

## ATO puts sales and marketing staff and the wealthy at the top of hit list

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The Australian Taxation Office has revealed part of its list of special targets for the 2009-10 tax year, and sales and marketing managers, electricians and truckies are firmly in the tax man's sights.

The ATO is very concerned that the difficult economic environment will lead many tax payers to try and sneak in a few dodgy claims.

"Deductions for work-related expenses are one of the largest categories of claims made in tax returns," ATO second commissioner Jenny Granger said in a speech today.

"We are concerned that the difficult times may tempt more people to inflate their claims."

Granger says total work expenses claimed by taxpayers have increased by 11% over the past two years, but the growth in claims had been much greater for these groups.

She says many sales staff were claiming a living-away-from-home allowance without actual verification from employers that their role required them to live away from home.

Truck drivers are also under fire for claiming costs associated with driving to the depot to pick up their trucks on the basis that they had to carry bulky equipment to work.

"We're doing checks with employers to see what they are really required to bring to work and whether there was storage on the premises."

One of the ATO's favourite targets - the wealthy - will face even more scrutiny. While the ATO has concentrated on high net worth individuals with \$30 million or more, it will now chase taxpayers worth \$5 million to \$30 million.

Particular areas to be scrutinised will include dividends that are disguised as loans, the private use of company assets such as cars, boats and property and undeclared capital gains.

The ATO's targeting of the rich has proved to be very successful - audits of people with assets greater than \$30 million turned up an additional \$340 million in tax liabilities in 2007-08 and another \$162 million in the nine months to March.

As flagged in the Federal budget, executives are another prime target this year. The ATO will be especially looking at their participation in employee share schemes.

Behind many of these crackdown programs will be the ATO's ever-expanding data matching technology, which examines everything from car and boat ownership records, property records and health fund information to data on insurance, superannuation and welfare payments.

The ATO expects to examine more than 400 million transactions in 2009-10.

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