



MT 2007/1W - Miscellaneous taxes: does paragraph 284-220(1)(e) of Schedule 1 to the Taxation Administration Act 1953 apply to increase the base penalty amount applicable to a subsection 284-75(3) penalty where the entity was liable to the same penalty for a previous accounting period?

 This cover sheet is provided for information only. It does not form part of *MT 2007/1W - Miscellaneous taxes: does paragraph 284-220(1)(e) of Schedule 1 to the Taxation Administration Act 1953 apply to increase the base penalty amount applicable to a subsection 284-75(3) penalty where the entity was liable to the same penalty for a previous accounting period?*

 This document has changed over time. This is a consolidated version of the ruling which was published on *8 April 2009*



Notice of Withdrawal

Miscellaneous Taxation Ruling

Miscellaneous taxes: does paragraph 284-220(1)(e) of Schedule 1 to the *Taxation Administration Act 1953* apply to increase the base penalty amount applicable to a subsection 284-75(3) penalty where the entity was liable to the same penalty for a previous accounting period?

Miscellaneous Taxation Ruling MT 2007/1 is withdrawn with effect from today.

1. MT 2007/1 clarified that where penalty is imposed under subsection 284-75(3) of Schedule 1 to the *Taxation Administration Act 1953* (TAA)¹ for an accounting period, paragraph 284-220(1)(e) applies to increase the base penalty amount by 20% if a penalty was imposed under that subsection for a previous accounting period.
2. Prior to legislative amendment, subsection 284-220(1) stated that the base penalty amount 'for your shortfall amount, or for part of it,' was increased by 20% in the circumstances listed in paragraphs 284-220(1)(a) to (e). Paragraph 284-220(1)(e) referred to a penalty arising under subsection 284-75(3) for the failure to give the Commissioner a return, notice or other document where the taxpayer had previously been liable to a penalty under that subsection in an earlier accounting period.
3. However, an entity has a 'shortfall amount' only if an item in the table in subsection 284-80(1) applies to the entity. As none of the items in the table in subsection 284-80(1) deal with the failure to give the Commissioner a return, notice or other document there was some uncertainty as to the operation of paragraph 284-220(1)(e), due to the language of subsection 284-220(1).
4. This issue was clarified by the amendment of subsection 284-220(1) of Schedule 1 of the TAA, with effect from 3 October 2008, by the *Tax Law Amendment (2008 Measures No. 4) Act 2008*. Therefore, MT 2007/1 is no longer required.

¹ All legislative references in this Notice are to Schedule 1 of the TAA.

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Commissioner of Taxation

8 April 2009

ATO references

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