

Thank you for the opportunity to provide comment on the draft report *Impacts of COAG Reforms: Business Regulation and VET*, particularly in relation to the Standard Business Reporting (SBR) reform.

The ATO endorses the findings of the report and notes the report identifies the benefits of SBR as being largely 'potential benefits' and that they are yet to be fully realised by businesses.

The ATO has been, and remains, strongly committed to Standard Business Reporting (SBR). We note that while take-up of SBR is still small the ATO, with Treasury, is working to increase its use.

The ATO has been actively involved in the inception, development, implementation and operation of the SBR initiative.

Today the ATO has two key roles:

- as Host of the SBR whole-of-government capabilities for SBR Core Services (electronic message delivery), Authentication - (AUSKey) and SBR Taxonomy (a common dictionary and reporting language), and
- as an SBR participating agency and significant user of SBR services.

As Host, the ATO continues to champion the adoption of SBR and to work with Treasury in increasing take-up.

We note that:

- SBR is running well, the system is operational and maintains a high availability rate.
- the SBR Taxonomy has been endorsed as a national standard under the Australian Government Information and Management Office (AGIMO) National Standards Framework (NSF) and work is continuing to endorse other components. This will help increase reuse and a higher level of interoperability of the standard, ultimately leading to increased efficiency and savings for business.
- the use of SBR is increasingly becoming a major part of new Government initiatives. For example, SBR standards were recommended to be used to help ensure the success of the Super Reform Program.
- engagement has begun with agencies such as the Department of Human Services to identify opportunities to extend the coverage of SBR across government.

As an Agency using SBR, the ATO is committed to transitioning to SBR as our primary channel for electronic interaction between business and the ATO. In developing our future online systems, the ATO is continuing to build on the advantages SBR can provide, in particular, substantial reduction in business reporting costs.

The Commissioner has recently advised the SBR Board that our flagship Electronic Lodgment Service (ELS) will be redeveloped into SBR technology. This will result in tax practice management software being able to support not only next generation of ATO electronic lodgments, but also make them available to underpin whole of government interactions. We will be consulting with software providers and plan to transition to SBR for ELS services from July 2015.