



Key Outcomes

OFFICIAL External

Title:	PLS working group – Key outcomes		
Issue date:	13 May 2022		
Venue:	WebEx		
Event date:	10 May 2022	Start: 1:00pm	Finish: 1:44pm

Chair:	Sonya Summers	Facilitator:	Sonya Summers
Contact	Janette Zafiropoulos	Contact phone:	02 8894 9263

Attendees: names/section	ATO –Sangitha Sivayogaraj, Anupama Duggirala, Esther Daniell, Dino Di Lorenzo, Irma Briggs, Samantha Francis Industry – Jack Wee (Catsoft), Lex Edmonds (MicroTax), Sandeep Gopalan (GovReports), Mike Behling, Scott Reid, Michael Tong, Eli Gomez (MYOB), Christine Savva, Andrew Smith, Kevin Johnson, Steven Ivanopoulos (Reckon), Michael Wright, Darin Carter (Sage), Chardutta More (Sparken), Ankit Rawat, Linda Kerhoulas, Shifa Akbar, Shane Paxton (Thomson Reuters), Sue Zhao (Wolters Kluwer), Andrew Sprankling, Wenmin Lu (Xero)
Apologies: name/section	Danny Figueiredo, Felicity Stokes, Katrena Cawthorne Misha Ali, Trajan Goldsworthy (eTax), Andreas Robertson (MYOB), Andrew Noble (Noble Accounting), Nathan Kerr (One Click), Albert Lillie (One-Click), Saiful Larry (Access Group), James Barillaro, Alex Jacklin, Krunal Patel, Danna Zheng (Wolters Kluwer), Farah Shaikh, Patrick Bogle

Agenda item: 1 – Welcome

Sonya opened the meeting and welcomed the group.

Agenda item: 2 – Action item updates

There are no open action items. ([see action items](#))

Agenda item: 3 – Tax time related documentation

The following documents have been published in Collaboration Hub:

[2022 Draft Instructions:](#)

2022 Company tax return; Losses Schedule; Life Insurance companies taxation schedule explanatory notes; Guide to foreign income tax offset rules; Franking account tax return instructions; Consolidated groups losses schedule and AMIT.

The remainder will be published by the close of business 13 May.

[2022 Draft Forms](#)

Draft Fund income tax return

[Change advices:](#)

CA2022-011 Deductibility of Covid 19 Testing

CA2022-012 Low/middle income tax off set \$420 increase.

[2021-22 Medicare levy thresholds](#)

[Seniors and pensioners tax offset including the lodgment thresholds](#)

There have been some updates to the links on the [Rates and Thresholds](#) page such as the Non-resident foreign income (NRFI) schedule guide.

The 2022 Pay as you go (PAYG) withholding tax tables have been published on [Collaboration Hub](#) and the [Software Developer website](#).

The Prefill specs are now available on [Collaboration Hub](#). The accompanying sample files should be made available to us some time next week and will be published as soon as they are received. They will also be published on the Software Developer website.

Agenda item: 4 – TPAR NLA decommissioning plan

Samantha Francis gave an overview of the taxable payments reporting system.

A key focus has been to enable consistent service across retail and wholesale for TPAR and TPAR non lodgment advice (NLA).

- The TPAR NLA service was made available in SBR in September 2021
- The legacy channel (webform) will be decommissioned from 1 July 2022, the drivers for this are centred around client and agent experience being poor and a natural migration to ATO online services

- On average each year since 2018 the ATO received 130,000 TPAR NLA's
- There will be an impact to some businesses and agents who still use the legacy channel - approx. 25,000-30,000 clients and tax professionals. This represents an estimated 20% of the total TPAR NLA lodgments each year
- There are still opportunities to offer the TPAR NLA service to all businesses and agents who report TPAR NLA, not just those who are still using the legacy channel.

Agenda item: 5 – Update on general matters and Tax time delivery

At the next PLS meeting, we will be able to advise the timeline for production access and if there will be any PVT requirements for TT2022 products. The [Tax Time 2022 PLS Additional Information FAQs](#) page provides a summary of key issues identified by DSPs that may assist with TT build. Please watch the page to ensure awareness of any updates.

Agenda item: 6 – Delivery update

A final EVTE release for Tax Time will occur on 21 May, which will include bug fixes, cyclical changes and the release of the final round of artefacts.

We identified an issue whilst performing BDV on the CTR2022 + RDTIS2022 services that the new R&D rules implemented will give an offset higher than the old rules on the CTR2021 + RDTIS2020 service. Therefore there is a risk that some 2022 early balancing SAPs will wait and use the CTR 2022 service to try to get the higher offset. To address this issue, two new Crossform rules and new message IDs will be introduced and 2 existing rules modified. The tentative dates for deployment are 4 June to EVTE and 17th June to PROD, pending approval.

Introducing two new Crossform rules + new message IDs to CTR2022 service (these are similar to the two existing rules (VR.ATO.RDTIS.438069 and VR.ATO.RDTIS.438071) from CTR2021, however with a check to determine 2022 early balancers)

1. Refundable R&D tax offset for early balancers 2022

```
IF [CTR2] = 2022 AND CTR:RP:period.startDate < "2021-07-01" AND [RDTIS45] <>
NULL AND
[RDTIS45] <= 100000000 AND
[RDTIS46] <> ([RDTIS45] * 0.435) +/- 1
RETURN VALIDATION MESSAGE
ENDIF
```

2. Non-refundable R&D tax offset for early balancers 2022

```
IF [CTR2] = 2022 AND CTR:RP:period.startDate < "2021-07-01" AND [RDTIS47] <>
NULL AND
[RDTIS47] <= 100000000 AND
[RDTIS48] <> ([RDTIS47] * 0.385) +/-1
RETURN VALIDATION MESSAGE
```

ENDIF

- Modify two existing rules implemented as part of the new R&D tax incentive to include a check to determine 2022 standard lodgers and 2023 early balancers) - *Note: these rules will be moved from RDTIS2022 to the CTR2022 service as a Crossform rule + new message IDs.*

3. Refundable R&D tax offset for standard, late balancers 2022 and early balancers 2023

Current rule VR.ATO.RDTIS.438114

From:

IF [RDTIS36] = FALSE AND [RDTIS37] = FALSE AND [RDTIS46] > 0 AND [RDTIS46] <> (RefundableOffsetCalc() +/- 1)

RETURN VALIDATION MESSAGE

ENDIF

To:

IF (([CTR2] = SET(2022,2023) AND CTR:RP:period.startDate >= "2021-07-01")) AND [RDTIS36] = FALSE AND [RDTIS37] = FALSE AND [RDTIS46] > 0 AND [RDTIS46] <> (RefundableOffsetCalc() +/- 1)

RETURN VALIDATION MESSAGE

ENDIF

4. Non-refundable R&D tax offset for standard, late balancers 2022 and early balancers 2023

Current rule VR.ATO.RDTIS.438115

From:

IF ([RDTIS36] = TRUE OR [RDTIS37] = TRUE) AND [RDTIS48] > 0 AND [RDTIS48] <> (NonRefundableOffsetCalc() +/- 1)

RETURN VALIDATION MESSAGE

ENDIF

To:

IF (([CTR2] = SET(2022,2023) AND CTR:RP:period.startDate >= "2021-07-01")) AND ([RDTIS36] = TRUE OR [RDTIS37] = TRUE) AND [RDTIS48] > 0 AND [RDTIS48] <> (NonRefundableOffsetCalc() +/- 1)

RETURN VALIDATION MESSAGE

ENDIF

[CTR2] = Year of Return

[RDTIS36] = Do you have exempt entity ownership of 50% or greater?

[RDTIS37] = Do you have an aggregated turnover of \$20 million or greater?

[RDTIS45] = Total notional R&D deductions - Refundable

[RDTIS46] = Refundable R&D tax offset

[RDTIS47] = Total notional R&D deductions - Non-Refundable

[RDTIS48] = Non-refundable R&D tax offset

Agenda item: 7 – Platform update

Platforms are currently stable.

6 May – SBR2 EVTE experienced failures due to driver internal issues which have been resolved. BBRP experienced delayed processing which was due to a database failure.

9 May - delayed PROD BBRP processing due to a driver issue which impacted some users for approximately 1 hour.

Agenda item: 8 – Agent online environment update

6 May – an issue was experienced late Friday afternoon where agents were unable to access OSfA, this was as a result of an issue with the myGovID app. We are progressing the investigation of better monitoring of these types of issues.

Business Implementation Guide's for a number of services are in the process of being reviewed, updated and published.

Agenda item: 9 – DSP communications update

The DSP newsletter is scheduled for release on Wednesday 11 May and Caretaker conventions are continuing.

Agenda item: 10 – DSP feedback

There were issues raised regarding Tax Time 2022 products. Tickets will be responded to individually and any common issues can be found via Online services for DSPs here: [Tax time 2022 PLS Additional Information FAQs](#)