# Australian Taxation Office

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# 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 stimulus 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 2020-21 as at Budget October 2020

|  |  |  |
| --- | --- | --- |
|   | *2019-20 Estimated actual$'000* | 2020-21 Estimate$'000 |
| **Departmental** |  |   |
| Annual appropriations - ordinary annual services (a) |  |   |
|  Prior year appropriations available (b) | *286,437*  | 373,081  |
|  Departmental appropriation (c) | *3,461,261*  | 3,885,177  |
|  s74 External Revenue (d) | *119,233*  | 134,697  |
|  Departmental capital budget (e) | *117,737*  | 118,644  |
| Annual appropriations - other services - non-operating (f) |  |   |
|  Prior year appropriations available (b) | *5,242*  | 41,456  |
|  Equity injection | *74,618*  | 126,249  |
| Total departmental annual appropriations | *4,064,528*  | 4,679,304  |
| Special accounts (g) |  |   |
|  Opening balance | *4,246*  | 5,441  |
|  Appropriation receipts (h) | *16,338*  | 19,766  |
| Total special accounts | *20,584*  | 25,207  |
| *less departmental appropriations drawn from annual/special appropriations and credited to special accounts* | *(20,584)* | (25,207) |
| ***Total departmental resourcing*** | ***4,064,528***  | ***4,679,304***  |
| **Administered** |  |   |
| Annual appropriations - ordinary annual services (a) |  |   |
|  Outcome 1 | *2,595*  | 7,915  |
| Total administered annual appropriations | *2,595*  | 7,915  |
| Special appropriations |  |   |
| *Public Governance, Performance and Accountability Act 2013 - s77*  | *100,355*  | 120,000  |
| *Product Grants and Benefits Administration Act 2000 - Product* *stewardship for oil* | *90,832*  | 84,800  |
| *Superannuation Guarantee (Administration) Act 1992* | *633,759*  | 428,000  |
| *Small Superannuation Accounts Act 1995* | *176*  | 200  |
| *Taxation Administration Act 1953 - section 16 (i)* | *160,515,053*  | 234,445,856  |
| Total administered special appropriations  | *161,340,175*  | 235,078,856  |
| Special accounts (g) |  |   |
|  Opening balance | *84,430*  | 75,657  |
|  Appropriation receipts (h) | *17,410*  | 28,600  |
| Total special account receipts | *101,840*  | 104,257  |
| *less administered appropriations drawn from annual/special appropriations and credited to special accounts* | *(17,410)* | *(28,600)* |
| **Total administered resourcing** | ***161,427,200***  | **235,162,428**  |
| **Total resourcing for Australian Taxation Office** | ***166,491,728***  | **239,841,732**  |
|   |  |   |
|   | *2019-20* | 2020-21 |
| **Average staffing level (number)** | *16,873*  | 18,368  |

**Table 1.1: Australian Taxation Office resource statement — Budget estimates for 2020-21 as at Budget October 2020 (continued)**

**Third Party Payment from and on behalf of other entities**

|  |  |  |
| --- | --- | --- |
|   | *2019-20 Estimated actual$'000* | 2020-21 Estimate$'000 |
| Payments made to other entities for the provision of services  (disclosed above) | *239,963*  | 253,722  |
| Receipts received from other entities for the provision of services  (disclosed above in s74 External Revenue section above) | *110,057*  | 122,606  |
| Payments made to corporate entities within the Portfolio  |  |   |
|  Reserve Bank of Australia | *99,977*  | 111,371  |

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.

1. Appropriation Bill (No. 1) 2020-21.
2. Excludes $15.7 million subject to administrative quarantine by Finance or withheld under section 51 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).
3. Excludes departmental capital budget (DCB).
4. Estimated External Revenue receipts under section 74 of the PGPA Act.
5. 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'.
6. Appropriation Bill (No. 2) 2020-21.
7. 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 - Agenc*y *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.
8. Amounts credited to the special account(s) from ATO’s annual and special appropriations.
9. 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 Production Incentive. Estimated tax refunds for 2019-20 are $114.0 billion including $197.6 million made on behalf of the ATO by the Department of Home Affairs. Estimated tax refund items for 2020-21 are $120.4 billion including $15.0 million made on behalf of the ATO by the Department of Home Affairs.

### 1.3 Budget measures

Budget measures in Part 1 relating to Australian Taxation Office are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: ATO 2020-21 Budget measures

**Measures announced after the Economic and Fiscal Update July 2020**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|   | Program |  2020-21$'000  | 2021-22$'000  | 2022-23$'000  | 2023-24$'000  |
| **Payment measures**  |  |  |   |  |   |
| Additional funding to address  serious and organised crime  in the tax and superannuation  system |  |  |   |  |   |
|  Departmental payment | 1.1 |  -  |  7,533  |  7,547  |  -  |
| Australian Charities and  Not-for-profits Commission  Review Program |  |  |   |  |   |
|  Departmental payment | 1.4 |  474  |  1,187  |  1,189  |  -  |
| COVID-19 Response  Package — JobKeeper  Payment extension  |  |  |   |  |   |
|  Administered payment | 1.19 |  15,600,000  |  -  |  -  |  -  |
| JobMaker Plan — Digital  Business Plan |  |  |   |  |   |
|  Administered payment | 1.1 |  4,976  |  4,682  |  2,741  |  295  |
|  Departmental payment | 1.1 |  181,725  |  180,570  |  86,848  |  40,818  |
|  Departmental payment | 1.4 |  1,484  |  215  |  20  |  -  |
| JobMaker Plan — JobMaker  Hiring Credit |  |  |   |  |   |
|  Administered payment | 1.19 |  850,000  |  2,900,000  |  250,000  |  -  |
| JobMaker Plan — Research and Development Tax  Incentive — supporting  Australia’s economic  recovery |  |  |   |  |   |
|  Administered payment | 1.10 |  150,000  |  240,000  |  310,000  |  320,000  |
| JobMaker Plan — Skills  Reform Package |  |  |   |  |   |
|  Departmental payment | 1.1 |  1,525  |  6,098  |  2,591  |  1,118  |
| JobMaker Plan — temporary  loss carry back to support  cash flow (a) |  |  |   |  |   |
|  Departmental payment | 1.1 |  1,868  |  1,163  |  954  |  372  |
| Media Reforms Package —  screen sector support |  |  |   |  |   |
|  Administered payment | 1.5 | -  |  (700)  |  (3,700)  |  (2,100)  |

**Table 1.2: Entity 2020-21 Budget measures**

**Measures announced after the Economic and Fiscal Update July 2020 (continued)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|   | Program |  2020-21$'000  |  2021-22$'000  |  2022-23$'000  |  2023-24$'000  |
| **Payment measures**  |  |  |   |  |   |
| Strengthening Australia's  Foreign Investment  Framework (b) |  |  |   |  |   |
|  Departmental payment | 1.1 |  9,052  |  10,429  |  2,654  |  2,155  |
| Superannuation Reform (c) |  |  |   |  |   |
|  Departmental payment | 1.1 |  18,377  |  21,463  |  12,297  |  7,171  |
| Treasury Portfolio —  additional funding |  |  |   |  |   |
|  Departmental payment | 1.1 |  256,151  |  32,933  |  15,975  |  823  |
| **Total**  |  |  **16,967,294**  |  **3,340,583**  |  **672,751**  |  **364,573**  |
| **Total payment measures** |  |  |   |  |   |
|  Administered |  |  16,604,976  |  3,143,982  |  559,041  |  318,195  |
|  Departmental |  |  470,656  |  261,591  |  130,075  |  52,457  |
| **Total** |  | **16,967,294**  | **3,340,583**  | **672,751**  | **364,573**  |

Prepared on a Government Finance Statistics (Underlying Cash) basis.

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

1. This measure includes capital funding for the ATO of $1.4 million in 2020-21.
2. This measure includes capital funding for the ATO of $12.2 million over the Budget and forward years.
3. This measure includes capital funding for the ATO of $21.0 million over the Budget and forward years.

##

## 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.

Each 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

#### Changes to program structure

The ATO has one additional administered program, Administered Program 1.19 Economic response to the coronavirus, in its structure for 2019-20 and 2020-21. This incorporates the ATO administered measures designed to support individuals, businesses and other entities during the economic downturn associated with COVID‑19.

|  |
| --- |
| Outcome 1: Confidence in the administration of aspects of Australia’s taxation and superannuation systems through helping people understand their rights and obligations, improving ease of compliance and access to benefits, and managing non-compliance with the law. |

#### 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 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. |
| **Australian Securities and Investments Commission** |
| Program 1.1— Australian Securities and Investment Commission**Contribution to Outcome 1 made by linked programs**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. |

|  |
| --- |
| **Australian Transaction Reports and Analysis Centre** |
| Program 1.1— AUSTRAC**Contribution to Outcome 1 made by linked programs**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. |
| **Department of Education, Skills and Employment** |
| Program 2.4 — Higher Education Loan ProgramProgram 3.1 — Building Skills and CapabilityProgram 3.2 — VET Student Loans**Contribution to Outcome 1 made by linked programs**The Department of Education, Skills and Employment and Training exchanges information with the ATO in relation to the Higher Education Loans Program and Trade Support Loans. |
| **Department of Agriculture, Water and the Environment** |
| Program 1.6 — Management of Hazardous Wastes, Substances and PollutantsProgram 2.1 — Reducing Australia’s Greenhouse Gas Emissions**Contribution to Outcome 1 made by linked programs**The Department of Agriculture, Water and the Environment (DAWE) works with the Australian Taxation Office in the following ways:* ATO administers 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.
* DAWE shares information with the ATO to confirm trees meet certain conditions when a taxpayer claims a deduction under the Carbon Sink Forest measure.
 |

|  |
| --- |
| **Services Australia** |
| Program 1.1— Services to the Community — Social Security and WelfareProgram 1.2 — Services to the Community — HealthProgram 1.3 — Child Support**Contribution to Outcome 1 made by linked programs**The Services Australia supports individuals, families and communities to achieve greater self-sufficiency by providing administration and payments services on behalf of the ATO. |
| **Department of Home Affairs** |
| Program 3.1— Border-Revenue Collection**Contribution to Outcome 1 made by linked programs**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. |
| **Department of Industry, Science, Energy and Resources** |
| Program 1.1 — Investing in science, technology and commercialisationProgram 1.2 — Growing innovative and competitive businesses, industries and regions **Contribution to Outcome 1 made by linked programs**Department of Industry, Innovation and Science 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. |
| **Department of the Treasury** |
| Program 1.1 — Department of the Treasury**Contribution to Outcome 1 made by linked programs**The Department of the Treasury (Treasury) contributes to the administration of the National Tax Equivalent Regime. Treasury also exchanges information and provides advice to the ATO relating to foreign investment applications (within the constraints of the relevant legislative provisions on protected information). |

##### 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**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20 Estimated actual$'000 | 2020-21Budget$'000 | 2021-22 Forward estimate$'000 | 2022-23 Forward estimate$'000 | 2023-24Forward estimate$'000 |
| **Program 1.1: Australian Taxation Office** |
| Administered expenses |   |   |   |   |   |
| Ordinary annual services (Appropriation Bill No. 1) | 2,595  | 7,915  | 4,682  | 2,741  | 295  |
| **Administered total** | 2,595  | 7,915  | 4,682  | 2,741  | 295  |
| Departmental expenses |  |   |  |  |  |
| Departmental appropriation | 3,299,093  | 3,704,605  | 3,463,641  | 3,254,132  | 2,739,901  |
| s74 External Revenue (a) | 119,233  | 133,524  | 166,013  | 153,896  | 156,909  |
| Expenses not requiring appropriation in the Budget year (b)  | 221,159  | 209,507  | 199,258  | 196,105  | 183,136  |
| **Departmental total** | 3,639,485  | 4,047,636  | 3,828,912  | 3,604,133  | 3,079,946  |
| **Total expenses for  program 1.1** | **3,642,080**  | **4,055,551**  | **3,833,594**  | **3,606,874**  | **3,080,241**  |
| **Program 1.2: Tax Practitioners Board** |
| Departmental expenses |  |   |  |  |  |
| Departmental appropriation | 20,116  | 22,954  | 20,799  | 19,423  | 19,479  |
| **Departmental total** | 20,116  | 22,954  | 20,799  | 19,423  | 19,479  |
| **Total expenses for  program 1.2** | **20,116**  | **22,954**  | **20,799**  | **19,423**  | **19,479**  |
| **Program 1.3: Australian Business Register** |
| Departmental expenses |  |   |  |  |  |
| Departmental appropriation | 127,438  | 137,852  | 137,290  | 137,413  | 137,947  |
| **Departmental total** | 127,438  | 137,852  | 137,290  | 137,413  | 137,947  |
| **Total expenses for  program 1.3** | **127,438**  | **137,852**  | **137,290**  | **137,413**  | **137,947**  |
| **Program 1.4: Australian Charities and Not-for-profit Commission** |
| Departmental expenses |  |   |  |  |  |
|  Special accounts |  |   |  |  |  |
|  Australian Charities and  Not-for-profits Commission  Special Accounts | 14,615  | 19,766  | 18,634  | 18,454  | 17,300  |
| **Departmental total** | 14,615  | 19,766  | 18,634  | 18,454  | 17,300  |
| **Total expenses for  program 1.4** | **14,615**  | **19,766**  | **18,634**  | **18,454**  | **17,300**  |

1. Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.
2. 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 2.1: Budgeted expenses for Outcome 1 (continued)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20 Estimated actual$'000 | 2020-21Budget$'000 | 2021-22 Forward estimate$'000 | 2022-23 Forward estimate$'000 | 2023-24Forward estimate$'000 |
| **Program 1.5: Australian Screen Production Incentive** |
| Administered expenses |  |   |  |  |  |
|  Special Appropriations |  |   |  |  |  |
|  *Taxation Administration Act 1953 -* *section 16 (Non-refund items)* | 292,804  | 420,000  | 467,600  | 423,300  | 453,300  |
| **Administered total** | 292,804  | 420,000  | 467,600  | 423,300  | 453,300  |
| **Total expenses for  program 1.5** | **292,804**  | **420,000**  | **467,600**  | **423,300**  | **453,300**  |
| **Program 1.6: Junior Minerals Exploration Incentive** |
| Administered expenses |  |   |  |  |  |
|  Special Appropriations |  |   |  |  |  |
|  *Taxation Administration Act 1953 -  section 16 (Non-refund items)* | 26,113  | 27,200  | -  | -  | -  |
| **Administered total** | 26,113  | 27,200  | -  | -  | -  |
| **Total expenses for  program 1.6** | **26,113**  | **27,200**  | **-**  | **-**  | **-**  |
| **Program 1.7: Fuel Tax Credit Scheme**  |
| Administered expenses |  |   |  |  |  |
|  Special Appropriations |  |   |  |  |  |
|  *Taxation Administration Act 1953 -  section 16 (Non-refund items)* | 7,343,276  | 7,838,000  | 7,925,000  | 8,380,000  | 8,947,000  |
| **Administered total** | 7,343,276  | 7,838,000  | 7,925,000  | 8,380,000  | 8,947,000  |
| **Total expenses for  program 1.7** | **7,343,276**  | **7,838,000**  | **7,925,000**  | **8,380,000**  | **8,947,000**  |
| **Program 1.8: National Rental Affordability Scheme** |
| Administered expenses |  |   |  |  |  |
|  Special Appropriations |  |   |  |  |  |
|  *Taxation Administration Act 1953 -  section 16 (Non-refund items)* | 138,909  | 198,203  | 152,606  | 124,022  | 90,518  |
| **Administered total** | 138,909  | 198,203  | 152,606  | 124,022  | 90,518  |
| **Total expenses for  program 1.8** | **138,909**  | **198,203**  | **152,606**  | **124,022**  | **90,518**  |
| **Program 1.9: Product Stewardship for Oil** |
| Administered expenses |  |   |  |  |  |
|  Special Appropriations |  |   |  |  |  |
|  *Product Grants and Benefits  Administration Act 2000 - product  stewardship (oil) benefits* | 99,464  | 84,800  | 77,000  | 78,000  | 78,000  |
| **Administered total** | 99,464  | 84,800  | 77,000  | 78,000  | 78,000  |
| **Total expenses for  program 1.9** | **99,464**  | **84,800**  | **77,000**  | **78,000**  | **78,000**  |

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

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20 Estimated actual$'000 | 2020-21Budget$'000 | 2021-22 Forward estimate$'000 | 2022-23 Forward estimate$'000 | 2023-24Forward estimate$'000 |
| **Program 1.10: Research & Development Tax Incentive** |
| Administered expenses |  |   |  |  |  |
|  Special Appropriations |  |   |  |  |  |
|  *Taxation Administration Act 1953 -* *section 16 (Non-refund items)* | 2,232,270  | 2,463,753  | 2,456,866  | 2,585,123  | 2,854,969  |
| **Administered total** | 2,232,270  | 2,463,753  | 2,456,866  | 2,585,123  | 2,854,969  |
| **Total expenses for  program 1.10** | **2,232,270**  | **2,463,753**  | **2,456,866**  | **2,585,123**  | **2,854,969**  |
| **Program 1.11: Low Income Superannuation Tax Offset** |
| Administered expenses |  |   |  |  |  |
|  Special Appropriations |  |   |  |  |  |
|  *Taxation Administration Act 1953 -* *section 16 (Non-refund items)* | 740,158  | 728,000  | 752,000  | 772,000  | 786,000  |
| **Administered total** | 740,158  | 728,000  | 752,000  | 772,000  | 786,000  |
| **Total expenses for  program 1.11** | **740,158**  | **728,000**  | **752,000**  | **772,000**  | **786,000**  |
| **Program 1.12: Private Health Insurance Rebate** |
| Administered expenses |  |   |  |  |  |
|  Special Appropriations |  |   |  |  |  |
|  *Taxation Administration Act 1953 -  section 16 (Non-refund items)* | 231,533  | 240,000  | 251,000  | 257,000  | 264,000  |
| **Administered total** | 231,533  | 240,000  | 251,000  | 257,000  | 264,000  |
| **Total expenses for  program 1.12** | **231,533**  | **240,000**  | **251,000**  | **257,000**  | **264,000**  |
| **Program 1.13: Superannuation Co-contribution Scheme** |
| Administered expenses |  |   |  |  |  |
|  Special Appropriations |  |   |  |  |  |
|  *Taxation Administration Act 1953 -  section 16 (Non-refund items)* | 102,994  | 127,000  | 124,000  | 124,000  | 117,000  |
| **Administered total** | 102,994  | 127,000  | 124,000  | 124,000  | 117,000  |
| **Total expenses for  program 1.13** | **102,994**  | **127,000**  | **124,000**  | **124,000**  | **117,000**  |
| **Program 1.14: Superannuation Guarantee Scheme** |
| Administered expenses |  |   |  |  |  |
|  Special Appropriations |  |   |  |  |  |
|  *Taxation Administration Act 1953 -  section 16 (Non-refund items)* | 746,483  | 428,000  | 396,000  | 426,000  | 461,000  |
| **Administered total** | 746,483  | 428,000  | 396,000  | 426,000  | 461,000  |
| **Total expenses for  program 1.14** | **746,483**  | **428,000**  | **396,000**  | **426,000**  | **461,000**  |

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

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20 Estimated actual$'000 | 2020-21Budget$'000 | 2021-22 Forward estimate$'000 | 2022-23 Forward estimate$'000 | 2023-24Forward estimate$'000 |
| **Program 1.15: Targeted assistance through the taxation system** |
| Administered expenses |  |   |  |  |  |
| Special Appropriations |  |   |  |  |  |
| *Taxation Administration Act 1953 - section 16 (Non-refund items)* | (30,549) | 24,000  | 14,000  | 8,000  | 7,000  |
| **Administered total** | (30,549) | 24,000  | 14,000  | 8,000  | 7,000  |
| **Total expenses for  program 1.15** | **(30,549)** | **24,000**  | **14,000**  | **8,000**  | **7,000**  |
| **Program 1.16: Interest on Overpayment and Early Payments** |
| Administered expenses |  |   |  |  |  |
|  Special Appropriations |  |   |  |  |  |
|  *Taxation Administration Act 1953 -* *section 16 (Non-refund items)* | 119,276  | 80,000  | 100,000  | 100,000  | 100,000  |
| **Administered total** | 119,276  | 80,000  | 100,000  | 100,000  | 100,000  |
| **Total expenses for  program 1.16** | **119,276**  | **80,000**  | **100,000**  | **100,000**  | **100,000**  |
| **Program 1.17: Bad & Doubtful Debts & Remissions** |
| Administered expenses |  |   |  |  |  |
| Expenses not requiringappropriation in the budgetyear (b) | 8,150,123  | 6,655,000  | 7,183,000  | 7,455,000  | 7,687,000  |
| **Administered total** | 8,150,123  | 6,655,000  | 7,183,000  | 7,455,000  | 7,687,000  |
| **Total expenses for  program 1.17** | **8,150,123**  | **6,655,000**  | **7,183,000**  | **7,455,000**  | **7,687,000**  |
| **Program 1.18: Seafarer Tax Offset** |
| Administered expenses |  |   |  |  |  |
| Seafarer Tax Offset | 9,204  | 9,000  | 9,000  | 9,000  | 9,000  |
| **Administered total** | 9,204  | 9,000  | 9,000  | 9,000  | 9,000  |
| **Total expenses for  program 1.18** | **9,204**  | **9,000**  | **9,000**  | **9,000**  | **9,000**  |
| **Program 1.19: Economic Response to the Coronavirus** |
| Administered expenses |  |   |  |  |  |
|  Special Appropriations |  |   |  |  |  |
|  *Taxation Administration Act 1953 -*  *section 16* |  |   |  |  |  |
| *Boosting cash flow for employers* | 23,619,777  | 11,886,025  | -  | -  | -  |
| *JobKeeper Payment* | 31,558,887  | 69,741,000  | -  | -  | -  |
| *Hiring Credit* | -  | 850,000  | 2,900,000  | 250,000  | -  |
| **Administered total** | 55,178,664  | 82,477,025  | 2,900,000  | 250,000  | -  |
| **Total expenses for  program 1.19** | **55,178,664**  | **82,477,025**  | **2,900,000**  | **250,000**  | **-**  |

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

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20 Estimated actual$'000 | 2020-21Budget$'000 | 2021-22 Forward estimate$'000 | 2022-23 Forward estimate$'000 | 2023-24Forward estimate$'000 |
| **Outcome 1 Totals by appropriation type** |
| Administered expenses |  |   |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 2,595  | 7,915  | 4,682  | 2,741  | 295  |
| Special appropriations | 67,230,599  | 95,144,981  | 15,625,072  | 13,536,445  | 14,167,787  |
| Expenses not requiring appropriation in the Budget year (b) | 8,150,123  | 6,655,000  | 7,183,000  | 7,455,000  | 7,687,000  |
| **Administered total** | 75,383,317  | 101,807,896  | 22,812,754  | 20,994,186  | 21,855,082  |
|  |   |   |   |   |   |
| Departmental expenses |  |   |  |  |  |
| Departmental appropriation | 3,446,646  | 3,865,411  | 3,621,730  | 3,410,968  | 2,897,327  |
| s74 External Revenue (a) | 119,233  | 133,524  | 166,013  | 153,896  | 156,909  |
| Special appropriations |  |   |  |  |  |
| Special accounts | 14,615  | 19,766  | 18,634  | 18,454  | 17,300  |
| Expenses not requiring appropriation in the Budget year (b) | 221,159  | 209,507  | 199,258  | 196,105  | 183,136  |
| **Departmental total** | 3,801,653  | 4,228,208  | 4,005,635  | 3,779,423  | 3,254,672  |
| **Total expenses for Outcome 1** | **79,184,970**  | **106,036,104**  | **26,818,389**  | **24,773,609**  | **25,109,754**  |
|  |  |  |  |  |  |
|   | 2019-20 | 2020-21 |  |  |  |
| **Average staffing level (number)** | 16,873  | 18,368  |  |  |  |

1. Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.
2. 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 2020-21 Budget measures have created new programs or materially changed existing programs.

Table 2.2 generally presents the 2019-20 performance results by referring to the Annual Performance Statement contained within the 2019-20 ATO annual report. The annual report will be released in October 2020. Many of the results depend upon
2019-20 financial statement actual outcomes, whereas this document uses estimated actual outcomes.

| Outcome 1 - Confidence in the administration of aspects of Australia’s taxation and superannuation systems through helping people understand their rights and obligations, improving ease of compliance and access to benefits, and managing non-compliance with the law. |
| --- |
| **Program 1.1** – **Australian Taxation Office**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. |
| **Delivery** | The ATO will deliver their objective by:* collecting revenue;
* making it easy for the community to understand and comply with obligations;
* administering the goods and services tax on behalf of the Australian States and Territories; and
* administering major aspects of Australia’s superannuation system.
 |
| **Purposes**  | The ATO contributes to the economic and social wellbeing of Australians by fostering willing participation in the tax and superannuation systems. We achieve this by:* building trust and confidence
* being streamlined, integrated and data driven
 |
| **Performance information 2019-20 and beyond** |
| **Performance criteria** | **Targets** |
| Confidence — Community confidence in the ATO | Result (2019-20): see annual performance statementTarget 2020-21: 65/100Target 2021-22 and beyond: As per 2020-21 |

| **Performance information 2019-20 and beyond** |
| --- |
| **Performance criteria** | **Targets** |
| Registration — Proportion of companies and individuals registered in the system | Result (2019-20): see annual performance statementTarget 2020-21: The ATO aims to ensure that all entities that are required to participate in the tax and superannuation system are registered on the ATO client register, allowing a tolerance of 2% (companies) and 5% (individuals) from the last reporting period (increase or decrease)Target 2021-22 and beyond: As per 2020-21 |
| Lodgement — Proportion of activity statements and income tax returns lodged on time | Result (2019-20): see annual performance statementTarget: 2020-21:Activity statements lodged on time: 78%Income tax returns lodged on time: 83%Target 2021-22 and beyond: As per 2020-21 |
| Payment — Proportion of liabilities paid on time by value | Result (2019-20): see annual performance statementTarget 2020-21: 88% Target 2021-22 and beyond: As per 2020-21 |
| Correct reporting – Tax gap as a proportion of revenue | Result (2019-20): see annual performance statement 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.Target 2021-22 and beyond: As per 2020-21 |
| Debt — Ratio of collectable debt to net tax collections | Result (2019-20): see annual performance statement Target 2020-21: Below 5.5% Target 2021-22 and beyond: As per 2020-21 |
| **Performance information 2019-20 and beyond** |
| **Performance criteria** | **Targets** |
| Total revenue effects — Tax revenue from all compliance activities | Result (2019-20): see annual performance statement Target 2020-21: $15 billionTarget 2021-22 and beyond: As per 2020-21 |
| 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 | Result (2019-20): see annual performance statementTarget 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.Target 2021-22 and beyond: As per 2020-21 |
| Influence — Government and Treasury perceptions of the ATO and the quality of our advice | Result (2019-20): see annual performance statement Target 2020-21: GoodTarget 2021-22 and beyond: As per 2020-21 |
| Compliance cost — Adjusted median cost to individual taxpayers of managing their tax affairs | Result (2019-20): see annual performance statementTarget 2020-21: Remain steadyTarget 2021-22 and beyond: As per 2020-21 |
| Working together — Partner perceptions of how the ATO is working together with them to administer the tax and superannuation system | Result (2019-20): see annual performance statement Target 2020-21: Equal to or better than the 2018-19 resultTarget 2021-22 and beyond: As per 2020-21 |
| Digital — Proportion of inbound transactions received digitally for key services | Result (2019-20): see annual performance statement Target 2020-21: 90%Target 2021-22 and beyond: As per 2020-21 |
| **Performance information 2019-20 and beyond** |
| **Performance criteria** | **Targets** |
| Availability — Key digital systems availability | Result (2019-20): see annual performance statement Target 2020-21: 99.5% (excluding planned outages)Target 2021-22 and beyond: As per 2020-21 |
| Culture — Level of employee engagement | Result (2019-20): see annual performance statement Target 2020-21: Equal or better than the average result for large agenciesTarget 2021-22 and beyond: As per 2020-21 |
| Gender equality — Female representation in the senior executive service (SES) and executive level (EL) classifications  | Result (2019-20): see annual performance statement Target 2020-21: Approx. 50% of SES and approx. 50% of EL staffTarget 2021-22 and beyond: As per 2020-21 |
| Indigenous representation — Proportion of ATO staff who identify as Indigenous | Result (2019-20): see annual performance statement Target 2020-21: 2.5%Target 2021-22 and beyond: As per 2020-21 |
| Staff experience – Employee perceptions around whether they have access to the tools and resources needed to perform well | Result (2019-20): see annual performance statement Target 2020-21: Equal or better than the average result for large agenciesTarget 2021-22 and beyond: As per 2020-21 |
| Tax returns – Proportion of items that are pre-filledTax returns – Proportion of pre-filled data items unchanged(Note: change to measure name for 2020-21.) | Result (2019-20): see annual performance statement Target 2020-21: 85%Target 2021-22 and beyond: As per 2020-21 |

| **Performance information 2019-20 and beyond** |
| --- |
| **Performance criteria** | **Targets** |
| Budget — ATO manages its operating budget to balance | Result (2019-20): see annual performance statement Target 2020-21: +/-0.6% of budget allocationTarget 2021-22 and beyond: As per 2020-21 |
| Cost of collection - Cost to collect $100 | Result (2019-20): see annual performance statement Target 2020-21: Consistent with trendTarget 2021-22 and beyond: As per 2020-21 |

| **Program 1.2** – **Tax Practitioners Board (TPB)**The TPB has the general administration of the *Tax Agent Services Act 2009* (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. 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. |
| --- |
| **Delivery** | The TPB has five overarching strategies to deliver its program: 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.Technology will support business outcomes with digital and IT solutions for clients and staff, including improved data analytics.Investigations and Enforcement unit will implement data-driven compliance activities that focus on the highest risk and unregistered tax practitioners.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.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. |
| **Purpose (a)** | 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:Protect consumers of tax practitioner servicesEnhance the integrity of the registered tax practitioner professionImplement the government’s reform program |

| Performance information 2019-20 |
| --- |
| **Performance criteria** | **Targets** |
| **Supporting consumers** |
| Educate consumers of their rights when using registered tax practitioners. (Our consumer awareness messaging\*)An effective public register that is readily accessible\*\* | • Majority of feedback on usefulness of TPB website content, communications and education initiatives is positive.• **Result:** The TPB has reached and educated the broader public awareness of its role by using community education activities.• A register that is current and contemporary.• **Result**: The public register has remained available throughout the 19-20 year and we have made a number of improvements. |
| **Supporting the legal and ethical standards of the professions** |
| All practitioner applications are processed in a timely manner to reduce delays for tax practitioners. (All practitioner applications are processed in a timely manner\*)Guidance and advice to tax practitioners on their rights and obligations\*\* | • All new and renewal applications are processed within service standards.• **Result:** Target not met due to multiple factors impacting on our resources, including natural disasters and COVID-19.• Our influence on reform and the usefulness of our advice and guidance• **Result:** Survey results indicated that a majority of Tax and BAS agents believe the TPB provides the right type, amount and frequency of information. |

| **Performance information 2019-20** |
| --- |
| **Performance criteria** | **Targets** |
| **Acting on misconduct** |
| Build on voluntary compliance as a result of our investigations and enforcement campaignsOur complaints resolution mechanism\*\*Targeting highest risks with investigations and compliance programs\*\*Strategic litigation program to clarify law, support just outcomes and deter poor conduct\*\* | • Increase in voluntary practitioner compliance.• **Result:** The TPB has driven voluntary compliance through its strategy of targeting the highest risk practitioners with investigations programs.• Complaints are handled effectively.• **Result:** Complaints are risk assessed to determine the most appropriate treatment, with more serious complaints escalated.• Using data and intelligence to target high risk practitioners.• **Result**: Data and intelligence enabled the TPB to detect the highest risk practitioners and present cases to the Board Conduct Committee. •Litigation cases that clarify the law and support TPB’s strategic objectives.**Result:** Administrative Appeals Tribunal and Federal Court results highlighted the importance of the Board’s objectives and provided law clarification. |
| **Shaping and influencing law and policy** |
| Work with Government and Treasury on statutory reform. (Work with Government on statutory reform\*) | • Treasury considers submissions from the TPB and works collaboratively with the TPB on any new law design.• **Result:** The TPB has worked closely with Treasury in the review of the TPB throughout the year. |

| **Performance information 2019-20** |
| --- |
| **Performance criteria** | **Targets** |
| **Strengthening capability** |
| Ensure TPB is appropriately supported by a flexible, agile and capable workforce and information technology systemsOur employee engagement census results\*\*Board evaluation and stakeholder feedback\*\* | Internal TPB digital systems and services are available a majority of the time• **Result:** This target has not been reported against as it did not form the final suite of performance measures for 19/20.• Our APS Census results• **Result:** Our positive results in senior leadership, staff satisfaction and our staff’s willingness to ‘work beyond what is required to help my agency achieve its objectives’ demonstrate the dedication of our staff to make the TPB an efficient and effective regulator.• Feedback received on our governance arrangements and stakeholder commentary.• **Result**: The TPB is supported and monitored by a number of internal and external stakeholders. |
| ***Material changes to 19/20 Performance Measures and its targets:******\*New titles for previously reported performance measures which have since been modified.*** ***\*\*Additional performance measures produced after the 19/20 PBS was originally published.******These adjustments are taken from the 19/20 Corporate Plan, which was not available to be provided in the original PBS published in early-mid 2019.*** |

| Performance information 2020-21 and beyond |
| --- |
| **Performance criteria** | **Targets** |
| **Protect consumers of tax practitioner services** |
| Support consumers through targeted communications that raise awareness of consumer rights and tax professionals' obligations | Effective communication is used to highlight risk, protect consumers and educate the profession. |
| Deliver a complaints resolution framework that supports consumer protection  | Complaints are handled effectively. |
| Manage an effective public register that is readily accessible | The TPB Register is current and contemporary. |
| **Enhance the integrity of the registered tax practitioner profession** |
| Provide guidance and advice to tax practitioners on their eligibility and obligations  | * Useful advice and guidance are provided.
* Processing of all tax practitioner applications is timely.
 |
| Target the highest risk tax practitioners with investigations and compliance programs  | Data and intelligence target the highest risk tax practitioners. |
| Implement a strategic litigation program to clarify the law, support just outcomes and deter poor conduct | Litigation cases that clarify the law and support TPB’s goals. |
| **Implement the government's reform program** |
| Work with government to design and implement statutory reform | The TPB influences legislative reform. |
| 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 |
| Be an effective and efficient regulator | The TPB is recognised as an efficient and effective regulator. |

| **Program 1.3** **— Australian Business Register**The Commissioner of Taxation is also the Registrar of the Australian Business Register (ABR). The Registrar has separate and distinct responsibilities as outlined in section 28 of the *A New Tax System (Australian Business Number) Act 1999*.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. The ABR program encompasses:* the Register, which is a trusted national business dataset and business registry services
* Standard Business Reporting, which defines a common language for business information and standards for digital information exchange and sharing with businesses and government
 |
| --- |
| **Delivery** | 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 increased use of a trusted national business dataset and use of consistent information exchange standards. |
| **Purpose** | The ABR program contributes to improving national productivity by:* delivering effective and efficient business registry services that provide trusted and accessible national business data
* 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
* reducing the administrative cost to businesses in their dealings with other businesses and government.
 |

| **Performance information 2019-20 and beyond** |
| --- |
| **Performance criteria** | **Targets** |
| Increased use of the ABR as the national business dataset | Result (2019-20): see annual performance statement Target 2020-21: ABR Explorer — 400ABR Connect — 16ABN Lookup — 1.5 billionTarget 2021-22: ABR Explorer — 420ABR Connect — 18ABN Lookup — 1.8 billionTarget 2022-23: As per 2021-22Target 2023-24: As per 2021-22 |
| Reduction in the administrative cost to businesses and government in dealing with each other | Result (2019-20): see annual performance statementTarget 2020-21: Total — $1.98 billionTarget 2021-22: Total — $2.00 billionTarget 2022-23: As per 2021-22Target 2023-24: As per 2021-22 |

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| **Program 1.4 — Australian Charities and Not-for-profits Commission** 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. |
| **Performance information** |
| **Year** | **Performance criteria** (a) | **Targets** |
| **Delivery** | The ACNC effectively manage a regulatory system for the Australian charitable sector by:* registering eligible not-for-profit entities as charities in accordance with the ACNC Act and the Charities Act.
* providing information, guidance and advice about good governance practices and to assist charities to meet their obligations to maintain charity registration.
* 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.
* 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.
 |
| **Purposes** (b) | 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:* to maintain, protect and enhance public trust and confidence in the Australian not-for-profit sector;
* to support and sustain a robust, vibrant, independent and innovative Australian not-for-profit sector;
* to promote the reduction of unnecessary regulatory obligations on the Australian not-for-profit sector.
 |
| **2019-20** | **Maintain, protect and enhance public trust and confidence in the Australian not-for-profit sector** |
| New charities are registered and included on the Charity Register and charities identified as being ineligible to be registered are revoked and removed from the Charity Register | Target:* Meet published service standards for processing registration applications and finalising investigations

Forecast:The ACNC expects this target will be partially met at 30 June 2020:* Target will be met for registration application processing.
* Target will be partially met for finalising investigations.
 |
| Registered charities meet their obligations to lodge an Annual Information Statement (AIS) and where applicable, an Annual Financial Report (AFR) | Target:1. 75% of charities lodge their Annual Information Statement on time.
2. 100% of charities with two outstanding Annual Information Statements are removed from the register.

Forecast:1. The ACNC expects this target to be met at 30 June 2020.
2. The ACNC expects this target to be met at 30 June 2020.
 |
| **Performance information** |
| **Year** | **Performance criteria** (a) | **Targets** |
|  | ACNC operates in accordance with a clearly articulated risk framework and risk-based approach to charity registration, and compliance activities | Target:Policies and business processes align with the ACNC’s Regulatory Risk Framework and risk-based approach.Forecast:The ACNC expect this target to be met at 30 June 2020. Policy documents are regularly reviewed and updated to ensure alignment with the ACNC Regulatory Approach Statement. |
| Decisions are evidence based, consistent and transparent | Target:Quality assurance processes demonstrate decisions align with the regulatory approach and are legally sound.Forecast:The ACNC expects this target to be met at 30 June 2020. Decisions are regularly reviewed to ensure they are legally sound and in alignment with the ACNC Regulatory Approach Statement. |
| Information provided by charities in the AIS and where applicable, AFR, is examined for accuracy | Target:Develop, publish on the website and implement a data integrity strategy for each AIS detailing the risk-based approach to confirming accuracy of reporting.Forecast:The ACNC expects this target to be met by 30 June 2020. Review of AFRs to assess compliance with the ACNC’s reporting requirements are progressing as per the established review schedule. |

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| **Performance information** |
| **Year** | **Performance criteria** (a) | **Targets** |
| **2019-20** | **Support and sustain a robust, vibrant, independent and innovative Australian not-for-profit sector** |
| The ACNC will publish data against the criteria that have been determined to measure the characteristics referred to in Object 2 of the ACNC Act | Target:Publicly available data about these measures is up to date and available on data.gov.au.Forecast:The ACNC expects this measure to be met at 30 June 2020. |
| Information, guidance and advice provided to charities to help them understand their obligations and support good governance is timely accurate and accessible | Targets:Enquiries are responded to according to the published service standards and quality assurance reviews of advice provided by staff meet a 75% or higher rating.Forecast:The ACNC expects this target to be partially met at 30 June 2020.  |
| Data about charities collected by the ACNC is made available to the public in an accessible format | Targets:1. Publicly available data about registered charities is up to date and available on data.gov.au.
2. The charity register is redesigned to better present data to inform donor decision making.

Forecast:The ACNC expects this target to be met at 30 June 2020.1. Publicly available data about registered charities has been made available on data.gov.au.
2. The ACNC is continuing a project to collect new information about the programs charities conduct. Once collected, this information will be accessible to government and the public.
 |
| **2019-20** | **Promote the reduction of unnecessary regulatory obligations on the Australian not-for-profit sector** |
| Reduce unnecessary regulation for charities by simplifying and streamlining reporting | Target:The Regulator Performance Framework demonstrates a reduction in unnecessary regulation for charities.Forecast:The ACNC’s 2018-19 assessment against the Regulatory Performance Framework (RPF) was rated as ‘very good, with minor room for improvement. |

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| **Performance information** |
| **Year** | **Performance criteria** (a) | **Targets** |
| **2020-21** | **Maintain, protect and enhance public trust and confidence in the Australian not-for-profit sector** |
| Percentage of new charity registrations completed within agreed timeframes | 90% |
| Percentage of charities complying with timeliness of Annual Information Statement submission requirements | 75% |
| Percentage of investigations finalised within 12 months | 75% |
| **2020-21** | **Support and sustain a robust, vibrant, independent and innovative Australian not-for-profit sector** |
| 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. | Launch of enhanced charities register. |
| Percentage of time phone calls are answered within 4 minutes. | 80% |
| 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 |
| **2020-21** | **Promote the reduction of unnecessary regulatory obligations on the Australian not-for-profit sector** |
| Reduce unnecessary regulation for charities by simplifying and streamlining reporting | The Regulator Performance Framework demonstrates a reduction in unnecessary regulation for charities |
| **2021-22 and beyond** | As per 2020-21 | As per 2020-21 |

| **Program 1.5 – 1.19 Administered programs**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. |
| --- |
| **Delivery** | 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. |
| **Purpose** | 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. |

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| **Program 1.5 — Australian Screen Production Incentive**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.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 and PDV Offset. The ATO conducts verification and reconciliation with the certificates provided by the government agencies before the offset is paid to the taxpayer. |
| **Performance information 2019-20 and beyond** |
| **Performance criteria** | **Targets** |
| Value of tax offsets processed | Result (2019-20): see annual performance statementTarget 2020-21: The ATO aims to administer the program in accordance with the lawTarget 2021-22 and beyond: As per 2020-21 |

|  |
| --- |
| **Program 1.6 — Junior Minerals Exploration Incentive** The Junior Minerals Exploration Incentive will allow 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. |
| **Performance information 2019-20 and beyond** |
| **Performance criteria**  | **Targets** |
| All applications received are processed and taxpayers notified of their exploration credit allocation within 28 calendar days of the application period closing | Result (2019-20): see annual performance statementTarget 2020-21: 100% notifications issued within 28 calendar days of the application period closingTarget 2021-22: The program ends in 2020-21 |
| Public reporting data uploaded on data.gov.au (and linked to the ato.gov.au website) after determination letters are issued | Result (2019-20): see annual performance statementTarget 2020-21: Within 56 calendar days of the application period closing Target 2021-22: The program ends in 2020-21 |

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| **Program 1.7— Fuel Tax Credits Scheme**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:business activities in machinery, plant and equipment and vehicles;the domestic generation of electricity by taxpayers not in business. |
| **Performance information 2019-20 and beyond** |
| **Performance criteria**  | **Targets** |
| Value of claims | Result (2019-20): see annual performance statementTarget 2020-21: The ATO aims to administer the scheme in accordance with the lawTarget 2021-22 and beyond: As per 2020-21 |

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| **Program 1.8 — National Rental Affordability Scheme**The Department of Social Services has policy responsibility for the National Rental Affordability Scheme. The objectives are to:increase the supply of new affordable rental housing;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; andencourage large-scale investment and innovative delivery of affordable housing through the provision of the following incentives:an Australian Government incentive per dwelling per year as a tax offset or direct payment; anda State or Territory Government incentive as a direct payment per dwelling per year or in-kind financial support. |
| **Performance information 2019-20 and beyond** |
| **Performance criteria** | **Targets** |
| Value of tax offsets processed | Result (2019-20): see annual performance statementTarget 2020-21: The ATO aims to administer the scheme in accordance with the lawTarget 2021-22 and beyond: As per 2020-21 |

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| **Program 1.9 — Product Stewardship for Oil**The objective of the Product Stewardship for Oil Program is to:provide incentives to increase used oil recycling; andencourage the environmentally sustainable management and re-refining of used oil and its re-use.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.The Department of the Environment and Energy has policy responsibility for the program, with the ATO administering the program on its behalf. |
| **Performance information 2019-20 and beyond** |
| **Performance criteria** | **Targets** |
| Value of revenue collected | Result (2019-20): see annual performance statementTarget 2020-21: The ATO aims to administer the program in accordance with the lawTarget 2021-22 and beyond: as per 2020-21 |
| Value of payments processed | Result (2019-20): see annual performance statementTarget 2020-21: The ATO aims to administer the program in accordance with the lawTarget 2021-22 and beyond: as per 2020-21 |

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| **Program 1.10 — Research and Development Tax Incentive**The Research and Development (R&D) Tax Incentive is an ongoing scheme designed to increase the level of research and development being conducted by Australian companies.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.The ATO has an important supporting role in processing claims through the tax system for the R&D offset. |
| **Performance information 2019-20 and beyond** |
| **Performance criteria** | **Targets** |
| Value of claims processed for companies claiming the non-refundable research and development tax offset (38.5% of notional R&D deductions) | Result (2019-20): see annual performance statementTarget 2020-21: The ATO aims to administer the program in accordance with the lawTarget 2021-22 and beyond: as per 2020-21 |
| Value of claims processed for companies claiming the refundable research and development tax offset (43.5% of notional R&D deductions) | Result (2019-20): see annual performance statementTarget 2020-21: The ATO aims to administer the program in accordance with the lawTarget 2021-22 and beyond: as per 2020-21 |
| Number of claims processed for companies claiming the non‑refundable research and development tax offset (38.5% of notional R&D deductions) | Result (2019-20): see annual performance statementTarget 2020-21: The ATO aims to administer the program in accordance with the lawTarget 2021-22 and beyond: as per 2020-21 |
| Number of claims processed for companies claiming the refundable research and development tax offset (43.5% of notional R&D deductions) | Result (2019-20): see annual performance statementTarget 2020-21: The ATO aims to administer the program in accordance with the lawTarget 2021-22 and beyond: as per 2020-21 |
| Proportion of offsets processed within service standard timeframes | Result (2019-20): see annual performance statementTarget 2020-21: The ATO aims to administer the program in accordance with the lawTarget 2021-22 and beyond: as per 2020-21 |

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| **Program 1.11 — Low Income Superannuation Tax Offset**The Low Income Superannuation Tax Offset (LISTO) is aimed to address some of the inequity in the superannuation system, where low income earners with a marginal rate of tax less than 15 per cent, pay a higher rate of tax on superannuation contributions than if they had received the money as salary and wages. The LISTO replaces the low income superannuation contribution (LISC) policy from 1 July 2017. LISC will continue to be payable for concessional contributions made up to and including the 2016-17 year, however, determinations will cease at 1 July 2019.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 advice and education services. |
| **Performance information 2019-20 and beyond** |
| **Performance criteria** | **Targets** |
| Value of entitlements paid | Result (2019-20): see annual performance statementTarget 2020-21: The ATO aims to administer the program in accordance with the lawTarget 2021-22 and beyond: as per 2020-21 |

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| --- |
| **Program 1.12 — Private Health Insurance Rebate**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.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. |
| **Performance information 2019-20 and beyond** |
| **Performance criteria** | **Targets** |
| Value of rebates processed | Result (2019-20): see annual performance statementTarget 2020-21: The ATO aims to administer the program in accordance with the lawTarget 2021-22 and beyond: as per 2020-21 |

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| **Program 1.13 — Superannuation Co-contribution Scheme**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.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. |
| **Performance information 2019-20 and beyond** |
| **Performance criteria** | **Targets** |
| Value of entitlements paid  | Result (2019-20): see annual performance statementTarget 2020-21: The ATO aims to administer the scheme in accordance with the lawTarget 2021-22 and beyond: as per 2020-21 |

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| --- |
| **Program 1.14 — Superannuation Guarantee Scheme**Under the *Superannuation Guarantee (Administration) Act 1992* (SGAA), most employers must pay superannuation contributions into a complying superannuation fund or retirement savings account.Non-compliance with the SGAA by employers means that eligible employees will not receive their entitlements to, and benefits of, superannuation in their retirement. |
| **Performance information 2019-20 and beyond** |
| **Performance criteria** | **Targets** |
| Superannuation guarantee gap as a proportion of superannuation guarantee contributions | Result (2019-20): see annual performance statementTarget 2020-21: Reduce the gap to a level as low as practicable given the nature and complexity of the law and the resources available.2021-22 and beyond: as per 2020-21 |
| Value of superannuation guarantee charge:raised (including penalties and interest)collected | Result (2019-20): see annual performance statementRaisedTarget 2020-21: $1,020 millionTarget 2021-22: $851 millionTarget 2022-23: $899 millionTarget 2023-24: $971 millionCollectedTarget 2020-21: $516 millionTarget 2021-22: $472 millionTarget 2022-23: $494 millionTarget 2023-24: $537 million |
| Value of superannuation guarantee entitlements distributed to individuals or superannuation funds | Result (2019-20): see annual performance statementTarget 2020-21: $485 millionTarget 2021-22: $439 millionTarget 2022-23: $460 millionTarget 2023-24: $499 million |
| Value of superannuation guarantee debt on hand and the amount of superannuation guarantee debt irrecoverable at law or uneconomical to pursue | Result (2019-20): see annual performance statementDebt on hand:Target 2020-21: $2,800 millionTarget 2021-22: $2,900 millionTarget 2022-23: $3,100 millionTarget 2023-24: $3,300 millionIrrecoverable at law or uneconomical to pursue:Target 2020-21: $203 millionTarget 2021-22: $211 millionTarget 2022-23: $217 millionTarget 2023-24: $224 million |

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| --- |
| **Program 1.15 — Targeted Assistance Through the Taxation System**Under the *Superannuation (Unclaimed Money and Lost Members) Act 1999*, 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.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. |
| **Performance information 2019-20 and beyond** |
| **Performance criteria** | **Targets** |
| Value of interest payments processed | Result (2019-20): see annual performance statementTarget 2020-21: The ATO aims to administer the program in accordance with the lawTarget 2021-22 and beyond: As per 2020-21 |

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| --- |
| **Program 1.16 — Interest on Overpayment and Early Payments of Tax**The objective of the program is to apply credit interest to taxpayers’ accounts where they are entitled under the law.The application of credit interest is non-discretionary where an entitlement exists under the *Taxation (Interest on Overpayments and Early Payments) Act 1983*. Administered interest regimes include:interest on overpayments of tax;delayed refund interest; andinterest on early payments of tax. |
| **Performance information 2019-20 and beyond** |
| **Performance criteria** | **Targets** |
| Value of credit interest applied to client accounts due to processing performanceValue of credit interest applied to client accounts (Note: change to measure name for 2020-21.) | Result (2019-20): see annual performance statementTarget 2020-21: The ATO aims to administer the program in accordance with the lawTarget 2021-22 and beyond: As per 2020-21 |

|  |
| --- |
| **Program 1.17 — Bad and Doubtful Debts and Remissions**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.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. |
| **Performance information 2019-20 and beyond** |
| **Performance criteria** | **Targets** |
| Proportion of total tax receivables unlikely to be collected (provision)  | Result (2019-20): see annual performance statementTarget 2020-21: Below 35% Target 2021-22 and beyond: As per 2020-21  |

|  |
| --- |
| **Program 1.18 — Seafarer Tax Offset**The **Seafarer Tax Offset** 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. |
| **Performance information 2019-20 and beyond** |
| **Performance criteria** | **Targets** |
| **Seafarer Tax Offset** |
| Eligible taxpayers are aware of how to claim the offset | Result (2019-20): see annual performance statementTarget 2020-21: 100%Target 2021-22 and beyond: As per 2020-21 |

|  |
| --- |
| **Program 1.19 — Economic Response to the Coronavirus**The objective of the program is to support taxpayers and businesses through the coronavirus (COVID‑19) pandemic. The **JobKeeper Payment scheme** is a temporary subsidy for businesses significantly affected by coronavirus (COVID-19). Eligible employers, sole traders and other entities can apply to receive up to $1,500 per eligible employee per fortnight. **JobMaker Hiring Credit** 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. **Boosting cash flow for employers** provides temporary cash flow boosts to support small and medium businesses and not-for-profit organizations’ during the economic downturn associated with COVID-19.The Treasury has policy responsibility for the program, while the ATO administers the program. |
| **Performance information 2019-20 and beyond** |
| **Performance criteria** | **Targets** |
| Value of JobKeeper paid | Result (2019-20): see annual performance statementTarget 2020-21: The ATO aims to administer the program in accordance with the lawTarget 2021-22 and beyond: Not applicable (the program ends in 2020–21) |
| Value of Hiring credit paid | Result (2019-20): not applicableTarget 2020-21: The ATO aims to administer the program in accordance with the lawTarget 2021-22 and beyond: The ATO aims to administer the program in accordance with the law |
| Value of Cash flow boost paid | Result (2019-20): see annual performance statementTarget 2020-21: The ATO aims to administer the program in accordance with the lawTarget 2021-22 and beyond: Not applicable (the program ends in 2020–21) |

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2020-21 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

**Departmental comprehensive income statement (Table 3.1)**

The ATO’s total operating revenue for 2020-21 is estimated at $4.0 billion while expenditure is estimated to be $4.2 billion, inclusive of unfunded depreciation. These budgeted amounts have increased since the 2019-20 Additional estimates mainly due to new Budget measure funding to support the Government’s economic response to the coronavirus.

**Departmental balance sheet (Table 3.2)**

ATO’s net assets as at 30 June 2021 is expected to be $226.5 million. Net assets have increased by $199.9 million since 2019-20 Additional Estimates mainly due to increases in expected asset additions and reductions in lease liabilities.

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

Total capital appropriations in 2020-21 have increased by $109.3 million since the
2019-20 Additional Estimates, as a result of new capital measures.

Total purchase of non-financial assets in 2020-21 have increased by $156.3 million since the 2019-20 Additional Estimates, primarily due to new capital measures and the movement of prior year capital expenditure.

### 3.2. Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20 Estimated actual$'000 | 2020-21Budget$'000 | 2021-22 Forward estimate$'000 | 2022-23 Forward estimate$'000 | 2023-24Forward estimate$'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 1,963,803  | 2,109,573  | 2,151,521  | 2,153,899  | 1,924,496  |
| Suppliers | 1,424,259  | 1,690,090  | 1,423,271  | 1,186,339  | 901,666  |
| Depreciation and amortisation (a) | 394,537  | 415,853  | 419,213  | 422,488  | 409,890  |
| Finance costs | 13,688  | 12,692  | 11,630  | 16,697  | 18,620  |
| Write-down and impairment  of assets | 4,753  | -  | -  | -  | -  |
| Other expenses | 613  | -  | -  | -  | -  |
| **Total expenses** | **3,801,653**  | **4,228,208**  | **4,005,635**  | **3,779,423**  | **3,254,672**  |
| **LESS:**  |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering of services | 89,016  | 105,819  | 125,058  | 131,095  | 137,581  |
| Sublease income | 16,466  | 17,972  | 17,820  | 14,475  | 11,002  |
| Sublease interest income | 393  | 326  | 326  | 326  | 326  |
| Other | 15,210  | 9,407  | 22,809  | 8,000  | 8,000  |
| **Total own-source revenue** | **121,085**  | **133,524**  | **166,013**  | **153,896**  | **156,909**  |
| **Gains** |  |  |  |  |  |
| Other | 1,869  | 3,000  | 3,000  | 3,000  | 3,000  |
| **Total gains** | **1,869**  | **3,000**  | **3,000**  | **3,000**  | **3,000**  |
| **Total own-source income** | **122,954**  | **136,524**  | **169,013**  | **156,896**  | **159,909**  |
| **Net (cost of)/contribution by services** | **(3,678,699)** | **(4,091,684)** | **(3,836,622)** | **(3,622,527)** | **(3,094,763)** |
| Revenue from Government | 3,461,261  | 3,885,177  | 3,640,364  | 3,429,422  | 2,914,627  |
| **Surplus/(deficit) attributable** **to the Australian**  **Government** | **(217,438)** | **(206,507)** | **(196,258)** | **(193,105)** | **(180,136)** |
| **OTHER COMPREHENSIVE**  **INCOME** |  |  |  |  |  |
| Changes in asset revaluation surplus | (84) | -  | -  | -  | -  |
| **Total other comprehensive**  **income**  | **(84)** | **-**  | **-**  | **-**  | **-**  |
| **Total comprehensive** **income/(loss)** | **(217,522)** | **(206,507)** | **(196,258)** | **(193,105)** | **(180,136)** |
| **Total comprehensive**  **income/(loss) attributable to the Australian Government** | **(217,522)** | **(206,507)** | **(196,258)** | **(193,105)** | **(180,136)** |

**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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|   | 2019-20$'000 | 2020-21$'000 | 2021-22$'000 | 2022-23$'000 | 2023-24$'000 |
| **Total comprehensive**  **income/(loss) excluding depreciation/ amortisation expenses**  **previously funded through**  **revenue appropriations,**  **depreciation on ROU,**  **principal repayments on  leased assets** | **(22,761)** | **-**  | **-**  | **-**  | **-**  |
| less: Depreciation/amortisation expenses previously funded  through revenue appropriations (a) | 181,243  | 190,711  | 189,284  | 179,085  | 168,067  |
| less: depreciation/amortisation  expenses for ROU assets (b) | 218,047  | 225,142  | 229,929  | 243,403  | 241,823  |
| add: Principal repayments on leased assets (b) | 204,529  | 209,346  | 222,955  | 229,383  | 229,754  |
| **Total comprehensive**  **income/(loss) - as per the statement of comprehensive income** | **(217,522)** | **(206,507)** | **(196,258)** | **(193,105)** | **(180,136)** |

Prepared on Australian Accounting Standards basis.

1. 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.
2. Applies leases under AASB 16 Leases.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20 Estimated actual$'000 | 2020-21Budget$'000 | 2021-22 Forward estimate$'000 | 2022-23 Forward estimate$'000 | 2023-24Forward estimate$'000 |
| **ASSETS** |  |   |  |  |  |
| **Financial assets** |  |   |  |  |  |
| Cash and cash equivalents | 36,126 | 36,184 | 36,243 | 36,243 | 36,243 |
| Trade and other  receivables | 543,066 | 468,490 | 469,306 | 479,224 | 479,224 |
| ***Total financial assets*** |  ***579,192***  |  ***504,674***  |  ***505,549***  |  ***515,467***  |  ***515,467***  |
| **Non-financial assets** |  |   |  |  |  |
| Land and buildings | 1,268,027 | 1,103,931 | 1,165,137 | 1,454,607 | 1,362,749 |
| Property, plant and  equipment | 46,644 | 51,398 | 53,132 | 53,630 | 46,840 |
| Intangibles | 501,449 | 598,121 | 585,836 | 558,931 | 537,478 |
| Other non-financial assets | 53,324 | 4,524 | 5,024 | 5,528 | 5,528 |
| ***Total non-financial assets*** |  ***1,869,444***  |  ***1,757,974***  |  ***1,809,129***  |  ***2,072,696***  |  ***1,952,595***  |
| **Total assets** |  **2,448,636**  |  **2,262,648**  |  **2,314,678**  |  **2,588,163**  |  **2,468,062**  |
| **LIABILITIES** |  |   |  |  |  |
| **Payables** |  |   |  |  |  |
| Suppliers | 284,870 | 241,324 | 243,414 | 245,518 | 245,518 |
| Personal benefits | 34,359 | 39,987 | 46,412 | 54,730 | 54,730 |
| Other payables | 3,453 | 3,454 | 3,459 | 3,459 | 3,459 |
| ***Total payables*** |  ***322,682***  |  ***284,765***  |  ***293,285***  |  ***303,707***  |  ***303,707***  |
| **Interest bearing liabilities** |  |   |  |  |  |
| Leases | 1,172,963 |  1,014,059  | 1,059,551 | 1,377,658 | 1,313,932 |
| ***Total interest bearing***  ***liabilities*** |  ***1,172,963***  |  ***1,014,059***  |  ***1,059,551***  |  ***1,377,658***  |  ***1,313,932***  |
| **Provisions** |  |   |  |  |  |
| Employee provisions | 752,319 |  727,857  | 727,916 | 727,916 | 727,916 |
| Other provisions | 12,505 |  9,439  | 6,271 | 6,271 | 6,271 |
| ***Total provisions*** |  ***764,824***  |  ***737,296***  |  ***734,187***  |  ***734,187***  |  ***734,187***  |
| **Total liabilities** |  **2,260,469**  |  **2,036,120**  |  **2,087,023**  |  **2,415,552**  |  **2,351,826**  |
| **Net assets** |  **188,167**  |  **226,528**  |  **227,655**  |  **172,611**  |  **116,236**  |
| **EQUITY\*** |  |   |  |  |  |
| **Parent entity interest** |  |   |  |  |  |
| Contributed equity | 1,897,779  | 2,142,671  | 2,340,056  | 2,478,117  | 2,601,878  |
| Reserves | 123,183  | 122,807  | 122,807  | 122,807  | 122,807  |
| Retained surplus  (accumulated deficit) | (1,832,795) | (2,038,950) | (2,235,208) | (2,428,313) | (2,608,449) |
| **Total equity** | ***188,167***  | ***226,528***  | ***227,655***  | ***172,611***  | ***116,236***  |

 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 2020-21)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|   | Retainedearnings$'000 | Assetrevaluationreserve$'000 | Otherreserves$'000 | Contributedequity/capital$'000 | Totalequity $'000 |
| **Opening balance as at**  **1 July 2020** |  |  |  |  |  |
| Balance carried forward from previous period | (1,832,795) | 123,183  | -  | 1,897,779  | 188,167  |
| ***Adjusted opening balance*** | ***(1,832,795)*** | ***123,183***  | ***-***  | ***1,897,779***  | ***188,167***  |
| **Comprehensive income** |  |  |  |  |  |
| Surplus/(deficit) for the period | (206,507) | -  | -  | -  | (206,507) |
| ***Total comprehensive income*** | ***(206,507)*** | ***-***  | ***-***  | ***-***  | ***(206,507)*** |
| of which: |   |   |   |   |   |
| **Transactions with owners** |  |  |  |  |  |
| ***Contributions by owners*** |  |  |  |  |  |
| Equity injection - Appropriation | -  | -  | -  | 126,249  | 126,249  |
| Departmental Capital Budget  (DCB) | -  | -  | -  | 118,644  | 118,644  |
| ***Total transactions with owners*** | ***-***  | ***-***  | ***-***  | ***244,893***  | ***244,893***  |
| **Estimated closing balance**  **as at 30 June 2021** | **(2,039,302)** | **123,183**  | **-**  | **2,142,672**  | **226,553**  |
| **Closing balance attributable** **to the Australian Government** | **(2,039,302)** | **123,183**  | **-**  | **2,142,672**  | **226,553**  |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20 Estimated actual$'000 | 2020-21Budget$'000 | 2021-22 Forward estimate$'000 | 2022-23 Forward estimate$'000 | 2023-24Forward estimate$'000 |
| **OPERATING ACTIVITIES** |  |   |  |  |  |
| **Cash received** |  |   |  |  |  |
| Appropriations | 3,377,561  | 3,964,865  | 3,640,364  | 3,418,485  | 2,914,627  |
| Receipts from Government | 290,901  | -  | -  | -  | -  |
| Sale of goods and rendering of services | 128,144  | 133,123  | 165,618  | 153,483  | 156,909  |
| Net GST received | 149,620  | 132,476  | 131,034  | 130,218  | 128,786  |
| ***Total cash received*** | ***3,946,226***  | ***4,230,464***  | ***3,937,016***  | ***3,702,186***  | ***3,200,322***  |
| **Cash used** |  |   |  |  |  |
| Employees | 1,910,515  | 2,141,569  | 2,158,153  | 2,154,396  | 1,924,496  |
| Suppliers | 1,519,545  | 1,678,025  | 1,408,733  | 1,172,924  | 898,666  |
| Borrowing costs | 13,677  | 12,692  | 11,630  | 16,697  | 18,620  |
| Net GST paid | -  | 130,902  | 131,450  | 128,786  | 128,786  |
| s74 External Revenue transferred to the OPA  | 300,202  | -  | -  | -  | -  |
| ***Total cash used*** | ***3,743,939***  | ***3,963,188***  | ***3,709,966***  | ***3,472,803***  | ***2,970,568***  |
| **Net cash from/(used by) operating activities** | **202,287**  | **267,276**  | **227,050**  | **229,383**  | **229,754**  |
| **INVESTING ACTIVITIES** |  |   |  |  |  |
| **Cash used** |  |   |  |  |  |
| Purchase of property, plant and equipment and intangibles | 139,498  | 302,765  | 201,421  | 138,061  | 123,761  |
| ***Total cash used*** | ***139,498***  | ***302,765***  | ***201,421***  | ***138,061***  | ***123,761***  |
| **Net cash from/(used by) investing activities** | **(139,498)** | **(302,765)** | **(201,421)** | **(138,061)** | **(123,761)** |
| **FINANCING ACTIVITIES** |  |   |  |  |  |
| **Cash received** |  |   |  |  |  |
| Contributed equity | 132,498  | 244,893  | 197,385  | 138,061  | 123,761  |
| ***Total cash received*** | ***132,498***  | ***244,893***  | ***197,385***  | ***138,061***  | ***123,761***  |
| **Cash used** |  |   |  |  |  |
| Principal payments on lease  liability | 204,529  | 209,346  | 222,955  | 229,383  | 229,754  |
| ***Total cash used*** | ***204,529***  | ***209,346***  | ***222,955***  | ***229,383***  | ***229,754***  |
| **Net cash from/(used by) financing activities** | **(72,031)** | **35,547**  | **(25,570)** | **(91,322)** | **(105,993)** |
| **Net increase/(decrease) in cash held** | **(9,242)** | **58**  | **59**  | **-**  | **-**  |
| Cash and cash equivalents at the beginning of the reporting period | 45,368  | 36,126  | 36,184  | 36,243  | 36,243  |
| **Cash and cash equivalents at the end of the reporting period** | 36,126  | 36,184  | 36,243  | 36,243  | 36,243  |

 Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20 Estimated actual$'000 | 2020-21Budget$'000 | 2021-22 Forward estimate$'000 | 2022-23 Forward estimate$'000 | 2023-24Forward estimate$'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |   |  |  |  |
| Capital budget - Bill 1 (DCB) | 117,737  | 118,644  | 119,867  | 121,024  | 119,051  |
| Equity injections - Bill 2 | 76,607  | 126,249  | 77,518  | 17,037  | 4,710  |
| **Total new capital appropriations** | **194,344**  | **244,893**  | **197,385**  | **138,061**  | **123,761**  |
| ***Provided for:*** |  |  |  |  |  |
| *Purchase of non-financial assets* | *184,682*  | *244,893*  | *197,385*  | *138,061*  | *123,761*  |
| *Other items* | *9,662*  | *-* | *-* | *-* | *-* |
| ***Total items*** | ***194,344***  | ***244,893***  | ***197,385***  | ***138,061***  | ***123,761***  |
| **PURCHASE OF NON-FINANCIAL ASSETS** |  |   |  |  |  |
| Funded by capital appropriations (a) | 60,150  | 160,353  | 81,554  | 17,037  | 4,710  |
| Funded by capital appropriation - DCB (b) | 123,308  | 142,412  | 119,867  | 121,024  | 119,051  |
| **TOTAL** | **183,458**  | **302,765**  | **201,421**  | **138,061**  | **123,761**  |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |   |  |  |  |
| Total purchases | 183,458  | 302,765  | 201,421  | 138,061  | 123,761  |
| **Total cash used to acquire assets** | **183,458**  | **302,765**  | **201,421**  | **138,061**  | **123,761**  |

Prepared on Australian Accounting Standards basis.

1. Includes both current Bill 2 and prior Act 2/4/6 appropriations and special capital appropriations.
2. 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 2020-21)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   | Buildings$'000 | Otherproperty,plant andequipment$'000 | Computersoftwareandintangibles$'000 | Total$'000 |
| **As at 1 July 2020** |  |  |  |  |
| Gross book value  | 192,079  | 61,951  | 1,839,111  | 2,093,141  |
| Gross book value - ROU assets | 1,331,979  | 8,667  | -  | 1,340,646  |
| Accumulated depreciation/ amortisation and impairment | (37,984) | (21,934) | (1,337,662) | (1,397,580) |
| Accumulated depreciation/amortisation  and impairment - ROU assets | (218,047) | (2,040) | -  | (220,087) |
| **Opening net book balance** | **1,268,027**  | **46,644**  | **501,449**  | **1,816,120**  |
| **Capital asset additions** |  |  |  |  |
| **Estimated expenditure on new or replacement assets** |  |  |  |  |
| By purchase - appropriation equity (a) | -  | -  | 160,353  | 160,353  |
| By purchase - appropriation ordinary annual services (b) | 42,637  | 22,191  | 77,584  | 142,412  |
| By purchase - appropriation ordinary annual services - ROU assets | 50,421  | -  | -  | 50,421  |
| **Total additions** | **93,058**  | **22,191**  | **237,937**  | **353,186**  |
| **Other movements** |  |  |  |  |
| Depreciation/amortisation expense | (32,012) | (17,436) | (141,263) | (190,711) |
| Depreciation/amortisation on  ROU assets | (225,142) | -  | -  | (225,142) |
| **Total other movements** | **(257,154)** | **(17,436)** | **(141,263)** | **(415,853)** |
| **As at 30 June 2021** |  |  |  |  |
| Gross book value | 234,716  | 84,142  | 2,077,048  | 2,395,906  |
| Gross book value - ROU assets | 1,382,400  | 8,667  | -  | 1,391,067  |
| Accumulated depreciation/ amortisation and impairment | (69,996) | (39,370) | (1,478,925) | (1,588,291) |
| Accumulated depreciation/amortisation and impairment - ROU assets | (443,189) | (2,040) | -  | (445,229) |
| **Closing net book balance** | **1,103,931**  | **51,399**  | **598,123**  | **1,753,453**  |

Prepared on Australian Accounting Standards basis.

1. ‘Appropriation equity’ refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2020-21.
2. ‘Appropriation ordinary annual services’ refers to funding provided through Appropriation Bill (No. 1) 2020-21 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)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20 Estimated actual$'000 | 2020-21Budget$'000 | 2021-22 Forward estimate$'000 | 2022-23 Forward estimate$'000 | 2023-24Forward estimate$'000 |
| **EXPENSES** |  |   |  |  |  |
| Subsidies | 65,320,704  | 93,517,981  | 13,988,072  | 11,849,445  | 12,432,787  |
| Personal benefits | 1,074,685  | 1,095,000  | 1,127,000  | 1,153,000  | 1,167,000  |
| Penalty and interest charge remission expense | 1,281,920  | 1,480,000  | 1,500,000  | 1,550,000  | 1,630,000  |
| Write-down and  impairment of  assets | 6,868,203  | 5,175,000  | 5,683,000  | 5,905,000  | 6,057,000  |
| Interest on  overpayments | 119,276  | 80,000  | 100,000  | 100,000  | 100,000  |
| Superannuation  Guarantee Charge  | 746,483  | 428,000  | 396,000  | 426,000  | 461,000  |
| Unclaimed  superannuation  monies interest | (30,549) | 24,000  | 14,000  | 8,000  | 7,000  |
| Other Expenses | 2,595  | 7,915  | 4,682  | 2,741  | 295  |
| **Total expenses**  **administered on behalf of**  **Government** | **75,383,317**  | **101,807,896**  | **22,812,754**  | **20,994,186**  | **21,855,082**  |
| **LESS:** |  |   |  |  |  |
| **OWN-SOURCE**  **INCOME** |  |   |  |  |  |
| **Own-source**  **revenue** |  |   |  |  |  |
| **Taxation revenue** |  |   |  |  |  |
| Income tax | 328,248,000  | 321,289,392  | 303,910,939  | 326,793,253  | 365,824,493  |
| Indirect tax | 90,075,578  | 87,330,000  | 92,910,000  | 98,830,000  | 104,020,000  |
| Other taxes | 2,936,800  | 2,783,400  | 2,800,200  | 2,903,300  | 3,024,400  |
| ***Total taxation***  ***revenue*** | ***421,260,378***  | ***411,402,792***  | ***399,621,139***  | ***428,526,553***  | ***472,868,893***  |
| **Non-taxation**  **revenue** |  |   |  |  |  |
| Unclaimed  Superannuation  Monies | 1,120,014  | 625,000  | 216,000  | 124,000  | 88,000  |
| Other Revenue | 62,120  | 16,408  | 16,416  | 17,016  | 20,031  |
| ***Total non-taxation*** ***revenue*** | ***1,182,134***  | ***641,408***  | ***232,416***  | ***141,016***  | ***108,031***  |
| **Total own-source**  **revenue administered on** **behalf of** **Government** | **422,442,512**  | **412,044,200**  | **399,853,555**  | **428,667,569**  | **472,976,924**  |
| **Net (cost of)/** **contribution by services** | **(347,059,195)** | **(310,236,304)** | **(377,040,801)** | **(407,673,383)** | **(451,121,842)** |
| **Surplus/(deficit)**  | **347,059,195**  | **310,236,304**  | **377,040,801**  | **407,673,383**  | **451,121,842**  |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20 Estimated actual$'000 | 2020-21Budget$'000 | 2021-22 Forward estimate$'000 | 2022-23 Forward estimate$'000 | 2023-24Forward estimate$'000 |
| **ASSETS**  |  |   |  |  |  |
| **Financial assets** |  |   |  |  |  |
| Cash | 546,126  | 546,126  | 546,126  | 546,126  | 546,126  |
| ***Total financial assets*** | ***546,126***  | ***546,126***  | ***546,126***  | ***546,126***  | ***546,126***  |
| **Non-financial assets** |  |   |  |  |  |
| Taxation Receivables | 34,769,903  | 36,755,903  | 39,168,903  | 41,572,903  | 43,877,903  |
| Other Receivables | 241,625  | 241,625  | 241,625  | 241,625  | 241,625  |
| Accrued Revenues | 12,303,242  | 13,743,242  | 14,338,242  | 15,013,242  | 15,753,242  |
| ***Total non-financial assets*** | ***47,314,770***  | ***50,740,770***  | ***53,748,770***  | ***56,827,770***  | ***59,872,770***  |
| **Total assets administered on behalf of Government** | **47,860,896**  | **51,286,896**  | **54,294,896**  | **57,373,896**  | **60,418,896**  |
| **LIABILITIES** |  |   |  |  |  |
| **Payables** |  |   |  |  |  |
| Subsidies | 448,478  | 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  | 78,472  | 78,472  | 95,272  | 111,272  | 125,972  |
| Other payables | -  | 16,800  | 16,000  | 14,700  | 11,100  |
| ***Total payables*** | ***1,794,823***  | ***1,408,356***  | ***1,424,356***  | ***1,439,056***  | ***1,450,156***  |
| **Provisions** |  |   |  |  |  |
| Subsidies | 23,231,000  | 4,393,148  | 3,847,267  | 3,870,946  | 4,199,810  |
| Personal Benefits | 1,167,000  | 1,167,000  | 1,194,000  | 1,224,000  | 1,242,000  |
| Income Taxation refunds  provided for  | 1,727,610  | 1,717,610  | 1,707,610  | 1,697,610  | 1,687,610  |
| Indirect Taxation refunds  provided for  | 184,203  | 184,203  | 184,203  | 184,203  | 184,203  |
| Superannuation guarantee payments  | 777,650  | 780,650  | 777,650  | 802,650  | 829,650  |
| Unclaimed superannuation  payments | 506,100  | 582,100  | 384,100  | 201,100  | 32,100  |
| Targeted Assistance through  the Taxation Program  | 36,501  | 46,501  | 46,501  | 38,501  | 28,501  |
| Provision for interest on overpayments of taxes | 18,975  | 18,975  | 18,975  | 18,975  | 18,975  |
| ***Total provisions*** | ***27,649,039***  | ***8,890,187***  | ***8,160,306***  | ***8,037,985***  | ***8,222,849***  |
| **Total liabilities administered**  **on behalf of Government** | **29,443,861**  | **10,298,543**  | **9,584,662**  | **9,477,041**  | **9,673,005**  |
| **Net assets/(liabilities)** | **18,417,035**  | ***40,988,353***  | **44,710,234**  | **47,896,855**  | **50,745,891**  |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20 Estimated actual$'000 | 2020-21Budget$'000 | 2021-22 Forward estimate$'000 | 2022-23 Forward estimate$'000 | 2023-24Forward estimate$'000 |
| **OPERATING ACTIVITIES** |  |   |  |  |  |
| **Cash received** |  |   |  |  |  |
| Taxes | 404,896,013  | 401,526,792  | 389,450,139  | 417,982,553  | 462,126,893  |
| Other | (413,145) | 519,208  | 20,416  | (27,284) | (49,869) |
| ***Total cash received*** | ***404,482,868***  | ***402,046,000***  | ***389,470,555***  | ***417,955,269***  | ***462,077,024***  |
| **Cash used** |  |   |  |  |  |
| Subsidies paid | 45,307,244  | 112,759,100  | 14,533,953  | 11,825,766  | 12,103,923  |
| Personal benefits | 1,059,691  | 1,095,000  | 1,100,000  | 1,123,000  | 1,149,000  |
| Suppliers | 2,739  | 7,915  | 4,682  | 2,741  | 295  |
| Interest  | 122,681  | 80,000  | 100,000  | 100,000  | 100,000  |
| Other | 696,345  | 439,000  | 413,000  | 417,000  | 451,000  |
| ***Total cash used*** | ***47,188,700***  | ***114,381,015***  | ***16,151,635***  | ***13,468,507***  | ***13,804,218***  |
| **Net cash from/(used by)** **operating activities** | **357,294,168**  | **287,664,985**  | **373,318,920**  | **404,486,762**  | **448,272,806**  |
| ***Net increase/(decrease)***  ***in cash held*** | ***357,294,168***  | ***287,664,985***  | ***373,318,920***  | ***404,486,762***  | ***448,272,806***  |
| Cash and cash equivalents  at beginning of reporting period | 464,641  | 546,126  | 546,126  | 546,126  | 546,126  |
| Cash from Official Public Account for: |  |   |  |  |  |
| - Appropriations | 161,346,732  | 114,513,815  | 16,285,635  | 13,604,307  | 13,944,118  |
| - Special accounts | 8,606  | (1,000) | (600) | (800) | (3,400) |
| *Total cash from Official*  *Public Account* | *161,355,338*  | *114,512,815*  | *16,285,035*  | *13,603,507*  | *13,940,718*  |
| Cash to Official Public  Account for: |   |   |   |   |   |
| - Administered receipts | 518,559,415  | 402,149,200  | 389,574,555  | 418,060,569  | 462,185,924  |
| - Special accounts | 8,606  | 28,600  | 29,400  | 29,700  | 27,600  |
| *Total cash to Official Public* *Account* | *518,568,021*  | *402,177,800*  | *389,603,955*  | *418,090,269*  | *462,213,524*  |
| **Cash and cash**  **equivalents at end of**  **reporting period** | **546,126**  | **546,126**  | **546,126**  | **546,126**  | **546,126**  |

Prepared on Australian Accounting Standards basis