



Key Outcomes

UNCLASSIFIED External

Title:	PLS working group – key outcomes		
Issue date:	29 May 2020		
Venue:	WEBEX		
Event date:	26 May 2020	Start: 1:00pm	Finish: 2:00pm

Chair:	Sonia Lark	Facilitator:	Sonia Lark
Contact	Julie Sen	Contact phone:	889 49304

Attendees: names/section	<p>ATO – Sonia Lark, Sangitha Sivayogaraj, Danny Figueiredo, Ross Barns, Karen Greaves, Anupama Duggirala, David Baker, Ivar Kvistad, Sophie Zeng</p> <p>Industry – Jack Wee (Catsoft), Simon Smart (eTax), Lex Edmonds (MicroTax), Mike Behling, Michael Tong, Danny Koutoulas, Scott Reid, Christinique Chapman, Andrew Smith (MYOB), Nathan Kerr (One-Click), Kevin Johnson, (Reckon), Saiful Larry, Michael Wright (Sage), Charudatta More (Sparken), Karl Farrand (Taxlab), Shane Paxton, Paul Siriwidana (Thomson Reuters), Andrew Sprankling, Kelvin Newton, (Xero).</p>
Apologies: name/section	<p>Mike Denniss, Sha Sha (Class Super), Sandeep Gopalan (GovReports), Andrew Noble (Noble Accounting), Steven Ivanopoulos (Reckon), Darin Carter (Sage), Charudatta More (Sparken), Dillon Tsotsis, Lisa Kim, Robert Xie, Danna Zhang (Wolters Kluwer), Anthony Migliardi, Rosemary Missier (Xero)</p>

Next meeting	9 June 2020
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Agenda item: 1 – Introduction

Sonia Lark welcomed the group and advised that an updated version of Change Advice 2020-208 Better targeting the R&D tax incentive is now available.

The Client Communication working group met on Monday to go through the proposed MST and no timeframe has been confirmed yet for the release of the service. Outcomes will be published in the coming week. There will be a progress update on the 2020 Activity Statement service hopefully in the next 2 weeks.

Mick Ferris is unable to provide any ADSM updates this fortnight, however he will join the next available PLSWG meeting once he is able to provide updates to the group. This is anticipated for next fortnight or the fortnight after.

The 2020 Pre-fill software spec and sample files have been finalised and approved.

The Company Tax rate will change in 2020-21 income year (26%). The rate change will not happen until before 1 July 2021. However, the PAYG Instalment rate for 2020-21 income year (26%) is scheduled to update during TT2020/Q2. PAYGI rate update is normally 12 months before the actual rate change. Company tax rate cut has a few phases of changes over a number of years, so it's a cyclical change. DSPs may want to implement the change to PAYGI rate prior to the company tax rate being implemented.

Agenda item: 2 – Action item updates

Due to time restraints, updates on outstanding items have been included in the publication of these outcomes (see [action items](#))

Agenda item: 3 – Significant Global Entities changes

Ivar Kvistad outlined the changes to the definition of Significant Global Entities (SGE); the measure was first presented in last year's Budget.

The legislation relating to this measure received royal assent on 25 May 2020 and will retroactively apply from 1 July 2019.

The change expands the definition of a 'significant global entity' and introduces the new concept of 'Country by country reporting entity' to define the population that must lodge Country by country reporting statements.

Entities that lodge NITR returns (company, partnership and trust returns) will be required to self-assess if they are either type of entity.

- If the entity is an SGE they will be in scope for increased administrative and other penalties and may be subject to the integrity measures, Multinational Anti-Avoidance Law (MAAL) and the Diverted Profits Tax (DPT).

- If the entity is a CBC reporting entity, they will have CBC reporting lodgment obligations and will be required to lodge a General Purpose Financial statement if they do not lodge one with ASIC.

Label G1 is the SGE indicator and G2 is the CBC reporting indicator. These indicators can be selected at item 3 of the Company tax return and item 2 of the trust and partnership returns.

Change Advice 2020-225 Amending the definition of Significant Global Entities and the relevant Tax Time stationery have been updated to reflect these changes.

Agenda item: 4 – Changes to IITR & NITR

Danny Figueiredo provided a run through of the IITR 2020 certification process. This process has been curated after incorporating the feedback from the 2019 IITR PVT learnings, DSP feedback and feedback from the Improving the Test Environment working group.

For 2020, due to the significant changes to the IITR 2020 SBR Service, all DSPs seeking access to IITR 2020 production environment must complete the EVTE test table information and accept the “Conditional Certification Provisions” prior to production whitelisting.

The [presentation slides](#) outlining the full process has been published.

[IITR certification information](#) has been published and included the feedback from the meeting. Due to time limit of EVTE messages being available, DSPs are requested to provide the information to DPO as soon as the recorded tests are completed.

Please submit a certification request for IITR separate to the NITR request (total of 2 certification requests).

For any questions, contact Danny directly, through your account manager or via Online Services for DSPs

Agenda item: 5 – Tax Time 2020

Sangitha Sivayogaraj provided a Tax Time [2020](#) update. SGE mitigation changes have been rolled back with artefacts available on 26 May. The VSL changes brought up by DSPs are included in updated PIITR specs and will be available shortly.

EVTE Hot fixes over three code drops will cover off a number of bugs raised by DSPs. Sonia ensures that a copy of the fixes will be shared to DSPs.

Ross Barns advises that an updated IITR FAQ will be available soon. Kevin Johnson asked if the changes which were deferred to 2021 will be revisited. Ross assured the group that there is a consolidated change log available for 2021 and will be shared.

If there are any further questions, please send them via the normal channels as soon as possible.

Danny advised that Tax Time 2020 tickets are being actioned, and to advised if there are tickets which still require support after the hot fixes have been implemented.

Updates:

- Upcoming IITR 2020 code releases code drops have been published in the [Knowledge Base](#).
- Updated IITR FAQ is now available.

Agenda item: 6 – Platform update

Anu Duggirala reported the platforms were stable with no issues. The focus is back to BAU and Tax Time readiness activities using the lessons learned from 2019. More changes are being scheduled for Q2 to increased platform stability. Capacity management is being reviewed and no incidents have occurred since 8 May.

Agenda item: 7 – Agent online environment update

David Baker noted the new note available on the PLS Dashboard. The ATO will waive the late lodgment penalty if lodgments are made before 30 June 2020. Normal General Interest Charges (GIC) will still apply automatically, however should agents have a reasonable excuse for lateness e.g. COVID-19, requests for remission will be favourable.

Pre-fill services (including SBR) will be unavailable from June 12-13 for Tax Time 2020 work. JobKeeper will be turned off for April and turned on for May.

Agenda item: 8 – DSP feedback

Kevin reported no new emails were being sent from the new software developers website. In addition, there is an issue where a user logs in, and when they try to access certain controlled information groups they will continue to 'loop' back to the log in page.

DSPs are requesting an update to the GDP adjustment/uplift factor as a matter of urgency.

In relation to the Cash Flow Boost, PAYG subtracts items at Label 7, which was unheard of. Ross has responded to this enquire which is available in the action items. Kevin will raise the statement of formula to calculate the PAYGI as a ticket for Ross.

Simon Smart queried whether the "Tax Ready" flag in the STP pre-fill was going to change. David Baker should be able to share details of this next meeting.

Action Item: When will the GDP adjustment/uplift factor be updated?

Update: the daily updates functionality is unavailable in the new website platform. DSPs are advised of a workaround to subscribe to the DSP newsletter. The 'looping' issue is currently being investigated.