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Data-matching letters

Where we find a difference in details on your tax return and data reported to us, we'll send you a letter.

Types of letters



We issue data-matching letters when we find a difference between the details you report and data that is reported to us.

Amended assessment from data-matching



How we notify you we have made an amendment or adjustment to your tax return and, what you can do if you disagree.

QC 41699

Types of data-matching letters

We issue data-matching letters when we find a difference between the details you report and data that is reported to us.

Last updated 24 April 2024

Data matching business letters

What to do if you get a data-matching letter about your business.

Data matching income, deductions and offsets letters

What to do if you get a data-matching letter about income, deductions

claimed, or offsets received in your tax return.

Data matching investment and asset letters

What to do if you get a data-matching letter about investments and assets you report in your tax return.

Data matching Medicare and private health letters

What to do if you get a data-matching letter about Medicare and private health you reported in your tax return.

Taxable payments annual reporting letter

What to do if you disagree with data-matching details in your taxable payments annual reporting letter.

Sale of property letter

What to do if you disagree with the data-matching details in your sale of property data-matching letter.

Data matching business letters



What to do if you get a data-matching letter about your business.

Data matching for income, deductions and offsets



How to deal with a data-matching letter on income reported, deductions claimed, or offsets received in your tax return.

Data matching for investment and assets



What to do if you get a data-matching letter about investments and assets you report in your tax return.

Data matching for Medicare and private health insurance



What to do if you get a data-matching letter about Medicare and private health you reported in your tax return.

Taxable payments annual reporting



We may contact you if we receive information that you did not include payments for TPRS services in your tax return.

Sale of property



We may send you a letter if we think you haven't reported sales of properties on your activity statements.

QC 41701

Data matching business letters

What to do if you get a data-matching letter about your business.

Last updated 19 June 2023

What to do if you get a data-matching letter about your business

Fuel tax credits letter

What to do if you get a fuel tax credit letter from us and you disagree with the details we provide.

Fuel tax credits letter



What to do if you get a fuel tax credit letter from us and you disagree with the details we provide.

QC 72869

Fuel tax credits letter

What to do if you get a fuel tax credit letter from us and you disagree with the details we provide.

Last updated 30 June 2023

Receiving your letter

We may send a letter if the total **fuel tax credits** you claimed on your business activity statements (BAS) during the income year don't match the amount you included on your tax return.

The letter will include a schedule showing the relevant information from your tax return compared with information we hold.

What you need to do

You need to review the schedule and compare the information it contains with your records. You can then determine if you [agree](#) or [disagree](#) with this information.

If you have a question, phone us on **1300 768 912** and select **option 3** between 8:00 am and 6:00 pm, Monday to Friday. Quote the reference number found at the top right of your letter when you contact us.

Fuel tax credits schedule – sample

Below is a sample fuel tax credits schedule. Keep in mind that your schedule will contain your details and may not look exactly like this one.

Use the [definitions](#) to help you understand your schedule.

Sample fuel tax credits schedule

Fuel tax credits schedule for the year ended 30 June 2023

Schedule labels	Amount
Total fuel tax credits claimed on your BAS	\$7,450
Assessable government industry payments included on your tax return	\$0

Difference	\$7,450
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Schedule definitions

The following definitions will help you understand your schedule:

- **Total fuel tax credits claimed on your BAS** – The total amount of fuel tax credits you included on your business activity statements (BAS) during the financial year.
- **Assessable government industry payments included on your tax return** – The amount you declared for fuel tax credits and other taxable government grants on your tax return.
- **Difference** – The difference between the amount you declared on your tax return and the amount we calculate.

If you agree

If you agree with our information, you don't need to do anything. We'll send you an amended notice of assessment 28 days after the date shown on your letter. If you have a myGov account linked to ATO online services, we'll send your amended notice to your myGov inbox.

Once you receive your amended notice of assessment, you'll need to pay any amounts you owe us by the due date.

If you disagree

If you disagree with the details reported, you need to let us know before the due date noted in your letter. You can contact us by either:

- Mail to
Australian Taxation Office
PO BOX 3543
Albury NSW 2640
- Email to
datamatchingteam@ato.gov.au

Be aware that the internet isn't a secure environment. We don't control the path of inbound and outbound emails. If you choose to communicate with us by email, the privacy of your personal information can't be guaranteed.

Once we've assessed your response, you'll receive an amended notice of assessment. The case officer reviewing your supporting documents may contact you if we require additional information.

If we don't receive a response from you within 28 days of your letter's date of issue, we'll automatically amend your tax return using the information we have. You'll then receive an amended notice of assessment.

Supporting documents

If you disagree with information contained in the letter from us about your fuel tax credits, we may ask you to provide one or more of the following supporting documents:

- working papers showing where your fuel tax credits have been included with other income
- annual profit and loss statement.

QC 43487

Data matching for income, deductions and offsets

How to deal with a data-matching letter on income reported, deductions claimed, or offsets received in your tax return.

Last updated 19 June 2023

How to deal with a data-matching letter on income reported, deductions claimed or offsets received in your tax return.

Employment income letter

What to do if you disagree with the data-matching details your employer reports to us in your employment income letter.

Foreign source income letter

What to do if you get a foreign source income letter from us and you disagree with the details we provide.

Government benefit letter

What to do if you get a government benefit letter from us and you disagree with the details we provide.

Interest income letter

What to do if you get an interest income letter from us and you disagree with the details we provide.

Offsets letter

What to do if you get an offsets letter from us and you disagree with the details we provide.

Partnership, trust, or managed fund distribution letter

What to do if you receive a data-matching letter in relation to partnership, trust, or managed fund distributions.

Taxable government grants and payments letter

What to do if you get a taxable government grants and payments letter and you disagree with the details we provide.

Employment income letter



What to do if you disagree with the data-matching details your employer reports to us in your employment income letter.

Foreign source income letter



What to do if you get a foreign source income letter from us and you disagree with the details we provide.

Government benefit letter



What to do if you get a government benefit letter from us and you disagree with the details we provide.

Interest income letter



What to do if you get an interest income letter from us and you disagree with the details we provide.

Taxable government grants and payments letter



What to do if you get a taxable government grants and payments letter and you disagree with the details we provided.

Offsets letter



What to do if you get an offsets letter from us and you disagree with the details we provide.

Partnership, trust, or managed fund distribution letter



What to do if you receive a data-matching letter in relation to partnership, trust, or managed fund distributions.

QC 71089

Employment income letter

What to do if you disagree with the data-matching details your employer reports to us in your employment income letter.

Last updated 31 August 2022

Receiving your letter

You may receive a letter if the income amount that your employer (or employers if you have more than one job) reported to us doesn't match the amount in your tax return.

Employment income is the money you receive from working.

If you have a myGov account linked to us, we will send the letter to your myGov inbox. It will have one of the following titles:

- *We have found an error in your income tax return.*
- *We have received more information about your income tax return.*
- *Notification of a mistake in your income tax return.*

If you don't have a myGov account, we'll send the letter to the most recent postal address we have for you.

If you use a registered tax agent, a copy of the letter will be available for them to view in **communication history** in Online services for agents (OSFA). They can use this to review communications and respond on your behalf.

What you need to do

You need to review the income summary and compare the information with your records. You can then determine if you [agree](#) or [disagree](#).

If you have a question about your data-matching letter, phone us on **1300 768 912**, and select **option 3** between 8:00 am and 6:00 pm, Monday to Friday.

Below is a sample of the employment income schedule on the letter. Keep in mind that your letter will contain your own details and may not look exactly like this. The definitions will help explain your schedule.

Sample income summary for year ended 30 June <CCYY> 1 C–G salary and wages

Source of income	Payer ABN	Amount included on your return	Amount reported to us by a third party	Difference
Ace Employer Pty	1111111111	\$31,238	\$38,895	\$7,657

Sample income summary for year ended 30 June <CCYY> 1 C–G salary and wages – tax withheld

Source of income tax withheld	Payer ABN	Amount included on your return	Amount reported to us by a third party	Difference
Ace Employer Pty	1111111111	\$8,328	\$7,657	\$67

Definitions to understand your schedule

The following definitions will help you to understand your schedule:

- **Each table relates to an item or label in your tax return** – this will show you what you lodged in your tax return.
- **Source of income or tax withheld** – all employment income that has been reported to us by your employer (or employers).
- **Payer ABN** – each employer's ABN for the employment income reported to us.
- **Amount included in your return** – the income amount you declared for the relevant item or label in your tax return.
- **Amount reported to us by a third party** – the amount reported by the employer (or employers).
- **Difference** – the amount of income not declared in your return, or the amount of tax withheld you claimed that is above the total credit advised by your employer (or employers).

Income statement not finalised or missing payment summary sets out what you can do if:

- your income statement isn't finalised by your employer
- you can't get or locate your payment summary.

Single Touch Payroll for employees explains the nature of the tax and super information you receive when your employer pays you.

If you agree

If you agree with the information provided in the letter, you can advise us of your decision through ATO online services using the ATO app or

your myGov account.

Log in to ATO online services, then:

- select **Manage tax returns**
- select **Pending ATO amendments**
- select **Agree with amendment.**

We will process the amendment and send you an amended notice of assessment.

Alternately, if we don't hear from you, we will change your tax return to include the information provided. We will send you an amended notice of assessment after 28 days, which may result in more interest charges.

Once you receive your amended notice of assessment, you'll need to pay any amounts you owe us by the due date.

If you disagree

If you disagree with the amounts reported, you have 28 days to respond. You must also provide [supporting documents](#) that show how the amounts are incorrect.

If we don't receive a response from you within 28 days, we will automatically amend your tax return with the information we have from your employer. You will then receive an amended assessment.

To let us know that you disagree with the information provided, you can send us your details online, by mail or by email:

Online through ATO online services using the ATO app or your myGov account:

- select **Manage tax returns**
- select **Pending ATO amendments**
- select **Disagree with amendment**
- select a reason for disagreeing
- upload your supporting documents.

By mail to

Australian Taxation Office

**PO Box 3543
ALBURY NSW 2640**

By email to datamatchingteam@ato.gov.au

Be aware, the internet is not a secure environment. We do not control the path of inbound and outbound emails. If you choose to communicate with us by email the privacy of your personal information can't be guaranteed.

Your response will be assessed and once finalised you will receive an amended notice of assessment. You may be contacted by the case officer reviewing your supporting documents if we require additional information.

If we don't receive a response from you in 28 days, we will automatically amend your tax return to align with the information we have. You will then receive an **amended notice of assessment**.

Supporting documents

We may ask you to provide the following supporting documents, if you disagree with the information in the letter about your employment income:

- An income statement, payment summary or payslips from employers you had during the identified financial year.
- Any amended payment summaries or income statements from your employer (or employers).
- A final payslip that provides details of your annual salary.
- A full year bank statement showing deposits.

You or your tax professional can send this information to us.

QC 41706

Foreign source income letter

What to do if you get a foreign source income letter from us and you disagree with the details we provide.

Receiving your letter

Income you need to declare includes all your worldwide income including **foreign source income**. Foreign income exempt from Australian tax may still be taken into account to work out the amount of tax you have to pay on your other income.

You may receive a letter if the information we receive shows you derived income or other taxable amounts from foreign sources that do not match the amounts in your tax return.

The letter will include a schedule showing the relevant information from your tax return compared with the information we hold.

All foreign income, deductions and foreign tax paid must be converted to Australian dollars before you include them on your tax return.

What you need to do

You need to review the foreign source income schedule and compare the information with your records. You can then determine if you [agree](#) or [disagree](#).

If you have a question about your data-matching letter, phone us on **1300 768 912**, and select option **3** between 8:00 am and 6:00 pm, Monday to Friday.

Quote the reference number from your letter when you contact us. You can find it at the top right of your letter.

Below is a sample of the foreign source income schedule on the letter. Keep in mind that your letter will contain your own details and may not look exactly like this. The [definitions](#) will help explain your schedule.

The transaction information in table 1 below has been given to us by the Australian Transaction Reports and Analysis Centre (AUSTRAC) and shows international fund transfer instructions made to you from the country listed.

Table 1 – Reported foreign source income information for the 2022 financial year

Country	Transaction date	Payer name	Assessable amount (\$)
Singapore	06/07/2021	XYZ	\$4,600
Malaysia	03/09/2021	ABC	\$7,400

Total amounts reported: \$12,000

The information in table 2 has been provided to us under authority of the Exchange of Information Agreements between the Government of Australia and the Government of the Foreign Country specified.

Table 2 – Reported foreign source income information for the 2022 financial year

Foreign revenue authority (country)	Type of income	Payer name	Tax amount (\$)	Assessable amount (\$)
Canada	Pension	XYZ	\$0	\$1,700

Total tax reported: \$0

Total assessable amount: \$1,700

Definitions to understand your schedule

The following definitions will help you understand your schedule:

- **Financial year** – the financial year to which the income relates.
- **Foreign revenue authority** – an overseas government agency responsible for the collection of revenue in that country.
- **Type of income** – the type of foreign source income you received (for example, interest, royalties, business profits, director's fees, pension, capital gains or other income).
- **Tax withheld amount** – the amount of tax that was withheld.
- **Assessable amount** – gross income, including salary and wages, dividends, interest and rent from a foreign source, before any deductions are allowed (assessable income can also include net

capital gains, eligible termination payments and other amounts from a foreign source that are not ordinarily classed as income).

- **Country** – the country in which the transaction occurred.
- **Transaction date** – the date of the transaction.
- **Payer name** – the recorded payer of the transaction if available.

If you agree

If you agree with our information, you don't need to do anything. We'll send you an amended notice of assessment 56 days after the date shown on your letter. If you have a myGov account linked to ATO online services, we'll send your amended notice to your myGov inbox.

If you have other foreign source income that you did not declare, you should advise us of these as part of this review.

Once you receive your amended notice of assessment, you'll need to pay any amounts you owe us by the due date.

If you disagree

If you disagree with the details reported, you need to let us know before the due date noted in your letter. You can contact us by either:

- mail to
Australian Taxation Office
PO BOX 3543
Albury NSW 2640
- email to
datamatchingteam@ato.gov.au

The internet isn't a secure environment and we don't control the path of inbound and outbound emails. If you choose to communicate with us by email, we can't guarantee the privacy of your personal information.

If you respond within 56 days

Once we've assessed your response, you'll receive an amended notice of assessment. The case officer reviewing your supporting documents may contact you if we require additional information.

If you don't respond

If we don't receive a response from you within 56 days of your letter's date of issue, we'll automatically amend your tax return using the information we have. You'll then receive an amended notice of assessment.

Supporting documentation

If you disagree with information contained in the letter from us about your foreign source income, we may ask you to provide one or more of the following:

- your PAYG payment summary or payslips from your foreign employer
- your foreign tax assessments
- the distribution advice for your company, partnership and trust, including deceased estates
- your bank statements and/or certificates
- your business schedules/accounts.
- your foreign employment tax exemption details, including one or more of:
- your employment contract or letter confirming you were allowed to return to Australia
- your section 23AF approval letter
- your employment contract to prove that you are a member of the Australian Defence Force and on eligible duty overseas
- evidence that your deployment outside of Australia was by an Australian Government (or Australian Government authority) as a member of a disciplined force
- evidence that your employer's activities are directly attributable to (one of):
- delivering Australian official development assistance
- operating a public fund declared by the Treasurer to be a developing country relief fund
- operating a public fund in a foreign country to provide monetary relief to people who are distressed as a result of disaster (public

disaster relief fund) (public disaster relief fund)

- operating as a charitable or religious institution located in a foreign country that is exempt from Australian income tax.

QC 43485

Government benefit letter

What to do if you get a government benefit letter from us and you disagree with the details we provide.

Last updated 27 June 2023

Receiving your letter

We send you a letter about your **government benefits** if the amount paid to you by Services Australia and other government agencies doesn't match the amount you declared in your tax return.

The letter will include a schedule that compares the details you declared in your tax return with the information we have.

If you have a myGov account that is linked to ATO online services, we'll send the letter to your myGov Inbox titled: *We have found an error in your income tax return.*

If you don't have a myGov account, we'll send the letter to the most recent postal address we have for you.

What you need to do

You need to review the schedule and compare the information it contains with your records. You can then determine if you [agree](#) or [disagree](#) with the amended details.

If you have a question, we have a dedicated phone line you can use. You can phone us on **1300 768 912** and select **option 3** between 8:00 am and 6:00 pm, Monday to Friday.

You'll need to quote the reference number from your letter when you contact us. The reference number can be found at the top right of your

letter.

Government benefits schedule – sample

Below is a sample government benefits schedule. Keep in mind your schedule will show the relevant information from your tax return compared with information we hold and may not look exactly the same. Use the [definitions](#) to help you understand your schedule.

Sample: Reported payment summaries for the year ended 30 June <CCYY>

Reported income statement summary

Income difference	Overclaimed credit
\$16,781	\$1,379

Breakdown of government income as reported by third parties

Source of income	Payer ABN or account number	Income amount	Credit or offset amount
Government department	55555555555	\$16,781	\$5,973
Another government department	77777777777	\$3,972	\$476

Schedule definitions

The following definitions will help you understand your schedule:

- **Income difference** – the amounts of income not declared on your tax return.
- **Overclaimed credit** – the amounts of extra credit you claimed which is above the total credit we were advised by your payers.
- **Source of income** – a list of each source of government benefits paid to you, as reported to us by government departments.

- **Payer ABN** – the payer's ABN for each source of government benefit income reported to us.
- **Income amount** – the income amount for each source of government benefit income reported to us.
- **Credit amount** – the credit amount for each source of government benefit income reported to us (the tax withheld from income paid to you).

If you agree

If you agree with our information, you don't need to do anything. We'll send you an amended notice of assessment 28 days after the date shown on your letter. If you have a myGov account linked to ATO online services, we'll send your amended notice to your myGov inbox.

Once you receive your amended notice of assessment, you'll need to pay any amounts you owe us by the due date.

If you disagree

If you disagree with the details reported, you need to let us know before the due date noted in your letter. You can contact us by either:

- Mail to

Australian Taxation Office
PO BOX 3543
Albury NSW 2640

- Email to
datamatchingteam@ato.gov.au

Be aware that the internet isn't a secure environment. We don't control the path of inbound and outbound emails. If you choose to communicate with us by email, the privacy of your personal information can't be guaranteed.

Once we've assessed your response, you'll receive an amended notice of assessment. The case officer reviewing your supporting documents may contact you if we require additional information.

If we don't receive a response from you within 28 days of your letter's date of issue, we'll automatically amend your tax return using the

information we have. You'll then receive an amended notice of assessment.

Supporting documents

If you disagree with information contained in the letter from us about your government benefits, we may ask you to provide these supporting documents:

- your PAYG payment summary from the relevant agencies
- a letter from any agencies that paid your allowance or payment, stating the amount you received.

QC 41708

Interest income letter

What to do if you get an interest income letter from us and you disagree with the details we provide.

Last updated 27 June 2023

Receiving your letter

We may send you a letter about interest income you declared in your tax return, if it doesn't match the interest amount a financial institution reports it paid to you.

The letter will include an income summary schedule that compares the details you declared in your tax return with the information the financial institution reports.

If you have a myGov account that is linked to ATO online services, we'll send the letter to your myGov Inbox titled: *We have found an error in your income tax return.*

If you don't have a myGov account, we'll send the letter to the most recent postal address we have for you.

What you need to do

You need to review the income summary schedule and compare the information it contains with your records (including any accounts you closed during the year). You can then determine if you [agree](#) or [disagree](#) with the amended details.

You may also need to contact your financial institution if the details on the schedule don't seem correct.

Ensure you've declared your interest income correctly for the type of account you hold:

- **Individuals accounts** – if you've earned interest from an account that's only in your name, you need to declare it.
- **Accounts held for a child** – the interest must be declared by the person who owns or uses the funds in the account. See, **Children's savings accounts**.
- **Accounts held in trust** – the interest must be declared by the person who has beneficial ownership of the funds (that is, the person who benefits from the funds or has the power to influence transaction decisions).
- **Joint accounts** – we assume each account holder has an equal beneficial ownership of the funds, so the interest earned or paid is apportioned equally between all account holders (for example, 50% each for 2 account holders or 25% each for 4 account holders).

For joint accounts, if the actual beneficial ownership of the account is not in equal shares, you'll need to provide [supporting documents](#) that demonstrate your share. For more information on joint accounts, including children's savings accounts, see *TD 2017/11 Income tax: who should be assessed to interest on bank accounts?*

If you have a question, we have a dedicated phone line you can use. You can phone us on **1300 768 912** and select **option 3** between 8:00 am and 6:00 pm, Monday to Friday.

You'll need to quote the reference number from your letter when you contact us. The reference number can be found at the top right of your letter.

Interest income schedule – sample

Below is a sample interest schedule. Keep in mind that your schedule will contain the relevant information from your tax return compared

with information we hold and may not look exactly the same. Use the [definitions](#) to help you understand your schedule.

Sample: Interest income schedule for the year ended 30 June <CCYY>

Interest income reported

Amount	Interest income	Tax withheld
Amount reported to us by a third party	\$1,722	\$0
Amount included in your return	\$1,230	\$0
Difference	\$492	\$0

Breakdown of interest income as reported by third parties

Source of income	Account number	Interest income	Tax withheld
Big Bank	54532458463/J	\$953	\$0.00
ABC Finance	3541586/I	\$492	\$0.00
Northwest Banking Corporation	935415658/I	\$277	\$0.00

Note:

- The /I at the end of the account number represents an individual account.
- The /J at the end of the account number represents a joint account, and this is your share of the interest.

Schedule definitions

The following definitions will help you understand your schedule:

- **Amounts advised by your financial institution** – the total amount of interest income and tax withheld, as reported to us by financial institutions.
- **Amounts you included on your tax return** – the total amount of interest income and tax withheld you declared in your tax return.
- **Difference** – the difference between the interest you declared on your tax return and the interest amounts reported to us by financial institutions.
- **Source of income** – a list of each source of interest paid to you, as reported to us by financial institutions.
- **BSB number** – the bank-state-branch number for each source of interest reported to us.
- **Account number** – the account number for each source of interest reported to us.
- **Interest income** – the interest amount for each source of interest reported to us.
- **Tax withheld** – the amount of tax withheld for each source of interest reported to us.

If you agree

If you agree with our information, you don't need to do anything. We'll send you an amended notice of assessment 28 days after the date shown on your letter. If you have a myGov account linked to ATO online services, we'll send your amended notice to your myGov inbox.

Once you receive your amended notice of assessment, you'll need to pay any amounts you owe us by the due date.

If you disagree

If you disagree with the details reported, you need to let us know before the due date noted on your letter. You can contact us by either:

- Mail to
Australian Taxation Office
PO BOX 3543
Albury NSW 2640

- Email to
datamatchingteam@ato.gov.au

Be aware that the internet is not a secure environment. We don't control the path of inbound and outbound emails. If you choose to communicate with us by email the privacy of your personal information can't be guaranteed.

Once we've assessed your response, you'll receive an amended notice of assessment. The case officer reviewing your supporting documents may contact you if we require additional information.

If we don't receive a response from you within 28 days of your letter's date of issue, we'll automatically amend your tax return using the information we have. You'll then receive an amended notice of assessment.

Supporting documents

If you disagree with information contained in the letter from us about your interest income, we may ask you to provide these supporting documents:

- bank statements covering the whole financial year
- your end-of-financial-year statement notice
- trust documents
- a letter from your financial institution confirming the total interest paid in the financial year.

For joint accounts we may ask you to provide supporting documents that show:

- the source of the funds (for example, bank deposit records)
- the portion and nature of the contributions
- who used the funds and interest.

Taxable government grants and payments letter

What to do if you get a taxable government grants and payments letter and you disagree with the details we provided.

Last updated 19 December 2022

Receiving your letter

You may receive a letter if the information we receive indicates you obtained a government grant or payment and you did not include this income in your tax return.

In line with our **taxable government grants and payments data-matching protocol**, we request data from various federal, state and local government agencies to match with information we hold.

The letter will include a schedule showing the relevant information from your tax return compared with information we hold.

What you need to do

You need to review the taxable government grant or payment schedule and compare the information with your records. You can then determine if you [agree](#) or [disagree](#).

If you have a question about your data-matching letter, phone us on **1300 768 912**, and select option **3** between 8:00 am and 6:00 pm, Monday to Friday.

Quote the reference number from your letter when you contact us. You can find it at the top right of your letter.

Below is a sample schedule of the taxable government grant or payment schedule on the letter. Keep in mind that your letter will contain your own details and may not look exactly like this. The [definitions](#) will help explain your schedule.

Sample: taxable government grant or payment schedule

Income schedule for the year ended 30 June 2022

Source of income (entity name)	Payer ABN/ Account number	Amount included in your tax return (\$)	Amount reported to us by a third party (\$)	D (\$)
Department/council – Assessable government industry payment	00 123 456 789	\$0	\$20,000	
Department/council – Other gross income	00 123 456 789	\$3,000	\$25,000	

Definitions to understand your schedule

The following definitions will help you understand your schedule:

- **Tax return item and description** – the relevant item on your tax return.
- **Amount you declared** – the amount you declared against each applicable item on your tax return.
- **Discrepancy** – the difference between the amount you declared on your tax return and the amount that has been reported to us.
- **Proposed adjustment amount** – the amount we propose to include on your tax return.
- **Payer ABN** – the ABN of the reporting payer for each source of income, as reported to us.
- **Source of income/entity name** – the name of the reporting payer for each source of income, as reported to us.
- **Amount** – the amount of income reported to us.

If you agree

If you agree with the information provided in the letter, you don't have to contact us or take action. We will change your tax return to include the information provided. We will send you an amended notice of assessment after 28 days.

If you realise that, in addition to the amounts we have shown, you have omitted income from other sources or from the same source in other income years, you should give us the details so we can include it in your amended assessments.


We continually check for missing, inaccurate or incomplete information on tax returns.

Once you receive your amended notice of assessment, you'll need to pay any amounts you owe us by the due date.

If you disagree

If you disagree with the information provided, you need to let us know before the due date in your letter. You must also provide [supporting documents](#) that show how the amounts are incorrect.

You can contact us by either:

- mail to
Australian Taxation Office
PO Box 3543
ALBURY NSW 2640
- email to
datamatchingteam@ato.gov.au 

The internet isn't a secure environment and we don't control the path of inbound and outbound emails. If you choose to communicate with us by email, we can't guarantee the privacy of your personal information.

If you respond by the due date

Once we have assessed your response, you'll receive an amended notice of assessment. The case officer reviewing your supporting documents may contact you if we require additional information.

If you don't respond

If we don't receive a response from you within 28 days of your letter's date of issue, we'll automatically amend your tax return using the information we have. You'll then receive an amended notice of assessment.

Supporting documents

If you disagree with information in the letter about your taxable government grants and payments, we may ask you to provide supporting documents as evidence of your exemption. This may include:

- documents supplied by the agency, indicating the payment was not business-related
- bank statements for relevant review periods
- invoices issued during relevant review periods
- a letter from the agency, providing an explanation of the nature of payments made in the period under review
- payment remittance advices or summaries provided by the agency
- business schedules.

The documents we ask you to provide will depend on your individual circumstances.

QC 43497

Offsets letter

What to do if you get an offsets letter from us and you disagree with the details we provide.

Last updated 19 December 2022

Receiving your letter

An **offset** can help reduce your tax payable. To be eligible to claim an offset you must be an Australian resident for tax purposes.

You may receive a letter about offsets if you have claimed an offset in your tax return that you may not be entitled to or is incorrect.

The letter will include information on the type of offset you claimed and links to tools that will help you check your eligibility.

Depending on the type of offset letter you receive from us, it may include:

- a questionnaire for you to complete and return
- a schedule showing the discrepancy we've found.

Not all letters will include a schedule or questionnaire.

What you need to do

You need to review the information in your letter and compare the information with your records. You can then determine if you [agree](#) or [disagree](#).

If you have a question about your data-matching letter, phone us on **1300 768 912**, and select option **3** between 8:00 am and 6:00 pm, Monday to Friday.

Quote the reference number from your letter when you contact us. You can find it at the top right of your letter.

If you agree


If you agree with the information provided in the letter, you don't have to contact us or take action. We will change your tax return to include the information provided. We will send you an amended notice of assessment after 28 days.

Once you receive your amended notice of assessment, you'll need to pay any amounts you owe us by the due date.

If you disagree

If you disagree with the information provided, you need to let us know before the due date in your letter. You must also provide [supporting documentation](#) that shows how the amounts are incorrect.

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- email to
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Supporting documentation

If you disagree with information in the letter about your tax offsets, we may ask you to provide supporting documents as evidence. This may include:

Table: Type of offset

Type of offset	Supporting documents
Australian superannuation income stream	<ul style="list-style-type: none">• Copies of original or amended payment summaries, showing superannuation lump sums offset amounts.• Documents from the paying fund or scheme, showing the amount of your offset entitlement.
Invalid and invalid carer	<p>For each invalid, provide:</p> <ul style="list-style-type: none">• proof of identity – for example, copy of their passport with current visa, birth certificate or marriage certificate• their residential address• their relationship to you• the period of their dependency• proof they received one of the following<ul style="list-style-type: none">– Disability Support Pension from Centrelink– Special Needs Disability Support Pension from Centrelink

- Invalidity Service Pension from the Department of Veterans' Affairs (VEA)
- how you maintained them for the past financial year
 - did they live in the same house?
 - did you provide them with food, clothing or lodging?
 - did you help them pay for their living, medical and educational costs?
 - details of any other income they earned during the year.

For each carer (invalid carer),
provide:

- for both the carer and the invalid they are caring for
 - proof of identity – for example, copy of their passport with current visa, birth certificate or marriage certificate
 - their residential addresses
 - their relationship to you
- for the carer – the period of their dependency
- proof they (as carer) received one or both of the following
 - Carer Payment from Centrelink
 - Carer Allowance from Centrelink
- if the carer is not receiving a Carer Payment or Carer Allowance from Centrelink, evidence the invalid they are caring for is receiving

	<ul style="list-style-type: none"> – Disability Support Pension from Centrelink – Special Needs Disability Support Pension from Centrelink – Invalidity Service Pension from the Department of Veterans' Affairs <ul style="list-style-type: none"> • how you maintained the carer for the past financial year: <ul style="list-style-type: none"> – did they live in the same house? – did you provide them with food, clothing or lodging? – did you help them pay for their living, medical and educational costs? – details of any other income they earned during the year.
Spouse – without dependent child or student	<ul style="list-style-type: none"> • Proof of identity of your spouse – for example, a copy of their passport, birth certificate or marriage certificate. • Evidence of the residential address of your spouse – for example, a copy of a bank statement, letter from Services Australia, driver's licence, or rates notice that shows their name and address. • Details of your spouse's adjusted taxable income (ATI). • Documents confirming you or your spouse are entitled to receive the family tax benefit Part B from Family Assistance. If in doubt, confirm this with Services Australia.

	<ul style="list-style-type: none"> • Your calculation of the spouse tax offset. • If your spouse is not Australian, but you have applied for your spouse to immigrate, an immigration application and evidence of your contribution to the maintenance of your spouse.
Seniors and pensioners, including self-funded retirees	<ul style="list-style-type: none"> • Documents that show all of your Australian government pensions, allowances or other income you received for the financial year. • If you had a spouse during the income year, documents that show <ul style="list-style-type: none"> – their full name – their residential address – details of whether you lived together with your spouse or had to live apart due to illness, or one of you was in a nursing home – details of their spouse's rebate income – details of their spouse's section 98 trust income.

You or your tax professional can send this information to us.

QC 43494

Partnership, trust, or managed fund distribution letter

What to do if you receive a data-matching letter in relation to partnership, trust, or managed fund distributions.

Last updated 10 October 2022

Receiving your letter

We may send you a letter if a partnership, trust, or managed fund reports distribution amounts to us and these don't match the amounts you declared in your tax return.

The letter will include a summary that compares the amounts you declare in your tax return with the information the partnership, trust, or managed fund reports to us.

Generally, as a beneficiary of a trust you must include your share (your entitlement) of the net income of the trust in your tax return and pay tax on it, even if you weren't paid the income from the trust.

If you have a **myGov account linked to us**, we will send the letter to your myGov inbox. It will have the title, *Have you included all information in your tax return?*

If you don't have a myGov account, we'll send the letter to the most recent postal address that we have for you.

What you need to do

You need to review the summary and compare the information it contains with your records. You can then determine if you [agree](#) or [disagree](#) with this information.

If you have a question, phone us on **1300 768 912** and select **option 3** between 8:00 am and 5:00 pm, Monday to Friday, quoting the:

- reference number found at the top right of your letter
- words 'data-matching'.

Below is an example of the summary included with your letter. Keep in mind that your summary will contain the relevant information from your tax return compared with the information reported to us and may not look exactly the same.

Use the [definitions](#) to help you understand your summary.

Table 1: Summary for the income year ending 30 June 2022

Code	Distributions reported to us	Amount included in your return	Difference
TNI	\$1,986.74	\$1,708.00	\$284.74
FCT	\$174.86	\$295.59	\$120.73

Table 2: Breakdown of distributions as reported by third parties

Code	Source of distribution	Payer ABN/Account number	Amount of distribution
TNI	ACBD Invest Trust	123 456 789 10	\$1,986.74
FCT	XYZ Trust	9876543210 /J	\$174.86

Note:

- The **/I** at the end of the account number represents an investment held individually.
- The **/J** at the end of the account number represents an investment held jointly, and this is your share of the distribution amount.

Definitions to understand your summary

The following definitions will help you understand your summary:

- **Code** – a 3 letter code indicating the type of distribution reported to us. (a table titled, *Explanation of the codes* is included with your letter).
- **Distributions reported to us** – the distribution amount reported to us from a partnership, trust, or a managed fund for the corresponding code.

- **Amount included in your return** – the amount you declared in your tax return for the corresponding code.
- **Difference** – the difference between the distributions reported to us and the amount included in your return for each code (a negative difference amount in your summary represents either an income amount that was over-reported, or a tax credit, offset or deduction amount that you may have an entitlement to).
- **Source of distribution** – the name of the partnership, trust, or managed fund that reported the distribution amounts to us.
- **Payer ABN/Account number** – the Australian business number of the source of distribution or your account number that is held on file by the source of distribution.
- **Amount of distribution** – the amount reported to us by each source of distribution for each code.

If you agree

If you agree with the information in your summary, you don't need to do anything. We'll change your income tax return to include the amounts in your summary.

We will then send you an amended notice of assessment 28 days after the date we issued your letter.

If you have a myGov account linked to ATO online services, your amended notice of assessment will be sent to your myGov inbox.

Once you receive your amended notice of assessment you'll need to pay any outstanding amounts by the due date.

If you disagree

If you disagree with the information in your summary, you have 28 days to respond. You must tell us what is incorrect and provide [supporting documents](#) that show how the amounts are incorrect. You can contact us by either:

- Mail to
Australian Taxation Office
PO BOX 3543
Albury NSW 2640

- Phone on **1300 768 912** and select **option 3** between 8:00 am and 5:00 pm, Monday to Friday.
- Email to datamatchingteam@ato.gov.au

Be aware that the internet is not a secure environment. We don't control the path of inbound and outbound emails. If you choose to communicate with us by email, we can't guarantee the privacy of your personal information.

Ensure you quote the reference number found at the top right of your letter and the words 'data-matching' when you contact us.

If you respond within 28 days

Once we've assessed your response, we will advise you of the outcome. The officer reviewing your supporting documents may contact you if additional information is required.

If you don't respond

If we don't receive a response from you within 28 days of your letter's date of issue, we'll automatically amend your tax return using the information we have and send you an amended notice of assessment.

Once you receive your amended notice of assessment, you'll need to pay any outstanding amounts by the due date.

Supporting documents

If you disagree with the information in your summary, we may ask you to provide the following supporting documents:

- A copy of your annual tax statement or statement of distribution you received from the source of distribution confirming the amounts in your tax return.
- A financial statement or breakdown you received from the source of distribution showing the distribution amounts.
- A breakdown of how you calculated the amounts in your tax return.
- An explanation why the amounts in your tax return differs to the amounts reported to us.

Where amounts reported to us by the source of distribution mismatch with the amounts they provided to you in your statement of distribution we will, in most instances, require you to contact that source of distribution and discuss the anomaly with them.

By doing this, the mismatch is often rectified by the source of distribution issuing you an amended statement of distribution or they report amended amounts to us.

If you declare the amounts in an associated entity's tax return (for example, a self-managed superannuation fund), you will need to:

- provide us with the tax file number (TFN) of the associated entity
- show us that the amounts have been included in the associated entity's tax return.

You will also need to contact the source of distribution and request them to update their records with the details and TFN of the correct recipient of the distribution. This will assist us to match the distribution amounts to the correct tax return in future years.

QC 43495

Data matching for investment and assets

What to do if you get a data-matching letter about investments and assets you report in your tax return.

Last updated 15 December 2022

What to do if you get a data-matching letter about investments and assets you reported in your tax return.

Capital gains tax letter

What to do if you get a capital gains tax letter from us and you disagree with the details we provide.

Dividend income letter

What to do if you get a dividend income letter from us and you disagree with the details we provide.

Employee share scheme letter

What to do if you get an employee share scheme letter from us and you disagree with the details we provide.

Rental expenses letter

What to do if you get a rental expense letter from us and you disagree with the details we provide.

Capital gains tax letter



What to do if you get a capital gains tax letter from us and you disagree with the details we provide.

Dividend income letter



What to do if you get a dividend income letter from us and you disagree with the details we provide.

Employee share scheme letter



What to do if you get an employee share scheme letter from us and you disagree with the details we provide.

Rental expenses letter



What to do if you get a rental expense letter from us and you disagree with the details we provide.

QC 71090

Capital gains tax letter

What to do if you get a capital gains tax letter from us and you disagree with the details we provide.

Last updated 19 December 2022

Receiving your letter

Capital gains tax is the tax you pay on profits from selling assets, such as property.

You may receive a letter if the information we receive indicates that you sold a property, and we haven't been able to determine if it was your **main residence** based on the information, we have available.

As such, we haven't been able to determine whether you need to pay capital gains tax or whether you are **entitled to the main residence exemption**.

The letter will include a schedule showing the relevant information from your tax return compared with information we hold.

Generally, your main residence is exempt from capital gains tax. The exemption cannot be claimed for property sold as vacant land.

What you need to do

You need to review the capital gains schedule and compare the information with your records. You can then determine if you [agree](#) or [disagree](#).

If you have a question about your data-matching letter, phone us on **1300 768 912**, and select option **3** between 8:00 am and 6:00 pm, Monday to Friday.

Quote the reference number from your letter when you contact us. You can find it at the top right of your letter.

Below is a sample of the capital gains schedule on the letter. Keep in mind that your letter will contain your own details and may not look exactly like this. The [definitions](#) will help explain your schedule.

Sample: capital gains schedule

Capital gains schedule for the year ended 30 June 2022 – [property address]

Purchase date	Purchase price	Sale date	Sale price
15/03/2000	\$100,000	30/05/2022	\$500,000

Calculation of your capital gain – estimate

Detail	Amount
Purchase price (plus):	\$100,000
Estimated purchase, sale and other costs*	\$50,000
Total cost base	\$150,000
Capital proceeds from disposal of property	\$500,000
Gross capital gain	\$350,000
Your share of capital gain	\$350,000
Less any applicable capital losses	\$0
Capital gain prior to discount	\$350,000
Applicable discount for eligible transactions	50%
NET CAPITAL GAIN	\$175,000

Definitions to understand your schedule

The following definitions will help you understand your schedule:

- **Purchase details** – information provided by the state and territory revenue and land title offices.
- **Sale details** – information provided by the state and territory revenue and land title offices.
- **Estimated purchase, sale and other costs** – we have allowed 10% of the sale price as an estimate of the purchase, sale and other costs associated with the property.
- **Total base cost** – the total of purchase price and estimated purchase, sale and other costs.
- **Capital proceeds from disposal of the property** – the amount of money or the value of any property you receive or are entitled to receive as a result of the disposal of the property.

- **Gross capital gain** – the difference between your asset's total cost base and your capital proceeds.
- **Your share of capital gain** – if multiple people own this asset, then your share of the capital gain is the portion of the property that you own.
- **Capital losses** – capital losses from other capital gains tax (CGT) events that you have chosen to apply to this capital gain.
- **Capital gain prior to discount** – the capital gain before any CGT discount that you may be eligible for has been taken into account.
- **Applicable discount for eligible transactions** – the CGT discount rate that you may be eligible to apply on your capital gain.
- **Net capital gain** – the capital gain you need to include in your assessable income.

If you agree

If you agree with the information provided in the letter, you don't have to contact us or take action. We will change your tax return to include the information provided. We will send you an amended notice of assessment after 28 days.

If you realise that, in addition to the amounts we have shown, you have omitted income from other sources or from the same source in other income years, you should give us the details so we can include it in your amended assessments.

We continually check for missing, inaccurate or incomplete information on tax returns.

Once you receive your amended notice of assessment, you'll need to pay any amounts you owe us by the due date.


If you disagree

If you disagree with the information provided, you need to let us know before the due date in your letter. You must also provide [supporting documents](#) that show how the amounts are incorrect.

You can contact us by either:

- mail to
Australian Taxation Office

**PO Box 3543
ALBURY NSW 2640**

- email to
datamatchingteam@ato.gov.au 

The internet isn't a secure environment and we don't control the path of inbound and outbound emails. If you choose to communicate with us by email, we can't guarantee the privacy of your personal information.

If you respond by the due date

Once we have assessed your response, you'll receive an amended notice of assessment. The case officer reviewing your supporting documents may contact you if we require additional information.

If you don't respond

If we don't receive a response from you within 28 days of your letter's date of issue, we'll automatically amend your tax return using the information we have. You'll then receive an **amended notice of assessment**.

Supporting documents

If you disagree with information in the letter about your capital gains, we may ask you to provide supporting documents as evidence of your exemption. This may include:

Type of capital gain	Supporting documents
Main residence	<p>Documents that show your address during the relevant dates, from either:</p> <ul style="list-style-type: none">• an Australian Government department• your financial institution• your driver's licence• a utility bill showing usage details. <p>If you owned other property during that time, documents that show:</p> <ul style="list-style-type: none">• the addresses of those properties

	<ul style="list-style-type: none"> • main residence exemptions claimed for those properties.
Partial main residence	<p>Documents that show the dates you resided at the property, from either:</p> <ul style="list-style-type: none"> • an Australian Government department • your financial institution • your driver's licence • a utility bill • documents that show the dates you derived income from the property. <p>Documents that show your calculation of the capital gain or loss, including:</p> <ul style="list-style-type: none"> • purchase and sale dates • invoices for capital purchases • year-end statements. <p>If you are a foreign resident, documents that show:</p> <ul style="list-style-type: none"> • the property was used to carry on a business • the foreign residents and/or their associates hold 10% or more of the entity and the value of interest is attributed to Australian real estate.
Rental properties, holiday homes and vacant land	<p>If you're providing us with your own calculation of the capital gain or loss, provide a worksheet that shows:</p> <ul style="list-style-type: none"> • the purchase price and associated purchase expenses such as stamp duty, conveyancing fees and borrowing costs • holding costs, such as <ul style="list-style-type: none"> – interest – rates and taxes

	<ul style="list-style-type: none"> – repairs and maintenance • capital improvements, including contracts for building and/or improvement works • disposal costs, such as advertising and agent commissions.
Marriage or relationship breakdown rollover	A court order or financial agreement if you disposed of the property (or your share) to your ex-spouse because of a court order of binding financial agreement under the <i>Family Law Act 1985</i> .

You or your tax professional can send this information to us.

QC 43480

Dividend income letter

What to do if you get a dividend income letter from us and you disagree with the details we provide.

Last updated 27 June 2023

Receiving your letter

We may send you a letter about dividend income you declared in your tax return, if it doesn't match the dividend amount a company reports it paid to you.

The letter will include an income summary schedule that compares the details you declared in your tax return with the information the company reports.

If you have a myGov account that is linked to ATO online services, we'll send the letter to your myGov Inbox titled: *We have found an error in your income tax return.*

If you don't have a myGov account, we'll send the letter to the most recent postal address we have for you.

What you need to do

You need to review the income summary schedule and compare the information it contains with your records. You can then determine if you [agree](#) or [disagree](#) with the amended details.

If you have a question, we have a dedicated phone line you can use. You can phone us on **1300 768 912** and select **option 3** between 8:00 am and 6:00 pm, Monday to Friday.

You'll need to quote the reference number from your letter when you contact us. The reference number can be found at the top right of your letter.

If you report your dividend income in another entity's tax return (for example, a partnership, trust, company or superannuation fund), you need to advise us of the tax file number (TFN) and dividend amounts shown on that tax return.

You should ask the company to record that TFN on its register. This will help match the dividends to the correct tax return in future.

Dividend income schedule – sample

Below is a sample dividend income schedule. Keep in mind your schedule will show the relevant information from your tax return compared with information we hold and may not look exactly the same. Use the [definitions](#) to help you understand your schedule.

Sample: Dividend income schedule for the year ended 30 June
<CCYY>

Dividend income summary schedule

Dividends	Amount	Credit/offset	Amount
Amount reported to us by a third party	\$3,654	Credit reported or Credit/offset	\$592
Amount included in your	\$1,000	Credit declared or Credit/offset	\$892

return			
Difference	\$2,654	Difference	\$300

Breakdown of dividends or income as reported by third parties

Source of income	Payer ABN or account number	Income amount (\$)	Credit or offset amount (\$)
Investment Company Pty Ltd	99999999	\$2,654	\$317
Top Trading Pty Ltd	88888	\$1,000	\$275

Schedule definitions

The following definitions will help you understand your schedule:

- **Total of dividend reported** – the total of dividend amounts reported to us, as detailed in the 'source of income section' of the schedule.
- **Dividend income shown in your tax return** – the dividend income you declared in your tax return.
- **Difference** – the difference between what is reported to us by financial institutions and what you declared in your tax return (two amounts are shown –dividend income and credit amount).
- **Credit reported** – the credit amount reported to us by financial institutions. This is also called a franking credit.
- **Credit declared** – the credit amount you declared in your tax return.
- **Source of income** – a list of each source of dividend income, as reported to us.
- **Account number** – the account number for each source of dividend income reported to us.
- **Dividend amount** – the dividend amount for each source of dividend income reported to us.

- **Credit amount** – the franking credit amount for each source of dividend income reported to us.

If you agree

If you agree with our information, you don't need to do anything. We'll send you an amended notice of assessment 28 days after the date shown on your letter. If you have a myGov account linked to ATO online services, we'll send your amended notice to your myGov inbox.

Once you receive your amended notice of assessment, you'll need to pay any amounts you owe us by the due date.

If you disagree

If you disagree with the details reported, you need to let us know before the due date noted in your letter. You can contact us by either:

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Once we've assessed your response, you'll receive an amended notice of assessment. The case officer reviewing your supporting documents may contact you if we require additional information.

If we don't receive a response from you within 28 days of your letter's date of issue, we'll automatically amend your tax return using the information we have. You'll then receive an amended notice of assessment.

Supporting documents

If you disagree with information contained in the letter from us about your dividend income, we may ask you to provide these supporting documents:

- dividend statements
- statements showing the income has been declared in an associated tax return – for example, a partnership, trust, company or superannuation fund.

QC 41705

Employee share scheme letter

What to do if you get an employee share scheme letter from us and you disagree with the details we provide.

Last updated 27 June 2023

Receiving your letter

We may send you a letter about your employee share schemes (ESS) interests if information from your employer shows that you paid less than market value for your interests and the discount doesn't match what you declared in your tax return.

The letter will include an income summary schedule that compares the details you declared in your tax return with the information your employer reports.

If you have a myGov account that is linked to ATO online services, we'll send the letter to your myGov Inbox titled: *We have found an error in your income tax return.*

If you don't have a myGov account, we'll send the letter to the most recent postal address we have for you.

Eligibility for ESS interest discounts

Employee share schemes give employees:

- shares in the company they work for at a discounted price
- the opportunity to buy shares in the company in the future (this is called a right or option).

The discount you received on the market value for ESS interests needs to be included in your tax return as assessable income.

What you need to do

Review the income summary schedule and compare the information in your records. You can then determine if you [agree](#) or [disagree](#) with the amended details.

If you have a question, phone us on **1300 768 912** and select **option 3** between 8:00 am and 6:00 pm, Monday to Friday. Quote the reference number found at the top right of your letter when you contact us.

Sample ESS schedule

Below is a sample ESS schedule for the year ended 30 June 2023. Keep in mind your schedule will show the relevant information from your tax return compared with information we hold and may not look the same. Use the [definitions](#) to help understand your schedule.

Table 1: Employee share scheme information

Provider	Plan details	Plan date	Item 12D Eligible for reduction (\$)	Item 12E Not eligible for reduction (\$)	Item 12F Discount amount (\$)
Provider 1	ESS plan name	ESS plan date	\$0.00	\$0.00	\$

Total employee share scheme discounts (income) = \$26,000

Total assessable employee share schemes discount amount – item 12B
= \$26,000

Table 2: Changes to your income tax return items for the 2022–23 financial year

Tax return item and description	Original amount reported	New amount	Variation
<Label> <description>	\$ amount	\$ amount	\$ amount

Schedule definitions

The following definitions will help you understand your schedule:

- **Taxed-upfront schemes (eligible for reduction)** – if you acquire ESS interests under a taxed-upfront scheme that meets certain conditions, you may be eligible to receive a tax concession of up to \$1,000. You need to satisfy an income test to be eligible for the reduction. You also must not hold more than 5% ownership of the company, or control more than 5% of the voting rights in the company after acquiring the ESS interests.
- **Taxed-upfront scheme (not eligible for reduction)** – this is the default tax position. If you acquire ESS interests under a scheme that doesn't meet the conditions for a tax-deferred scheme or satisfy eligibility requirements for the \$1,000 reduction, the total discount you receive will be assessable in the financial year you acquired the ESS interests.
- **Deferral schemes** – if you acquired the ESS interests under the scheme and meet certain conditions, the ESS interests will be taxed in the income year that the deferred taxing point occurs in.
- **ESS interests** – shares, stapled securities, or rights (including options) to acquire shares or stapled securities.
- **Cessation time** – the cessation time for shares is generally the time when you acquire them. However, there could be restrictions or conditions related to those shares that make the cessation time a later date. It does not apply to ESS interests acquired after 30 June 2009.
- **TFN amounts withheld from discounts** – withholding tax will apply if both of the following apply
 - a discounted ESS interest was provided to an employee

- the employee has not provided their tax file number (TFN) or Australian business number (ABN) by the end of the relevant financial year.

If you agree

If you agree with our information, you don't need to do anything. We'll send you an amended notice of assessment 28 days after the date shown on your letter. If you have a myGov account linked to ATO online services, we'll send your amended notice to your myGov inbox.

Once you receive your amended notice of assessment, you'll need to pay any amounts you owe us by the due date.

If you disagree

If you disagree with the details reported, you need to let us know before the due date noted in your letter. You can contact us by either:

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Once we've assessed your response, you'll receive an amended notice of assessment. The case officer reviewing your supporting documents may contact you if we require additional information.

If we don't receive a response from you within 28 days of your letter's date of issue, we'll automatically amend your tax return using the information we have. You'll then receive an amended notice of assessment.

Supporting documents

If you disagree with information contained in the letter from us about your employee share schemes (ESS), we may ask you or your tax

practitioner to provide the following supporting documents:

- a calculation statement showing workings and the breakdown of figures
- an amended ESS statement from your employer
- share registry advice showing the market price on acquisition/disposal
- the prior-year section 139E election.

QC 43488

Rental expenses letter

What to do if you get a rental expense letter from us and you disagree with the details we provide.

Last updated 19 December 2022

Receiving your letter

You may receive a letter to verify the rental deductions claimed in your tax return if the expenses reported appear to be outside the average individual claim ranges for borrowing and/or legal expenses.

The letter will include a schedule showing the amounts you claimed and the proposed adjusted amounts.

Conveyancing expenses incurred on the purchase and sale of your property are not deductible. Instead, these form part of the cost base for capital gains tax purposes.

Borrowing expenses of more than \$100 has to be spread over five years, or over the term of the loan, whichever is less.

What you need to do

You need to review the capital gains schedule and compare the information with your records. You can then determine if you [agree](#) or [disagree](#).

If you have a question about your data-matching letter, phone us on **1300 768 912**, and select option **3** between 8:00 am and 6:00 pm, Monday to Friday.

Quote the reference number from your letter when you contact us. You can find it at the top right of your letter.

Below is a sample of the rental expenses schedule on the letter. Keep in mind that your letter will contain your own details and may not look exactly like this. The [definitions](#) will help explain your schedule.

Sample: rental expenses schedule

Table: Rental expenses schedule for the year ended 30 June 2022 – expenses and claims for [address]

Income year	Original tax return item	Amount you claimed (\$)	Adjusted amount (\$)
2022	21U – Other rental deductions	\$50,115	\$36,215

Definitions to understand your schedule

The following definitions will help you understand your schedule:

- **Borrowing expenses** – expenses directly incurred in taking out a loan for the property (for example, loan establishment fees, title search fees, and costs for preparing and filing mortgage documents).
- **Legal expenses** – expenses incurred in relation to the production of rental income, but not those relating to the purchase and sale of the property or other capital expenses.

For more information, see **Rental expenses to claim**.

If you agree

If you agree with the information provided in the letter, you don't have to contact us or take action. We will change your tax return to include the information provided. We will send you an amended notice of assessment after 28 days.

If you realise that, in addition to the amounts we have shown, you have omitted income from other sources or from the same source in other income years, you should give us the details so we can include it in your amended assessments.


We continually check for missing, inaccurate or incomplete information on tax returns.

Once you receive your amended notice of assessment, you'll need to pay any amounts you owe us by the due date.

If you disagree

If you disagree with the information provided, you will need to respond to us within the timeframe in your letter. You must also provide [supporting documents](#) that show how the amounts are incorrect.

To let us know that you disagree with the information provided, you can send us your details:

- mail to
Australian Taxation Office
PO Box 3543
ALBURY NSW 2640
- email to
datamatchingteam@ato.gov.au 

Be aware, the internet is not a secure environment. We do not control the path of inbound and outbound emails. If you choose to communicate with us by email the privacy of your personal information can't be guaranteed.

Your response will be assessed and once finalised you will receive an amended notice of assessment. You may be contacted by the case officer reviewing your supporting documents if we require additional information.

If we don't receive a response from you within 28 days, we will automatically amend your tax return with the information we have. You will then receive an amended assessment.

Supporting documentation

If you disagree with information contained in the letter from us about your rental expenses, we may ask you to provide the following types of supporting documents.

Table: Types of expense or claims

Type of expense	Supporting documents
Legal expenses	<ul style="list-style-type: none">• Copies of invoices, receipts or statements• The reason the legal fees were charged and are deductible
Borrowing expenses	<ul style="list-style-type: none">• Copies of invoices, receipts or statements• A description of each expense claimed as a borrowing expense• The amount of each expense• How you worked out your deduction for borrowing expenses for each year

QC 43496

Data matching for Medicare and private health insurance

What to do if you get a data-matching letter about Medicare and private health you reported in your tax return.

Last updated 15 December 2022

Medicare levy exemption letter

What to do if you get a Medicare levy exemption letter from us and you disagree with the details we provide.

Medicare levy surcharge letter

What to do if you get a Medicare levy surcharge letter from us and you disagree with the details we provide.

Private health insurance rebate letter

What to do if you get a private health insurance rebate letter from us and you disagree with the details we provide.

Medicare levy exemption letter



What to do if you disagree with data-matching details that show you may not be eligible for the Medicare levy exemption.

Medicare levy surcharge letter



What to do if you get a Medicare levy surcharge letter from us and you disagree with the details we provide.

Private health insurance rebate letter



What to do if you get a private health insurance rebate letter from us and you disagree with the details we provide.

QC 71092

Medicare levy exemption letter

What to do if you disagree with data-matching details that show you may not be eligible for the Medicare levy exemption.

Last updated 10 August 2022

Receiving your letter

You may be eligible for the Medicare levy exemption if you were in an exemption category at any time in the income year.

You may receive a letter if we receive information that suggests you may not be eligible for an exemption and you claimed the Medicare levy exemption in your tax return.

The letter will include a summary that compares relevant information in your tax return with information we have.

We'll send the letter to the most recent postal address we have for you.

What you need to do

Review the summary and compare the information it contains with your records. You can then determine if you agree or disagree.

If you have a question, we have a dedicated phone line you can use. You can phone us on **1300 768 912** and select **option 3** between 8:00 am and 6:00 pm, Monday to Friday.

Quote the reference number from your letter when you contact us. You can find it at the top right of your letter.

Example: letter contents

Em got a letter from the ATO with the summary of proposed changes to her tax return.

Summary of proposed changes to your 2022 tax return

Summary of proposed changes to your 2022 tax return

Tax return item and description	Original value	New value
M1 Full levy exemption – number of days	365	0
Claim type	C	n/a

This is a sample – your letter will contain your own details.

If you agree

If you agree with our information, you don't need to do anything. We'll send you an amended notice of assessment 56 days after the date shown on your letter. If you have a myGov account linked to ATO online services, we'll send your amended notice to your myGov inbox.

Once you receive your amended notice of assessment, you'll need to pay any amounts you owe us by the due date.

If you disagree

If you disagree with the details reported, you need to let us know before the due date noted in your letter. You can contact us by either:

- mail to
Australian Taxation Office
PO BOX 3543
Albury NSW 2640
- email to
datamatchingteam@ato.gov.au

The internet isn't a secure environment and we don't control the path of inbound and outbound emails. If you choose to communicate with us by email, we can't guarantee the privacy of your personal information.

If you respond within 56 days

Once we've assessed your response, you'll receive an amended notice of assessment. The case officer reviewing your supporting documents may contact you if we require additional information.

If you don't respond

If we don't receive a response from you within 56 days of your letter's date of issue, we'll automatically amend your tax return using the information we have. You'll then receive an amended notice of assessment.

Supporting documents

If you disagree with the information in the letter about your Medicare levy exemption, we may ask you to provide supporting documents as evidence of your exemption. This may include:

- a Services Australia *Medicare entitlement statement* showing you were a temporary resident for Medicare purposes and not entitled to Medicare benefits for the relevant income year and either
 - you didn't have any dependants for that period
 - all your dependants were in a Medicare levy exemption category for that period
- a Services Australia *Medicare entitlement statement* for your dependant spouse if they are a temporary resident and not entitled to Medicare benefits for the relevant income year
- evidence that shows you received a sickness allowance from Centrelink, such as a payment summary
- evidence you're entitled to full free medical treatment for all conditions under Defence Force arrangements or the Veterans' Affairs Repatriation Health Card (Gold Card) or repatriation arrangements.

QC 43493

Medicare levy surcharge letter

What to do if you get a Medicare levy surcharge letter from us and you disagree with the details we provide.

Last updated 27 June 2023

Receiving your letter

We may send you a letter about the **Medicare levy surcharge (MLS)** if we receive information that shows, for all or part of the relevant year, you and all your dependants (including your spouse):

- were not a member of a registered health fund
- did not have an appropriate level of private patient hospital insurance cover

- had family income that was above the MLS threshold.

The letter will include an [MLS schedule](#) that compares relevant information from your tax return with information we have.

We'll send the letter to the most recent postal address we have for you.

What you need to do

You need to review the MLS schedule and compare the information it contains with your records. You can then determine if you [agree](#) or [disagree](#).

If you have a question, we have a dedicated phone line you can use. You can phone us on **1300 768 912** and select **option 3** between 8:00 am and 6:00 pm, Monday to Friday.

You'll need to quote the reference number from your letter when you contact us. The reference number can be found at the top right of your letter.

MLS schedule – sample

Below is a sample MLS schedule. Keep in mind that your schedule will contain your own details and may not look exactly like this one.

Use the [definitions](#) to help you understand your schedule.

Sample: MLS schedule for the year ended 30 June <CCYY>

Your income for Medicare levy surcharge (MLS) purposes	\$192,069
Single or family status	Family
Your family income for MLS	Tier 1 earner
The number of days you reported on your tax return, at label M2 , that you were not liable to pay the MLS	342

The number of days that you held an appropriate level of private patient hospital cover	322
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Private health insurance fund information

Name of fund	Hospital cover	Type of cover	Cover start date	Cover end date
Healthy People Insurance	Yes	Family	1 July 2019	7 June 2020

Schedule definitions

The following definitions will help you understand your schedule:

- **Income for MLS purposes** – your income that is used to determine whether you are liable to pay the Medicare levy surcharge.
- **MLS tier** – this is determined by your income for MLS purposes; the rate of MLS then depends on your MLS tier.
- **Private health insurance fund information** – provides details of your private health insurance policy, as provided to us by your private health insurer. It includes the name of your fund, the type of cover and the period of cover during the financial year.

If you agree

If you agree with our information, you don't need to do anything. We'll send you an amended notice of assessment 28 days after the date shown on your letter. If you have a myGov account linked to ATO online services, we'll send your amended notice to your myGov inbox.

Once you receive your amended notice of assessment, you'll need to pay any amounts you owe us by the due date.

If you disagree

If you disagree with the details reported, you need to let us know before the due date noted in your letter. You can contact us by either:

- Mail to
Australian Taxation Office

PO BOX 3543
Albury NSW 2640

- Email to
datamatchingteam@ato.gov.au

Be aware that the internet isn't a secure environment. We don't control the path of inbound and outbound emails. If you choose to communicate with us by email, the privacy of your personal information can't be guaranteed.

Once we've assessed your response, you'll receive an amended notice of assessment. The case officer reviewing your supporting documents may contact you if we require additional information.

If we don't receive a response from you within 28 days of your letter's date of issue, we'll automatically amend your tax return using the information we have. You'll then receive an amended notice of assessment.

Supporting documents

We may ask you to provide your private health insurance statements for the relevant year showing the number of days that you and all of your dependants (including your spouse) had private patient hospital cover.

QC 41724

Private health insurance rebate letter

What to do if you get a private health insurance rebate letter from us and you disagree with the details we provide.

Last updated 27 June 2023

Receiving your letter

We may send you a letter about your private health insurance (PHI) rebate, if we receive information from your health fund that shows you may not be **entitled** to the level of rebate you claimed in your tax return.

The letter will include a schedule that compares the details you declared in your tax return with the information the health fund reports. It will also include a reason for the proposed adjustment to your PHI rebate details.

We'll send the letter to the most recent postal address we have for you.

What you need to do

You need to review the details in the PHI rebate schedule and compare the information it contains with your records. You can then determine if you [agree](#) or [disagree](#) with our amendment.

If you have a question, we have a dedicated phone line you can use. You can phone us on **1300 768 912** and select **option 3** between 8:00 am and 6:00 pm, Monday to Friday.

You'll need to quote the reference number from your letter when you contact us. The reference number can be found at the top right of your letter.

PHI rebate schedule – sample

Below is a sample PHI rebate schedule. Keep in mind that the schedule in your letter will contain your own details and may not look exactly like this. Use the [definitions](#) to help you understand your schedule.

Sample: PHI rebate schedule for the year ended 30 June <CCYY>

Tax return information

B – Health insurer ID	C – Membership number	J – Your share of premiums paid in the financial year	K – Your share of Australian Government rebate received	L – Ber cod

ABC	G12345	\$1,313	\$381	30
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Proposed changes to your tax return

B – Health insurer ID	C – Membership number	J – Your share of premiums paid in the financial year	K – Your share of Australian Government rebate received	L – Ber coc
ABC	G12345	\$1,422	\$395	31

We'll provide one of the following reasons for the proposed adjustment to your PHI rebate details:

- Incorrect tax claim code reported – this code affects the amount of PHI you are entitled to receive.
- Under reported family income – your income and your spouse's income combined determines the **level of rebate** you are entitled to receive.
- Automatic transfer of liability – liability owed by your spouse transferred to you because they either did not lodge a tax return or told us they are not required to lodge a tax return.
- Reporting error – you may have duplicated or incorrectly reported your share of premiums paid.
- Unable to match PHI policy details – we are unable to determine you had appropriate private health insurance with data sent to us.

Schedule definitions

The following definitions will help you understand your schedule:

- **Your share of premiums paid in the financial year** – the amount of premiums you paid during the financial year eligible for the rebate (this figure is split between each adult covered by the policy).
- **Your share of Australian Government rebate received** – the amount the Australian Government has paid towards your private health insurance.

- **Benefit code** – these codes relate to the level of rebate you are entitled to, based on age.
- **Private health insurance policy details** – your private health insurance policy details, as provided to us from your private health fund (including the name of the fund, the amount of premiums you paid, and your share of Australian Government rebate received).
- **Tax claim code** – this is the code that best matches your situation (for example, if you are in a relationship and if you have dependants).

If you agree

If you agree with our information, you don't need to do anything. We'll send you an amended notice of assessment 28 days after the date shown on your letter. If you have a myGov account linked to ATO online services, we'll send your amended notice to your myGov inbox.

Once you receive your amended notice of assessment, you'll need to pay any amounts you owe us by the due date.

If you disagree

If you disagree with the details reported, you need to let us know before the due date noted in your letter. You can contact us by either:

- Mail to
Australian Taxation Office
PO BOX 3543
Albury NSW 2640
- Email to
datamatchingteam@ato.gov.au

Be aware that the internet isn't a secure environment. We don't control the path of inbound and outbound emails. If you choose to communicate with us by email, the privacy of your personal information can't be guaranteed.

Once we've assessed your response, you'll receive an amended notice of assessment. The case officer reviewing your supporting documents may contact you if we require additional information.

If we don't receive a response from you within 28 days of your letter's date of issue, we'll automatically amend your tax return using the

information we have. You'll then receive an amended notice of assessment.

If you have a myGov account linked to ATO online services, we'll send your amended notice to your myGov inbox.

Supporting documents

We may ask you to provide your private health insurance statement for the period of review, showing:

- the amount of premiums you paid
- any premium reductions you received.

QC 41725

Taxable payments annual reporting

We may contact you if we receive information that you did not include payments for TPRS services in your tax return.

Last updated 11 February 2016

We may send a letter about taxable payments annual reporting if we receive information that you received payments for building and construction services provided during the year and you did not include this business income in your tax return.

Since 1 July 2012, businesses in the building and construction industry are required to report payments made to contractors for building and construction services each year. They do this by lodging a *Taxable payments annual report*.

Understanding your taxable payments annual report schedule

Below is a sample schedule. Keep in mind that your schedule will contain your details and may not look exactly like this one.

Sample taxable payments annual report schedule

Income schedule for the year ended 30 June 2015

Tax return item and description	Amount you declared	Discrepancy	Proposed adjustment amount
Assessable government industry payment	\$0	\$0	\$0
Other gross income	\$20,000	\$153,000	\$173,000
Total income	\$20,000	\$153,000	\$173,000

Payer ABN	Payer name	Payee name reported to us	Amount
00 123 456 789	Payer	Payee name	\$123,000
00 123 456 790	Payer	Payee name	\$50,000

The following definitions will help you understand your schedule:

- **Tax return item and description** – The relevant item on your tax return.
- **Amount you declared** – The amount you declared against each applicable item on your tax return.
- **Discrepancy** – The difference between the amount you declared on your tax return and the amount that has been reported to us.
- **Proposed adjustment amount** – The amount we propose to include on your tax return.
- **Payer ABN** – The ABN of the reporting payer for each source of income, as reported to us.

- **Payer name** – The name of the reporting payer for each source of income, as reported to us.
- **Payee name reported to us** – The name of the recipient of for each source of income, as reported to us
- **Amount** – The amount of income reported to us.

Legislation requires businesses in the building and construction industry to provide an annual report on payments they have made to contractors during the year. If you do not agree with the information reported by the payer and they are known to you, you can contact them to verify the amounts reported.

Alternatively, contact us to discuss any suspected reporting errors and we will endeavour to follow up with the payer on your behalf.

See also:

- Taxable payments annual report

QC 43498

Sale of property

We may send you a letter if we think you haven't reported sales of properties on your activity statements.

Last updated 2 February 2021

We regularly receive data relating to the purchase and sale of properties from state and territory revenue and titles offices around Australia.

Where property transfers are made by businesses, they are potentially taxable, and we match this information against what has been reported on activity statements.

We may contact you if you're running an enterprise and sold property but didn't include it in your activity statement.

Our letter will include details of the property or properties sold:

Address	Sold date	Sale amount
Address	Date	\$ amount
Address	Date	\$ amount

What to do

We are asking you to review your records and revise the activity statements for the period the sales occurred, without penalty, by the date specified on the letter.

If everything is correct, you can:

- let us know by mail (see [Write to us](#)), or
- email us at incorrectreportingproperty@ato.gov.au

If you email us, be aware that the internet isn't a secure environment and we can't guarantee the privacy and security of personal information.

Your tax or BAS agent can also assist if needed.

See also:

- [GST and property](#)
- [GST at settlement](#)
- [Revising an earlier activity statement](#)
- [What to report on your BAS](#)

QC 64572

Amended assessment from data-matching

How we notify you we have made an amendment or adjustment to your tax return and, what you can do if you disagree.

Data-matching adjustments or amendments

We issue an amended assessment (also known as an amended notice of assessment) if we amend or adjust your tax return.

We do this where we find an error or omission in the information you provide through data-matching with third parties.

Before we amend your tax return, we may contact you requesting additional information. Unless you respond with additional information within the specified timeframe, we will issue a notice of amended assessment.

Your notice of amended assessment will advise you of any amounts payable and how to pay. The due date for payment is 21 days after we notify you of the amounts.

Your right to a written explanation

You are entitled to request a written explanation regarding any adverse adjustments made to your tax return. To request this information, you need to contact us.

Your right to request a review

You can request a review of our decision if you either:

- believe the amended assessment is incorrect and can provide supporting documents
- have information not previously available during the initial review.

Your objection rights will not be affected by requesting a review of our decision.

Paying the debt in instalments

If you can't pay your tax debt on time, you may be eligible to enter into a payment plan.

Our **payment plan estimator** can help you work out a payment plan you can afford based on your circumstances. You can use it as a guide to set up a payment plan.

For debts \$100,000 or less, you may be able to use online services or the automated self-help phone service to set up your **payment plan**.

Penalties and interest for errors and omissions

If we adjust your tax return, a **shortfall interest charge (SIC)** may be payable on any extra tax owing. We show the SIC amount on your notice of amended assessment.

Interest charges we apply are to:

- encourage taxpayers to pay their tax liabilities by the due date
- ensure that taxpayers who don't pay their tax liabilities on time, don't get an advantage over those who pay in full and on time
- compensate the government for the effect of late payments.

If you receive your notice of amended assessment and incur SIC on the payable amounts, you can request a **remission of interest charges**. You will need to explain why you think we should remit the interest and provide evidence to justify your request. Each review each remission application on a case-by-case basis before a decision is made.

Shortfall interest charge deduction

You can claim a **deduction for the SIC** in the income year you incur it. You can find the amount of SIC you incurred and paid by checking the statement of account we sent to you.

QC 41732

Our commitment to you

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

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