



Media Release

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First annual compliance arrangement signed between ATO and ANZ

The Tax Office and ANZ today signed Australia's first Annual Compliance Arrangement, signalling a more open and transparent approach to managing risks concerning income tax between the Tax Office and corporate Australia.

The signing supplements the existing compliance and risk management arrangements previously signed by ANZ and the Tax Office for goods and services tax (GST) and fringe benefits tax (FBT).

Tax Commissioner Michael D'Ascenzo said Annual Compliance Arrangements are designed to improve practical certainty for large businesses in real time.

"In return for putting tax risks on the table in an open and transparent manner, the Tax Office will sign-off on low risks and develop practical plans with the taxpayer to resolve high risks.

"Taxpayers have indicated they appreciate knowing where they stand shortly after lodging their annual income tax return, and value having access to advice and information from senior tax officers," Mr D'Ascenzo said.

"Large businesses told us they wanted to operate in an environment where we could review – and tick off – transactions as they happen – or at the time their tax return is lodged. Annual Compliance Arrangements go a long way toward achieving this outcome."

ANZ Chief Financial Officer Mr Peter Marriott said: "The Annual Compliance Arrangement, which covers income tax, follows the successful implementation of the Forward Compliance Arrangements for GST in 2006 and for FBT earlier this year. All of these arrangements are sensible compliance and risk management undertakings aimed at enhancing compliance, reducing risk, and increasing certainty for both sides."

ANZ and the Tax Office have worked closely throughout this year to bring about this arrangement.

The Tax Office noted ANZ's strong commitment to corporate governance standards and sound tax risk management processes and to the principles of full and true disclosure to the Tax Office of all material tax matters.

The Annual Compliance Arrangement between ANZ and the Tax Office is effective immediately.

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