



## THE TAX INSTITUTE

10 September 2021

Mark Fitt  
Committee Secretary  
Economics Legislation Committee

By electronic upload: <https://www.aph.gov.au/help/login>

Dear Mr Fitt

### **Treasury Laws Amendment (2021 Measures No. 7) Bill 2021**

The Tax Institute welcomes the opportunity to make a submission to the Economics Legislation Committee in relation to the *Treasury Laws Amendment (2021 Measures No. 7) Bill 2021 (the Bill)*.

The black economy adversely impacts businesses and the community and in doing so, undermines the integrity of Australia's tax and welfare systems. This leads to an uneven playing field for the majority of businesses and taxpayers that are honest and compliant with their obligations. The Tax Institute supports the implementation of the measures contained in the Bill. We acknowledge the extensive work undertaken by the Black Economy Taskforce in identifying issues arising from the prevalence of the black economy, and opportunities for redress. We consider that the measures contained in the Bill will encourage greater transparency and a more equitable and efficient Australian tax system.

Schedule 1 to the Bill amends Schedule 1 to the *Taxation Administration Act 1953* to require electronic platform operators to provide information on transactions made through the platform to the Australian Taxation Office (**ATO**). The Tax Institute considers that this particular measure will ensure that the ATO will have greater access to information to ensure that individuals and businesses participating on sharing economy platforms are reporting all relevant income on their tax returns and are paying the appropriate amount of tax.

We consider any additional costs that might be imposed on sharing economy platform providers are proportionate and indeed low compared to other businesses required to complete Taxable Payment Annual Reports (**TPAR**), due to the high level of digitisation and access to data required to operate such businesses.

Schedule 3 to the Bill also removes the \$250 non-deductible threshold for work-related self-education expenses by repealing section 82A of the *Income Tax Assessment Act 1936*. The Tax Institute supports the removal of this threshold, as it simplifies the tax return process for individuals seeking to grow their skills and capabilities. This change also reduces compliance costs for taxpayers by eliminating the need to reduce self-education expense claims by the \$250 threshold.

We would be pleased to continue to work with the Economics Legislation Committee on any future reviews or updates to the measures contained in the Bill.

The Tax Institute is the leading forum for the tax community in Australia. We are committed to shaping the future of the tax profession and the continuous improvement of the tax system for the benefit of all. In this regard, The Tax Institute seeks to influence tax and revenue policy at the highest level with a view to achieving a better Australian tax system for all. Please refer to **Appendix A** for more about The Tax Institute.

If you would like to discuss any of the above, please contact Tax Counsel, Julie Abdalla, on 02 8223 0058.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Peter Godber', with a stylized, flowing script.

**Peter Godber**

President

## **APPENDIX A**

### **About The Tax Institute**

The Tax Institute is the leading forum for the tax community in Australia. We are committed to representing our members, shaping the future of the tax profession and continuous improvement of the tax system for the benefit of all, through the advancement of knowledge, member support and advocacy.

Our membership of more than 11,000 includes tax professionals from commerce and industry, academia, government and public practice throughout Australia. Our tax community reach extends to over 40,000 Australian business leaders, tax professionals, government employees and students through the provision of specialist, practical and accurate knowledge and learning.

We are committed to propelling members onto the global stage, with over 7,000 of our members holding the Chartered Tax Adviser designation which represents the internationally recognised mark of expertise.

The Tax Institute was established in 1943 with the aim of improving the position of tax agents, tax law and administration. More than seven decades later, our values, friendships and members' unselfish desire to learn from each other are central to our success.

Australia's tax system has evolved, and The Tax Institute has become increasingly respected, dynamic and responsive, having contributed to shaping the changes that benefit our members and taxpayers today. We are known for our committed volunteers and the altruistic sharing of knowledge. Members are actively involved, ensuring that the technical products and services on offer meet the varied needs of Australia's tax professionals.