

## **Interesting Change In The Sharing Of Information From ATO Of Companies With Tax Debt**

In the Mid-Year Economic and Fiscal Outlook (MYEFO), Treasurer Scott Morrison announced that from 1 July 2017 the Australian Taxation Office (ATO), will disclose tax debt information on businesses to credit reporting bureaus.

The transparency will benefit not only government revenue but also assist in the improving the analysis of the various business sectors.

As the largest creditor in Australia, the ATO's non-disclosure of businesses that default on their tax obligations is a major drain to Australia's tax revenue.

The move not only helps members by closing the information gap when assessing credit risk but will also help Credit Managers identify high-risk businesses and provide some comfort when dealing with small businesses that are meeting their obligations.

The ATO will disclose to credit reporting bureaus the tax debt information of businesses who have not effectively engaged with the ATO to manage these debts and initially only apply to businesses with Australian Business Numbers and tax debt of more than \$10,000 that is at least 90 days overdue