

TAX TALKS

Australia's Tax News Podcast - The Podcast for Australian Tax Professionals

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14 | Events Based Reporting Turnaround

Events based reporting has undergone an impressive transformation. It changed from affecting every SMSF to only affecting funds with a balance of \$1m or more. And it changed from a tight schedule of 10 days after month end to a much more lenient deadline of 28 days after quarter end. How did this turn around come about?

On 9 November 2017 the ATO finalised its position on Events Based Reporting and surprised many. Ron Lesh of BGL tells how the ATO's position changed from a sledgehammer approach to a solution that surprised many and pleased most.

Events Based Reporting Turnaround

Ron Lesh is the managing director of BGL Corporations Solutions. BGL provides software to over 70% of Australia's 590,000 + self-managed super funds. Here is Ron's perspective of the events based reporting turnaround.

"BGL first became aware of the proposed reporting requirements early in 2017. We had our concerns, but expected the accounting industry associations to suggest to the ATO that this was not a good idea. We did not however see much activity – with the exception of the work done by the Institute of Public Accountants. The others were nowhere to be found.

Campaign

So we started our campaign in late July 2017. Our petition went to the Assistant Treasurer Kelly O'Dwyer and ATO Commissioner Chris Jordan. The SMSF Association organised the first meeting with the ATO where we voiced our concerns. We were especially concerned about two aspects of the proposed events based reporting regime. A) the frequency and deadline to report a reportable event: within 10 days of month end. B) the requirement to report ALL events affecting ALL member balances in retirement phase, whether the balance was \$50,000 or \$1.6m. We thought this was Big Brother going mad.

But it seemed that not just the ATO but also many professional organisations had signed off on the proposed reporting regime. There wasn't much noise.

We started the #TellTheATO campaign by asking our clients to sign our petition on causes.com. This was probably not as successful as I would have liked. But it seemed to get the attention of the Assistant Treasurer.

August 2017

When the ATO released its position paper in August 2017, it was great to see there had already been some change in the ATO position. It was really only then the other software suppliers and accounting industry associations decided to support our proposals.

I was really disappointed in the way much of the industry handled this. Organisation didn't ask their members for input. Accounting organisation bureaucrats were taking positions without any reference to members whose

membership fees pay their salaries.

November 2017

So it was a great relief when the ATO finalised its position on events based reporting On 9 November 2017 . Not only did they introduce the suggested \$1m threshold, but also came all the way on the reporting deadline.”

Here is a [link](#) to the ATO's media release on 9 November.

MORE

[Why Not To Offshore SMSF Work](#)

[SMSF Events Based Reporting](#)

[SMSF Estate Planning Post July 2017](#)

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