



COMMISSIONER'S PRACTICE TAA 15.0

ESTIMATE ASSESSMENTS SUPERSEDED

Commissioner's Practice History

Commissioner's Practice	Issued	Dates of effect	
		From	To
TAA 15.0	23 December 2003	23 December 2003	2 August 2013

This Commissioner's practice sets out the circumstances where an estimate assessment of tax will be made and the methodology used in making the assessment.

Background

Section 94 of the *Taxation Administration Act 2003* ("TAA") permits the Commissioner to require taxpayers to provide oral or written answers to specified questions or to produce relevant material in the taxpayer's possession or control.

Section 19(1) of the TAA provides that where the "Commissioner suspects on reasonable grounds that a tax liability exists, the Commissioner may make an assessment on the basis of that suspicion and the Commissioner's estimate of the amount of the liability".

Section 19(2) of the TAA permits the Commissioner to make an assessment based on an estimate of the tax liability "where he is not satisfied with the adequacy or reliability of information available to make an assessment".

Commissioner's Practice

Instrument based assessments

1. An estimate of a stamp duty liability may be made where:
 - 1.1 insufficient information is lodged with the instrument to allow the Commissioner to make a detailed assessment of duty payable and the taxpayer or their representative has not supplied sufficient or appropriate information in response to a requisition or notice issued by the Commissioner under section 94 of the TAA;
 - 1.2 insufficient information is lodged with the instrument to allow the Commissioner to make a detailed assessment of duty payable and the instrument is a conveyance of dutiable and non-dutiable property and insufficient information is given to support the allocation of the consideration to dutiable and non-dutiable amounts; or
 - 1.3 the Commissioner believes it is appropriate to do so.
2. In the above circumstances, the Commissioner may make an assessment based on the maximum potential liability contained in the instrument, other available supporting material, or the Commissioner's opinion of the likely stamp duty payable on the instrument.

Returns based assessments

3. An estimate assessment may be raised when a registered taxpayer has failed to lodge a return by the due date or failed to register.
4. An assessable amount may include, but is not limited to:
 - 4.1 wages under the *Pay-roll Tax Assessment Act 2002*;
 - 4.2 rental income under the *Stamp Act 1921*;
 - 4.3 debits under *Debits Tax Assessment Act 2002*;
 - 4.4 stamp duty liabilities where the duty is paid by way of a special tax return arrangement under section 49 of the TAA.
5. Where the taxpayer has lodged a return or returns which relate to assessable amounts declared/lodged in the six months prior to the outstanding return(s), the estimate assessment will be calculated:
 - 5.1 for taxpayers lodging returns on a monthly basis ("monthly taxpayers"), utilising the highest assessable amount declared/lodged in the previous six months plus 25% of that amount;
 - 5.2 for taxpayers lodging returns on an annual basis ("annual taxpayers"), utilising the latest annual assessable amount declared/lodged plus 100% of that amount; or

- 5.3 on any other amount the Commissioner believes appropriate in the circumstances of the case.
6. Where the taxpayer has not lodged any returns in the six months prior to the outstanding return(s) or has not registered as required, the estimate assessment will be calculated by reference to any of the following methods that are considered appropriate in the circumstances:
- 6.1 for monthly taxpayers, utilising the highest assessable amount declared/lodged in any period plus 50% of that amount;
 - 6.2 for annual taxpayers, utilising the highest assessable amount declared/lodged plus 100% of that amount;
 - 6.3 estimated wage details provided on the taxpayer's registration form plus 25% of that amount for monthly taxpayers or 100% of that amount for annual taxpayers;
 - 6.4 information obtained from other State or Federal jurisdictions to estimate an assessment;
 - 6.5 information obtained from industry groups; or
 - 6.6 information obtained from reviewing other taxpayers operating in the same or similar industries.

Reassessments

7. In the case of both instrument and returns based assessments, any subsequent lodgement of information by the taxpayer that was not available to the Commissioner at the time the estimate assessment was made, will be considered to be a reassessment request unless it is clear that the taxpayer has lodged a formal objection.

Date of Effect

This Commissioner's practice takes effect from 23 December 2003.

Bill Sullivan
COMMISSIONER OF STATE REVENUE

23 December 2003