

Alert

ATO extends reportable tax position schedule obligations

Reduced turnover threshold of AUD25m will see many more companies required to lodge a 'reportable tax position' (RTP) schedule with their 2019 tax returns

Background

Since 2011, the ATO has required certain companies to lodge an RTP schedule with their annual tax return.

The RTP schedule requires disclosure of information regarding uncertain tax positions, and whether the company has entered into any of a large range of arrangements that the ATO views with concern.

When first introduced, the rules applied only to the very largest taxpayers - broadly, the Top 100. For 2018, this was extended to companies in public or international economic groups with turnover >AUD250m. However, affected companies were specifically notified of their obligation by the ATO.

ATO announcement

This week, the [ATO announced](#) that for income years ending on or after 30 June 2019, companies have to self-assess whether they are required to lodge an RTP schedule. Lodgement will be required if all three of the following criteria are met:

- they are a public company or a foreign owned company
- total business income is AUD25 million or more in the current tax return
- they are part of a public or foreign owned economic group with total business income of AUD250 million or more in the current or immediately prior year.

Impact to businesses



The reduced turnover threshold of AUD25m is significantly lower than the previous AUD250m, and greatly extends the reach of this tax obligation.



Many businesses that have not previously been required to consider this schedule will now be subject to reporting, thereby disclosing their most contestable and material tax positions.



We encourage you to consult your ShineWing Australia tax expert for information and advice for your specific circumstances.

Please contact us for more information.



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