b>        | <b>(432,222,318)</b>                  | <b>(468,498,742)</b>                  | <b>(500,057,773)</b>                  |
| <b>Cash and cash equivalents at end of reporting period</b> | <b>546,126</b>                        | <b>546,126</b>              | <b>546,126</b>                        | <b>546,126</b>                        | <b>546,126</b>                        |

Prepared on Australian Accounting Standards basis.

