

# ATO TAX AUDITS AND COMPLIANCE AUDITS

**PROPERLY PREPARING FOR AN AUDIT AND VOLUNTEERING ANY ADJUSTMENTS UPFRONT, CAN AVOID OR REDUCE ANY FINES OR PENALTIES THAT MAY RESULT. GETTING IT RIGHT UPFRONT IS CRUCIAL!**



## How does an audit work?

Under the self-assessment approach adopted by various State or Commonwealth Government Agencies, these agencies generally, accept 'returns and declarations' at face value and will then randomly select a number for subsequent audit. The agencies also target specific industry sectors and challenge individuals on various aspects of their returns. 'Returns' can include payroll tax, stamp duty, gaming taxes, workers compensation, BAS, FBT, income tax, customs duty, fuel rebate, etc.

In addition, some Government Agencies will undertake 'compliance audits', i.e., an Office of State Revenue may undertake a 'compliance audit' to see if a business should be registered for Payroll Tax or the ATO may undertake a 'compliance audit' of a Self Managed Super Fund.

**Having paperwork in order isn't immunity against being selected for an audit. Government agencies use a mix of data matching; industry sector targeting; inter-government agency shared data; data sourced from financial institutions and public companies.**

## What is Audit Insurance?

It protects your business against the costs of a sudden and unforeseen tax audit. It is a financial reimbursement for the professional fees incurred from the audit process.

We have organised a policy to protect you from the risk of audits and invite you to join our Audit Insure policy. It means you'll have piece of mind and will be financially protected should you or your business be exposed to an audit.

If you'd like to accept the offer proceed to [www.auditassist.com.au](http://www.auditassist.com.au) > select if you wish to sign-up 'online' (via the website Acceptance Form) OR select 'offline' (download the Acceptance Form and manually complete).

Ensure you use this ID Code "eapl6503" to validate you are signing up to Enrizen's Audit Insure policy.

## More information

Who will do the administration? Audit Services Pty Ltd. After receipt of the required documents and payment, Audit Services will forward a Tax Invoice and Insurance Certificate.

Who can I call for assistance? Please contact Audit Services Pty Ltd on 1300 731 817 or email [audit@auditservices.com.au](mailto:audit@auditservices.com.au).

Who is the underwriter? QBE Insurance (Australia) Limited (85 Harrington Street, Sydney NSW 2000. Additional information at [www.qbe.com.au](http://www.qbe.com.au).)