



COMMISSIONER'S PRACTICE TAA 3.0

REMISSION OF PENALTY TAX FOR FAILURE TO LODGE RETURNS AS REQUIRED

Commissioner's Practice History

Commissioner's Practice	Issued	Dates of effect	
		From	To
TAA 3.0			

Section 26(2) of the TAA authorises the Commissioner to assess an amount of penalty tax where reasonable grounds exist for suspecting that a taxpayer is liable to penalty tax.

Section 26(3) of the TAA provides that the amount of penalty tax payable is equal to 100% of the primary tax liability.

Section 29 of the TAA provides the Commissioner with the power to remit penalty tax wholly or in part.

This Commissioner's Practice outlines how penalty tax incurred as a result of the late lodgement of a return will be notified and remitted.

Commissioner's Practice

Circumstances where no remission is to occur

1. Where an assessment of tax is made in circumstances that involved an attempt to evade tax or mislead the Commissioner, an investigator will report accordingly to the Assistant Commissioner (Compliance). If the Assistant Commissioner (Compliance) is satisfied that such action has been attempted, no remission of the 100% penalty tax will occur.

Remission of penalty tax

2. Penalty tax will be remitted as follows where an assessment is made as a result of late or non-lodgement of returns:

MONTHLY RETURNS	
Transgression	Penalty tax remitted to:

First occurrence in 12 months

4. Where exceptional or serious circumstances are considered to warrant penalty tax remissions to amounts in excess of those specified in paragraph 2, an investigator or other officer may report the circumstances and make a recommendation for determination to the Assistant Commissioner (Compliance), who in consultation with the Assistant Commissioner (Revenue Services), may approve an alternative remission.

Further remission of penalty tax

5. Where a return was inadvertently lodged with another authority (eg. Australian Taxation Office, Department of Land Administration or