



## We're changing our approach to collecting unpaid tax and super

We are now focusing on businesses who refuse to engage with us and continue to ignore our SMS and letter reminders.

**Last updated** 23 October 2024

Not paying tax affects everyone, and it's important we take action to help prevent businesses from putting other small businesses and employees at risk. Businesses that act early are often better placed to get back on track and sustainably manage their finances.

We're making it fairer for businesses that do the right thing, as we change our approach to collecting unpaid tax and super. We are now focusing on businesses who refuse to engage with us and continue to ignore our SMS and letter reminders.

This means you may see us taking different steps to those you have seen in the past. This is a deliberate and targeted approach, taking into account compliance history:

- For businesses big and small, that don't engage with us or set up a payment plan for unpaid GST, pay as you go (PAYG) withholding or employee super, we will move more quickly to firmer actions such as Director Penalty Notices (DPNs) and garnishees.
- Directors of multiple companies who allow amounts of GST, PAYG withholding and employee super to go unpaid, and do not engage with us, can expect us to look at their debts more holistically. These directors can expect to receive DPNs capturing the total value of these amounts across all related entities. If these directors don't take action, we can recover these amounts directly from them, putting their assets at risk.

As we change our approach to collecting unpaid tax and super, we're making it fairer for compliant businesses that do the right thing and fulfil their tax obligations.

This approach may impact some of your business clients who have not responded to our past engagement attempts.

To prevent these firmer actions, businesses should take action now to pay in full or set up a payment plan.

**What can you do to assist us in our approach?**

For taxpayers who are able to pay on time, please encourage your clients to prioritise their tax and super obligations to prevent interest or firmer collection action by the ATO.

For taxpayers unable to pay in full and on time, we encourage you to continue to highlight the options available for your business clients, including payment plans. As you are aware, you may even be able to set up a payment plan online through online services for agents if your client's debt is less than \$200,000, or your clients can also do this directly through online services for business.

If your clients are experiencing genuine financial hardship, additional options are available, including deferring payment due dates and interest remissions.

The key message we would like to ask you to pass onto your clients is, if they can pay, please do and if they need more time to pay, don't ignore it – act now to check if you can put in place a payment plan online or reach out to us early for help.

You and your clients can find out more about what happens if they don't pay.

QC 103259

## **Our commitment to you**

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

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