



Small businesses given unique opportunity to get back on track with tax

The Australian Taxation Office (ATO) is encouraging small businesses that have overdue income tax returns, fringe benefits tax returns or business activity statements to take advantage of a new amnesty to get their lodgments back on track.

The amnesty was announced in the 2023–24 Budget. It applies to tax obligations that were originally due between 1 December 2019 and 28 February 2022 and runs from 1 June 2023 to 31 December 2023.

To be eligible for the amnesty, the small business must be an entity with an aggregated turnover of less than \$10 million at the time the original lodgment was due.

During this time, eligible small businesses can lodge their eligible overdue forms and the ATO will then proactively remit any associated failure to lodge (FTL) penalties.

ATO Assistant Commissioner Emma Tobias urged small businesses to take advantage of the amnesty to get back on track with their tax obligations if they have fallen behind.

'The past few years have been tough for many small businesses, with the pandemic and natural disasters having a significant impact. We understand that things like lodging ATO forms may have slipped down the list of priorities. But it is important to get back on track with tax obligations. Lodging these forms are not optional, so we hope our amnesty will make it easier for impacted small businesses to get back on track.'

When forms are lodged with the ATO under the amnesty, businesses or their tax professionals will not need to separately request a remission of FTL penalties.

'All you need to do is lodge your outstanding tax returns or activity statements and we'll take care of the FTL penalty remission from our end. You might see an FTL penalty on your account for a short period of time, but don't worry, we will remit it.'

Ms Tobias also noted that outstanding lodgments can be an early indicator that a small business is not actively engaged with the tax system, which can be a red flag.

'We encourage all businesses to lodge any overdue forms even if they are outside the eligibility period. Whilst forms outside the amnesty eligibility criteria will attract FTL penalties, the ATO will consider your circumstances and may remit such penalties on a case-by-case basis.'

'We understand that some small businesses may be worried about paying an amount owing on their overdue lodgment. If you are unable to make full payment of your debt, remember we can work together with you or your registered tax or BAS agent to figure out the right solution for you.'

'We want to make this process easy and encourage small businesses to do the right thing. If you have a registered tax or BAS agent, now is a good time to reach out to them to make sure you are up to date with your tax affairs.'

'Taxpayers still have an obligation to lodge overdue forms during the amnesty period and we will continue to work with them to help ensure they meet their obligations,' Ms Tobias said.

The ATO offers a range of support options, including payment plans. Many small businesses are also able to set up their own payment plan online.

Ms Tobias also explained that if a business has ceased trading, they need to advise their registered tax professional, or the ATO directly.

The amnesty applies to income tax returns, business activity statements, and fringe benefits tax returns. It does not apply to superannuation obligations and excludes other administrative penalties such as penalties associated with the Taxable Payments Reporting System.

More information

More information is available on:

- [Small Business – Lodgment Penalty Amnesty Program \(/business/bus/supporting-your-small-business/?anchor=Aspartof&anchor=Aspartof#Aspartof\)](/business/bus/supporting-your-small-business/?anchor=Aspartof&anchor=Aspartof#Aspartof).
- [Help with paying \(/General/Paying-the-ATO/Help-with-paying/\)](/General/Paying-the-ATO/Help-with-paying/).
- [Changing, pausing, closing or selling your business \(/business/changing,-selling-or-closing-your-business/\)](/business/changing,-selling-or-closing-your-business/).

Notes to Journalists

- A [headshot](#) ([\(/uploadedImages/Content/CR/Images/Media_centre/Emma%20Tobias%20Headshot.jpg\)](/uploadedImages/Content/CR/Images/Media_centre/Emma%20Tobias%20Headshot.jpg)) of Assistant Commissioner Emma Tobias is available for download from our Media centre.
- [ATO file footage \(/Media-centre/Video-and-audio-files/ATO-file-footage-and-stock-vision/\)](/Media-centre/Video-and-audio-files/ATO-file-footage-and-stock-vision/) is available for use in news bulletins from our Media centre.

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