Corporate tax update

1 July 2015

ASIC focus on tax accounting in financial reports

On 3 June 2015, the Australian Securities & Investments Commission (ASIC) announced its focus areas for 30 June 2015 financial reports of listed entities and other entities of public interest with many stakeholders. One of the focus areas specified by ASIC is ‘Tax accounting’ with the announcement stating that preparers of financial reports should ensure that:

- There is a proper understanding of both the tax and accounting treatments, and how differences between the two affect tax assets, liabilities and expenses
- The impact of any recent changes in legislation are considered
- The recoverability of any deferred tax asset is appropriately reviewed.

If you have any queries in relating to tax accounting as it may impact on your enterprise’s financial position, contact you usual PwC adviser or contact Ronen Vexler on +61 (2) 8266 0320.

Certain private companies to be removed from transparency rules

On 4 June 2015, Treasury released exposure draft legislation to remove the obligation for the Commissioner of Taxation to publish tax information for Australian owned private companies with total income of $100 million or more.

The current law requires the Commissioner to publish for every corporate tax entity that reports $100 million or more in total income, the entity’s reported name and Australian Business Number; total income; taxable income or net income (if any); and income tax payable from the 2013-14 income year. The Commissioner is expected to release the first publication under the laws in late 2015. The proposed amendments will not affect the Commissioner’s obligation to disclose tax information for Australian public companies and foreign owned multinationals operating in Australia. Submissions on the exposure draft law are due 3 July 2015.
Let’s talk

For a deeper discussion of how these issues might affect your business, please contact:

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