Software developer high level system design issues

The Simpler BAS project team recently shared the emerging high level system design with a number of software developers who provided a positive and encouraging response. At a series of walkthrough sessions in June 2016, the team briefly outlined:
- The existing SBR-enabled activity statement services
- Simpler BAS changes and broader impacts on GST registration and reporting option selections,

Feedback was then sought on the direction being taken in developing the detailed specifications.

Preliminary design issues that software developers may need to consider when assessing the impacts on their accounting /bookkeeping solution include:
- Ability to change GST tax codes, including standardising these across the software development industry (eg GST 10% and No GST 0% to support future automation opportunities), new GST tax codes, and removing or supressing old GST tax codes.
- BAS exempt transactions (eg dividends, stamp duty, wages etc..) will still remain and may require additional tax code/s to ensure that they are excluded from G1 total sales.
- Ability to override the GST amount for both sales and expenses is a feature that could now be offered to maximise benefits to businesses (eg less time entering mixed invoices and facilitate entering apportioned GST rates for long term commercial accommodation sales).
- Existing clients will have the added complexity that their GST automation rules will need to be transitioned to the new GST tax code solution, including updated default GST tax codes for:
    - Chart of Account (CoA)
    - Items
    - Suppliers
    - Bank feed rules
- If functionality exists to create unique GST tax codes then these may also need to be updated to transition existing clients.
- Reflect Simpler BAS tax coding for Recipient Created Tax Invoices (RCTI).
- Ability to adjust/amend pre 1 July 2017 BAS based on the old GST tax codes/new GST tax codes.
- Based on the ATO monitoring of the turnover amount, an alert/notification will be sent to the client to consider their reporting requirements for the next financial year/period.
- Ability to handle current BAS lodgment for pre 1 July 2017 tax periods.
- Revision and adjustments for G1, 1A and 1B for both pre and post 1 July 2017 tax periods.

The project team is working closely with the Software Industry Partnership Office (SIPO) and Australian Business Software Industry Association (ABSIA) to ensure the Simpler BAS project has broad engagement across the entire software developer industry.

ABSIA is in the process of forming a special interest working group that will represent the industry in relation to transactional and indirect tax related changes, including Simpler BAS. This group will provide a whole of industry perspective to influence and shape the end state system solution

Software developers interested in becoming a member of the special interest working group or receiving ABSIA updates should contact ABSIA directly: info@absia.asn.au

To receive regular ATO updates on Simpler BAS, subscribe to the SIPO Software developer newsletter.

For further information on Simpler BAS high level design, software developers can contact the ATO's project team directly at: SimplerBAS@ato.gov.au.