



Australian Government
Australian Taxation Office

MEDIA RELEASE

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Declare offshore income now – offer closes in one month

The ATO's offshore voluntary disclosure initiative will end on 30 June 2010, leaving taxpayers only one month to receive favourable terms if they declare unreported taxable income held offshore.

The offshore voluntary disclosure has already encouraged over 4,000 people to come forward.

As at the end of May 2010 the initiative had resulted in over \$403.6 million in omitted income being declared and raised around \$73 million in liabilities.

Tax Commissioner Michael D'Ascenzo has warned taxpayers not to wait for another offer.

"If you've been waiting to make a disclosure, or hoping we will extend the offer, now is the time to act. This offer will end on 30 June 2010, and the concessional penalty arrangements for full disclosures will no longer be available," Mr D'Ascenzo said.

If a person's additional taxable income after coming forward is:

- \$20,000 or less in a tax year, they will not need to pay a shortfall penalty for that year, or
- more than \$20,000, we will apply the shortfall penalty at 10 per cent for that year.

People can approach the ATO anonymously for an indication of whether an investigation would be initiated to determine whether there is a potential breach of the criminal law. In making this decision, the ATO will often seek advice from an appropriately qualified panel which includes independent non-ATO members.

"The message we want to get across to people is come forward now, don't wait for us to come to you," Mr D'Ascenzo said.

"There's a much higher price to be paid later if we discover undeclared income through an audit process. Penalties can be as high as 90 per cent, and we will seek criminal prosecutions in serious cases."

The ATO now has 25 tax information exchange agreements with other countries, most recently with Vanuatu and Marshall Islands.

"Through improved transparency, international co-operation and reform of secrecy jurisdictions we are closing the net on the abusive use of tax havens, and that means there are fewer places for people to hide income and assets offshore," Mr D'Ascenzo said.

How to make a disclosure

To qualify for this concessional treatment taxpayers need to submit a voluntary disclosure in writing in the *Making an offshore voluntary disclosure statement*, available on our website at www.ato.gov.au/offshorevoluntarydisclosure

Canberra

For further enquiries from members of the media: 02 6216 1901 or 0401 147 127