



COMMISSIONER'S PRACTICE TAA 14.1

APPLICATIONS FOR REASSESSMENT

Commissioner's Practice History

Commissioner's Practice	Issued	Dates of effect	
		From	To
TAA 14.0	23 December 2003	23 December 2003	30 June 2008
TAA 14.1	1 July 2008	1 July 2008	21 May 2015

This Commissioner's practice outlines the circumstances when an application by a taxpayer for a reassessment will be considered and how an application is to be made.

Background

Section 16 of the *Taxation Administration Act 2003* ("TAA") allows the Commissioner to make a reassessment of tax. A reassessment supersedes the original assessment and may increase or decrease the amount of tax payable.

Section 16 places a mandatory obligation on the Commissioner to make a reassessment:

- if specifically required to do so under a taxation Act;
- if specifically required to do so under a direction given in the course of review proceedings; or
- when circumstances relevant to a rebate or refund of tax were not taken into account when a previous assessment was made.

Section 16 also includes a discretionary power that allows the Commissioner to make a reassessment if it appears to him that a previous assessment is or may be incorrect for any reason, or upon an application being made by the taxpayer. However, where an assessment was based on a particular interpretation of the law or a particular practice of the Commissioner that applied at the time the assessment was made, then the Commissioner cannot make a reassessment on the ground that the interpretation or practice is or was erroneous.

Section 17 of the TAA imposes time limits on reassessments. A taxpayer may not apply for a reassessment more than five (5) years after the original assessment was made. However, the Commissioner may make a reassessment at any time if he has been directed to do so in the course of review proceedings, or if there are reasonable grounds for suspecting that there has been an evasion of tax or that the previous assessment was made on the basis of false or misleading information. In any other circumstances the Commissioner may only make a reassessment within five (5) years after the date of the original assessment.

It is important to note that particular provisions of a taxation Act, eg. the *Duties Act 2008* ("Duties Act"), may override the TAA and allow only a shorter period in which a reassessment can be made.

Commissioner's Practice

Method of application for reassessment of tax

1. Applications for reassessment relating to the Duties Act are generally in respect to various provisions allowing a reduction or a concessional assessment of duty, an exemption from duty or an assessment of nominal duty, where the required application was not provided at the time the original assessment was made.
2. The Commissioner will generally only accept verbal applications (eg. by telephone) for reassessments in situations such as when:
 - 2.1 an exemption from land tax for a land owner's primary residence has not been correctly included in an assessment notice;
 - 2.2 a land tax assessment notice incorrectly lists the land owned by a taxpayer at 30 June of a year;
 - 2.3 a Duties Assessment Notice evidences a simple error by the Commissioner, eg. a transposition error in an amount of consideration or a failure to allow a particular concession or rebate despite the relevant application form having been lodged; or
 - 2.4 a taxpayer who self assesses their tax has made a simple error on a return, eg. a transposition error when including wages in a pay-roll tax return.

Issues in dispute

3. The reassessment provisions are not intended to be a quasi-review process. Where there are matters in dispute as a result of an assessment, the objection provisions of the TAA are available for taxpayers to seek a review of the facts and law applying to the transaction the subject of the assessment. Should a taxpayer remain dissatisfied with the decision of the Commissioner on an objection, a right of appeal exists to the State Administrative Tribunal, and ultimately the Supreme Court.

Provision of additional information

4. The provision of additional information to the Commissioner by a taxpayer after an assessment has been issued, in order to obtain an assessment of a lesser amount, will generally be taken to be a request for a reassessment, unless it is clear that the taxpayer has lodged a formal objection.

Written submissions not qualifying as objections

5. An objection must be in writing, set out fully and in detail the grounds on which the taxpayer objects to the assessment or decision and be lodged in accordance with the requirements specified in the TAA. If a taxpayer's written submission does not meet these requirements, the matter may be considered as a request for a reassessment of tax (subject to the relevant time and other conditions being met) and if so, will be actioned accordingly.

Date of Effect

This Commissioner's practice takes effect from 1 July 2008.

Bill Sullivan
COMMISSIONER OF STATE REVENUE

1 July 2008

SUPERSEDED