

[Home \(/\)](#) > [On building and construction industry report mismatches - the ATO responds](#)

# 12 Dec 1414 On building and construction industry report mismatches - the ATO responds

In [2014 TAXVINE No 45 \(5 December 2014\)](#) (<http://www.taxinstitute.com.au/publications/taxvine-newsletter/IssueID/480>), Member 198 wrote about ATO letters querying inevitable mismatches between the taxable amounts reported in the Building and Construction Industry report (notified on a paid or cash basis) and the assessable income disclosed in the income tax return (returned on an accruals basis).

## THE ATO NOW RESPONDS

"As a result of feedback provided in the consultation process, the cash basis was determined as the accounting method to report payments on the Taxable payments annual report. Many businesses in the building and construction industry are micro businesses, and a significant proportion of these businesses account on a cash basis.

We recognise that not all businesses account on a cash basis for income tax and will take this into account when dealing with any potential discrepancies arising from our data matching activities."

## [About us \(/footer/about-us\)](#)


[Our story \(/footer/about-us/our-story\)](#)


[Partner with us \(/footer/about-us/partner-with-us\)](#)

[Working with us \(/footer/about-us/working-with-us\)](#)

[Corporate responsibility \(/footer/about-us/corporate-responsibility\)](#)

## Contact us

 +61 2 8223 0000

 [tti@taxinstitute.com.au](mailto:tti@taxinstitute.com.au) (<mailto:tti@taxinstitute.com.au>)

[State Office Contacts \(/footer/contact-us\)](#)