

20 January 2012



Australian Institute of Architects

Ms Christine Barron  
General Manager  
Business Tax Division  
The Treasury  
Langton Crescent  
PARKES ACT 2600

Email: [SBTR@treasury.gov.au](mailto:SBTR@treasury.gov.au)

Dear Ms Barron

***Exposure Draft – Reporting of Taxable Payments for Contractors in the Building and Construction Industry***

The Australian Institute of Architects (the Institute) welcomes the opportunity to comment on the Exposure Draft – Reporting of Taxable Payments for Contractors in the Building and Construction Industry.

The Institute is an independent, national member organisation with over 10,000 members across Australia and overseas. The Institute exists to advance the interests of its members, their professional standards and contemporary practice, and to expand and advocate the value of architects and architecture to the sustainable growth of our community, economy and culture. The Institute actively works to maintain and improve the quality of our built environment by promoting better, responsible and sustainable design.

The Institute makes this submission on the understanding that architects who engage consultants or 'contract employees' will be captured by the proposed regulation.

There is apparent ambiguity regarding the draft regulation in relation to the required frequency of reporting under the new *payments made to contractors in the building and construction industry* regime. We note that both the Treasury consultation webpage for the exposure draft regulation and the explanatory statement state that, under the new reporting regime, details of payments to contractors in the building and construction industry will be required to be reported on an *annual* basis.

The exposure draft of the regulation however does not appear to specify any reporting frequency.

We also note that the new reporting requirement refers to Division 405 of the Taxation Administration Act 1953 which appears to provide for *quarterly* reporting. This apparent ambiguity needs to be resolved.

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The Institute strongly encourages Treasury to ensure the regulation clearly provides an *annual* reporting requirement, as foreshadowed in the Treasury webpage and explanatory statement, as a quarterly reporting frequency will place an undue regulatory burden on all reporting entities and, in particular, small businesses.

Please don't hesitate to contact us if we can be of further assistance in the consultation process on this new regulatory requirement.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'rclark', with a long horizontal flourish extending to the right.

Ross Clark  
Chief Operating Officer and  
Acting Chief Executive Officer