



Gazette notice: Commissioner of Taxation – Notice of lifestyle assets data-matching program 14 July 2021

The Australian Taxation Office (ATO) will acquire lifestyle assets data from insurance policies for 2020-21 through to 2022-23 for the following assets where the value is equal to or exceeds nominated thresholds.

Asset class	Minimum asset value threshold
Marine vessels	\$100,000
Motor vehicles including caravans	\$65,000
Thoroughbred horses	\$65,000
Fine art	\$100,000 per item
Aircraft	\$150,000

The data items include:

- Client identification details (names, addresses, phone numbers, dates of birth, Australian business number, email address)
- Policy details (policy number, policy inception date, start date of current policy, end date of current policy, total value insured, purchase price of the property insured, registration or identification number of the property, insurance category, policy cost, description of the property insured, primary use type).

We estimate that records relating to approximately 300,000 individuals will be obtained each financial year.

The data will be acquired and matched improve our compliance risk profiling of taxpayers and provide a holistic view of their assets and accumulated wealth. The lifestyle assets data-matching program will allow us to identify and address a number of taxation risks, including:

- taxpayers accumulating or improving assets with insufficient income reported in their tax returns to show the financial means to pay for them
- income tax and capital gains tax (CGT) - taxpayers disposing of assets and not declaring the revenue and/or capital gains on those disposals
- goods and services tax (GST) - taxpayers may be purchasing assets for personal use through their business or related entities and claiming GST credits they are not entitled to
- fringe benefits tax (FBT) - taxpayers may be purchasing assets through their business entities with no apparent nexus with their business activities, but rather applying those assets to the personal enjoyment of an associate or employee giving rise to a fringe benefits tax liability
- self-managed super funds (SMSFs) may be acquiring assets but applying them to the benefit of the fund's trustee or beneficiaries.

The objectives of this program are to:

- promote voluntary compliance and increase community confidence in the integrity of the tax and superannuation systems
- assist with profiling to provide compliance staff with a holistic view of a taxpayer's wealth
- identify possible compliance issues with income tax, CGT, FBT, GST and superannuation obligations
- determine avenues available to assist in debt management activities
- gain insights from the data to help develop and implement treatment strategies to improve voluntary compliance; which may include educational or compliance activities as appropriate
- identify and educate those individuals and businesses who may be failing to meet their registration and/or lodgment obligations and assist them to comply
- help ensure that individuals and businesses are fulfilling their tax and superannuation reporting obligations

A document describing this program is available at ato.gov.au/dmprotocols.

This program follows the Office of the Australian Information Commissioner's *Guidelines on data matching in Australian Government administration* (2014) (the guidelines). The guidelines include standards for the use data-matching as an administrative tool in a way that complies with the Australian Privacy Principles (APPs) and the *Privacy Act 1988* (Privacy Act) and are consistent with good privacy practice.

A full copy of the ATO's privacy policy can be accessed at ato.gov.au/privacy.