QTON No. 5

Legislative Assembly for the Australian Capital Territory
Standing Committee on Public Accounts and Administration

Inquiry into annual and financial reports 2024–2025

Answer to question taken on notice

Asked by: Mr Ed Cocks MLA

Addressed to: Minister for Finance
Redirected to:

In relation to: Finance and Retrospective debts approach

Hearing: 13/11/2025
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MR COCKS: Yes. I am also interested, has there been any change to the process for raising retrospective debts, in particular in terms of how far back historically you look routinely at what may be or reassessing what would become people's debts?

Ms Holmes: I will take that one on notice as well, Mr Cocks. There is legislative provisions, which certainly lets us go back in certain circumstances earlier than five years.

MR COCKS: Yes, and what I am interested in is whether there has been any change to the approach that is been taken to those sets, in particular the ones that are older than five years. But, yes, so you will come back on notice on that, yes?

Ms Stephen-Smith: We will take that on notice.

RACHEL STEPHEN-SMITH MLA: The answer to the Member's question is as follows:

Tax law does not limit the time in which the Commissioner for ACT Revenue may make an assessment of a tax liability. However, the Commissioner must not reassess a tax liability more than five years after the initial assessment of the liability, unless—

(i) the purpose of the reassessment is to give effect to a decision on an objection or appeal as to the initial assessment; or

(ii) at the time the initial assessment or a reassessment was made, all the facts and circumstances affecting the liability under the relevant tax law of the person in relation to whom the assessment or reassessment was made were not fully and truly disclosed to the Commissioner.

The ACT Revenue Office will continue to undertake activities that best promote taxpayer compliance with tax laws and to ensure equity among taxpayers. For example, this may include assessing or reassessing tax liabilities beyond five years where a taxpayer has not notified the Commissioner of a land tax liability even though they are renting an investment property and have been doing so for the last 10 years.

The ACT Revenue Office is working to develop and implement actions following its response to the recent ACT Ombudsman report on historical land tax debt, which includes processes for raising, communicating and collection of debt.

Approved for circulation to the Standing Committee on Public Accounts and Administration

Signature: Date: 1/12/25

By the Minister for Finance, Rachel Stephen-Smith MLA