

EVENT SUMMARY	CONSULTATION	26/03/2015	UNCLASSIFIED
FORMAT	EVENT TYPE	ISSUE DATE	CLASSIFICATION



Australian Government
Australian Taxation Office

INDUSTRY CONSULTATION SUMMARY

FILE REF: [FILE NO.]

TITLE:	Taxable Government Grants and Payments – Software Developer Consultation Outcomes		
VENUE:	Sydney, Melbourne and National Video Conference		
FORMAT	Face to Face Consultation (Sydney and Melbourne) & Video Conference		
EVENT DATE:	16/18/20 th FEB 2015	START:	FINISH:
CHAIR:	Leassa Armstrong	FACILITATOR:	Robert Muscat
CONTACT:	Robert Muscat	CONTACT:	via SIPO@ato.gov.au
PARTICIPANTS:	Listed below		
APOLOGIES:	Listed below		
NEXT MEETING:	None scheduled		

PURPOSE

These sessions were undertaken to engage and consult with software developers regarding the proposed reporting of government grants and payments.

Key Messages

- The start date for the reporting of taxable government grants and payments will be 1 July 2016 as announced in the 2014 Federal Budget.
- Data will need to be collected in systems from 1 July 2016, with the first annual report being due for the year ending 30 June 2017.
- The legislation to support this new reporting regime is under development.

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- As things progress, the ATO will release updates to software developers, including indicative timetable for making information available, including draft specifications (noting final specification will not be available until law has passed).

General feedback

Developers were comfortable with having product ready for commencement of the measure on 1 July 2016 if specifications are provided in time.

Concerns were expressed that even though their products would be ready, there was further lead time in ensuring reporters have done the necessary work to ensure their data is tagged correctly.

Confirmation of the SBR software version for development will most likely determine product support for the measure in SBR.

Feedback and Questions and Responses/Answers below have been made available at:
<http://softwaredevelopers.ato.gov.au/TGGP-Feedback>

TOPIC/QUESTION	OUTCOME, DECISION AND/OR ACTION AND DUE DATE
When are ATO reporting specifications required by developers?	Software developers generally need between 6-12 months prior to 1 July 2016 to implement changes in software. The ATO acknowledged the need for as much certainty as possible; however, the timing of publication of specifications for developers is influenced by the passage of legislation, which is subject to Parliamentary process. The ATO committed to providing more information, including indicative timetable and draft specifications at the earliest opportunity.
Will SBR2 be the format that is used for SBR software?	Software developers generally preferred that the reporting for SBR enabled software be delivered using the newer SBR2 (EBMS3). The ATO will confirm and provide details on which version will be used for this measure.
Will the ATO be decommissioning flat file formats?	The ATO has no plans to decommission flat file formats at this time.
Will these payments be reported in a single payee record or separate payee records?	Some developers preferred a single payee record combining payments and grants, while others preferred separate grants and payments payee records. This matter is still being considered by the ATO.
ATO test facilities	Software developers generally preferred that test facilities be available between 3-6 months prior to 1 July 2016. The ATO will take into consideration the timeframe required by developers. The passage of legislation and the ATO's build capacity will determine the release of the test facilities.

TOPIC/QUESTION	OUTCOME, DECISION AND/OR ACTION AND DUE DATE
What are the impacts for the current Taxable payment annual report specifications?	The ATO will continue accepting Taxable payments annual reports that comply with the current specifications/message implementation guides.
How many entities are impacted by this measure?	The drafting of the legislation will determine this number. The ATO will provide further information on this soon after the exposure draft is published for comment.
Do developers need to include/offer payee statements?	<p>Some software developers saw this as unnecessary and that some of their clients would not offer this to payees. Others however, thought this would be useful and asked for standard formats/self-print guides to be published.</p> <p>It will not be mandatory for a government entity to provide a payment statement to their clients, nor for it to be built in to software. The ATO will consider this further, having regard to feedback provided.</p>
Why are 'goods only' transactions excluded from reporting?	<p>Some developers felt excluding these transactions resulted in an additional cost of compliance for little benefit. They would prefer to mark clients as reportable at the vendor level and then report all transactions made to them (including payments for goods only)</p> <p>The ATO will consider this further and advise.</p>
How will grants paid via instalments be reported?	<p>Where grants are paid by instalments within the same financial year, the ATO will accept:</p> <ul style="list-style-type: none"> • A separate record for each grant paid to a particular payee, or • The total grants paid to a payee for that year with a standard date in the date of payment field. <p>Further advice to be provided in draft specifications/message implementation guide.</p>
How will developers be notified regarding progress of legislation and any draft specifications or other supporting documents?	<p>All information relating to the progress of this measure will be published on the Software developers' homepage when it becomes available.</p> <p>Developers are encouraged to subscribe to the homepage to receive bulletins and updates.</p>
Will there be further consultation with Software developers?	<p>Some developers expressed that they would prefer to provide feedback via the Software developers homepage as information is released for comment. Whereas others preferred phone or face to face meetings.</p> <p>The ATO will consider these options as things progress and advise of any future consultation events via the homepage.</p>

ACTION ITEMS SUMMARY

1. The ATO will consider the SBR version of reporting, taking into account the preference for SBR 2 (EDMS3).
2. The ATO will consider feedback on the introduction of a self-print guide for payment statements.
3. The ATO will aim to publish indicative timetable and draft specifications via the Software Industry Liaison Unit website as early as possible.
4. The ATO will consider the implications of all transactions being reported for particular clients, including 'goods only' transactions.
5. The ATO will plan strategies for future engagement in relation to this measure, having regard to software developers' preference to dial in from their office.

Participants

Company	Representative	Attended
UXC Eclipse	Lauren Stinson & Nick Stroop	Sydney
Intuit (Quickbooks)	Bianca Bowron-Cuthill	Sydney
Sage Business Solutions	Teresa Dennison	Sydney
Advanced Business Management	Chris Mason	Melbourne
Computron	Peter McCann	Melbourne
MYOB	Alex Todd	Melbourne
SAP	Matt Voce	Melbourne
Open Office	Ed Herwayen	Melbourne
Oracle	Lou Capannolo	Melbourne
LGS	Michael Liddy & Hiren Gohil	Adelaide VC
Civicview	Peter Caton	Brisbane VC
Elipse Ventyx	Andrew Long	Brisbane VC
TechnologyOne	Olivia D'Hotman de Villiers & Colin Gray	Brisbane VC
Pronto	Luke Thomas	Moonee Ponds VC
Civica	Ann Musgrove	Newcastle VC

ATO	Name
Acting Senior Director	Leassa Armstrong
Acting Director	Matt Burt
Assistant Director	Robert McKenzie
Assistant Director	Robert Muscat
Project Officer	Scott Anderson
SILU	Gary Anderson
SILU	Glen Wellington
Operational Manager	Christopher Short
Director	Jennifer Hart