



Media Release

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LABOR FAILS TO CONSULT AUSTRALIAN TAX OFFICE ON CARBON TAX

This morning in the Parliament the Joint Committee of Public Accounts and Audit tabled its report into the biannual hearings with the Commissioner of Taxation. It is the first time such a report has been tabled.

The report confirms that the Gillard Government did not consult the Australian Tax Office prior to it announcing its intention to introduce an economy wide carbon tax.

At the committee hearing on 4 March 2011 in response to a question from Mr Frydenberg, The Commissioner of Taxation, Mr D'Ascenzo confirmed he was not aware of the extent of the ATO's involvement on the carbon tax issue. The ATO subsequently took the question on notice.

With the tabling of the report today, it is revealed in the ATO's supplementary submission to the Committee, that "The ATO was not consulted on the current proposal for a carbon price, as the matter was being handled by another department."

This is remarkable.

When Mr Frydenberg asked the ATO whether they were consulted on the flood levy and the mining tax, they were quick to point out examples of extensive consultation. In the case of the mining tax the ATO took a deputy commissioner offline specifically to work with other departments and in the case of the flood levy the ATO was involved in the administrative design of that measure.

But the carbon tax was different. There was no consultation with the ATO, the actual body responsible for administering this even greater and far reaching economic wide reform.

The Gillard Government simply rushed out its carbon tax announcement, not only in breach of a fundamental pre election promise but we now know without sufficient consultation or consideration with the key body responsible for its administration.

It is more than a technical oversight but negligence in the extreme.

It is hoped the hearings and the report being tabled today go some way to ensuring such negligence by the Gillard Government is not repeated again.