



ezytax
BLUE

outstanding
lodgements

OUTSTANDING LODGMENTS

The ATO can issue fines against tax payers for failure to meet lodgment obligations such as BAS, ITR or IAS. The severity of the penalties vary greatly based on the size of the obligation missed, size of the entity and merit of the situation i.e. was it due to negligence, genuine error, extenuating circumstances and so on.

When infringement occurred	Penalty unit amount
On or after 1 July 2020	\$222
1 July 2017 – 30 June 2020	\$210
31 July 2015 – 30 June 2017	\$180
28 December 2012 – 30 July 2015	\$170
Up to 27 December 2012	\$110

Generally, Ezytax clients will only ever face standard FTL penalties and even then they are reasonably uncommon.

For every **28 days** that the lodgment is overdue, one on the above 'penalty units' may be applied up to **5*28 days**. If the client has multiple outstanding lodgments or “repeated history of non-compliance” their likelihood of penalisation becomes higher. Factors such as a suspected payable or business income can make penalisation more likely still.

It is imperative to point out outstanding tax returns to convince clients to lodge with us. Check Prefill to determine whether a return needs to be done or whether a non-lodgement can be done. Penalties are \$1,100 for outstanding tax returns.

Note that any existing penalties applied will be paid using the refund from future years. It is also not terribly difficult for the client to request remission on compassionate ground i.e. collapse of business, death of spouse or COVID-19.

7 Aug 2019	4 Sep 2019	Penalty for failure to lodge Tax return Individuals on time for the period from 01 Jul 16 to 30 Jun 17	\$1,050.00	\$6,435.45 DR
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More info can be found <https://www.ato.gov.au/general/interest-and-penalties/penalties/>

To check how many years are outstanding for a client, add or search for the client via the Portal. You will be presented with a Client **Summary** showing any overdue or outstanding obligations along with their due dates. Note that due dates can differ between clients as a result of tax agent concessions or arrangements with the ATO. In the below example, the client has several years outstanding and has faced FTL penalties for several of them.

For action [®]

Lodgments

Account	Description	Due date		
Income tax 551	Jul 2010 - Jun 2011 Tax return	31/10/2011	Overdue	View >
Income tax 551	Jul 2008 - Jun 2009 Tax return	02/11/2009	Overdue	View >
Income tax 551	Jul 2007 - Jun 2008 Tax return	31/10/2008	Overdue	View >

✓ Payments are up to date.

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