



## ATO reminds businesses to pay before they disclose their debts

The ATO is warning businesses to engage with their tax and super obligations before their debts are disclosed.

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The Australian Taxation Office (ATO) is warning businesses to engage with their tax and super obligations to avoid having their debts disclosed to credit reporting agencies.

As the ATO shifts back to business-as-usual debt collection, as of July 2023 it has issued *Notices of intent to disclose business tax debts* to more than 22,000 businesses with a tax debt of at least \$100,000 that is overdue by more than 90 days.

More than 9,000 businesses are expected to have their debts disclosed this month.

ATO Assistant Commissioner Jillian Kitto said paying or engaging with the ATO is the only way to stop a business's tax debt becoming visible in credit rating checks.

'We want to work with businesses to help them get on top of their debts. Anyone with a debt is encouraged to reach out to us as soon as possible,' Ms Kitto said.

'We give businesses ample opportunity to re-engage with us. However, those who show continued and ongoing disregard for their tax and super obligations will have their debts disclosed.'

'While we do not take disclosures lightly, consequences will apply to businesses who refuse to pay or engage with us.'

Businesses need to pay their debt or enter into an appropriate payment arrangement within 28 days of when the intent to disclose

notice was issued to prevent disclosure. A disclosed debt can impact a business's ability to receive finance and they may lose suppliers.

The ATO expects more than 50,000 notices of intent will issue in the 2023–24 financial year.

'Through the pandemic we shifted our focus from debt collection to stimulus payments and assistance with tax, but it is now time to re-establish the culture of paying tax on time,' said Ms Kitto.

'There is over \$5 billion owed by businesses who currently meet the criteria for disclosure. We must draw a line in the sand to protect the Australian community and other creditors, and to ensure a level playing field for businesses who do the right thing.'

'If you have an outstanding tax debt, we strongly urge you to pay it or reach out to us or your tax professional so we can provide the right support,' Ms Kitto said.

## Notes to Journalists

- ATO file footage is available for use in news bulletins from our media centre.
- A headshot of ATO Assistant Commissioner Jillian Kitto is available for download from our media centre.
- More information about disclosure of business tax debts is available at [ato.gov.au/disclosurebusinessstaxdebt](https://ato.gov.au/disclosurebusinessstaxdebt)
- More information about what taxpayers can do if they are unable to pay the ATO on time is available at [ato.gov.au/debt](https://ato.gov.au/debt)

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