

WHAT TO EXPECT WHEN YOU ARE BEING AUDITED BY THE ATO

WHAT IS INVOLVED

A review or audit usually involves looking at your tax affairs to ensure the information you have given the ATO is accurate and you have complied with your tax obligations.

WHAT THE ATO EXPECTS OF YOU

The ATO expects a co-operative approach.

They expect us to be timely and accurate in our responses to their requests for information.

The ATO expects truthfulness and honesty in our dealings with them.

MORAN ACCOUNTANTS

Zeina Moran is the audit partner, and the person you will deal with during this process.

The process from start to finish is fairly lengthy in time. Usually 12-18 months. We will support you and help you during this process. We will charge a fee once the process for you is complete.

AUDIT PHASE

- Notification of audit, usually in writing
- Preparation of documentation by client
- Meeting with Moran Accountants to review documentation prepared
- Moran Accountants compiles an audit file and an audit response to the ATO. All original documents are sent to the ATO via registered post and copies are retained on file.
- ATO receives documentation, and if necessary will seek further clarification or documentation from MORAN Accountants.
- This process of clarification continues until the ATO makes their decision.
- The audit decision is received via letter from the ATO, explaining the reasons for their decision.
- MORAN Accountants reviews this decision and discusses the decision and with the client.
- If the ATO decision is accepted this is the end of the process.
- At this point our fee is usually in the vicinity of \$1500.

OBJECTION PHASE

- If the ATO decision is not accepted we will prepare a formal objection to the decision.
- This objection is accompanied by an additional audit file usually containing the same source documents used during the audit phase plus additional explanations and documentation if required.
- ATO receives documentation, and if necessary will seek further clarification and assistance from MORAN Accountants.
- This process of clarification continues again until the ATO makes their decision.
- The objection decision is received via letter from the ATO.
- MORAN Accountants reviews this decision and discusses the decision with the client.
- If the ATO decision is accepted this is the end of the process.
- At this point our fee is usually in the vicinity of \$2500.

REVIEW OF OBJECTION DECISION PHASE

- If we are still not happy with the decision we can request a review of this objection decision. This entails the same objection being given to another auditor at the ATO for review. We do not charge a fee for this process.
- If this review is unfavourable, you may choose to take the matter further. This decision needs to be made in a timely manner as there are time constraints in going to the Administrative Appeals Tribunal (AAT). This is an independent arbiter between the client and the ATO.
- There will be a fee charged by the AAT. We will advise you at this point of our costs moving forward.