



Simpler BAS

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Phase 1 (July 16 – Sept 16)

- Test the manually re-configured accounting software to identify system constraints and design issues that will impact on the Simpler BAS digital bookkeeping experience.

Phase 2 (Oct 2016 – Dec 2016)

- ATO provide Simpler BAS system specifications and incorporate Phase 1 Alpha testing findings into detailed co-design activities with software developers.

Phase 3 (Jan 2017 – Mar 2017)

- Test and fully understand the Simpler BAS bookkeeping and GST reporting experience with newly registered GST businesses.

Phase 4 (Apr 2017 – June 2017)

- Test our software developer partners' updated accounting solutions with up to 2,000 small businesses.
- Measure the time, cost and stress savings of the new Simpler BAS digital bookkeeping solution.



PHASE 1 – PRELIMINARY FINDINGS

Preliminary perceptions about Simpler BAS from 13 tax professionals and 192 small business participants:

- Simpler BAS would make it quicker, easier and reduce the cost of compliance for GST.
- Concerns expressed about transitional costs and complexity associated with manually re-configuring their GST settings in accounting software.
- The re-configuration process should retain the tailored automation settings that small business has invested in setting up.
- Reduced GST tax codes are producing more accurate classifications of transactions with on-going bookkeeping.
- Tax practitioner participants would recommend the majority of their clients with basic tax affairs adopt the Simpler BAS GST settings

PHASE 1 – KEY RECOMMENDATIONS

The ATO:

- Socialise the Phase I findings with software developer community to support the release of priority system specs.
- Continue on-going engagement and co-design with software developers, tax professionals and small business associations to shape end state design.

Software developers:

- Consider the software constraints, design issues and potential system changes identified in the Phase 1 Alpha testing report.
- Decide whether end users would benefit from a Simpler BAS bookkeeping solution and design and build software updates with option of co-design support from ATO.
- Consider adopting an industry standard for binary GST codes (eg GST yes or no).
- Continue to shape the end state design with ABSIA Special Interest Working Group.

Tax professionals:

- Pivotal role in guiding small businesses through the Simpler BAS transition phase and getting the most out of their accounting software solutions.



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SIMPLER BAS SPECIFICATIONS

Simpler BAS specifications	Description of updates / changes	Release dates
Standard Business Reporting – AS Business Implementation Guide (BIG)	Outlines broader context of Simpler BAS changes including : <ul style="list-style-type: none">• \$10 mill turnover threshold determination• Transition arrangements for current GST reporting options to post July 17 reporting options.• Changes to forecast turnover amount• GST pre-fill labels relevant to the reporting option displayed on existing AS form types• Validation rules for BAS periods pre and post July 17.	Nov 16
Tax Practitioner Client Management Reports - BIG and detailed specifications.	<ul style="list-style-type: none">• AS client report to enable BAS agents and tax agents to return the GST reporting method for their clients.	Nov 16
AS Services	<ul style="list-style-type: none">• No change to these services as using existing AS form types• Validation rule spreadsheet may be updated to enable BAS without G2, G3, G10 & G11 to be lodged for periods prior to 1st July 17.	Dec 16
AS Registration Services	Update to introduce the following new changes: <ul style="list-style-type: none">• new GST turnover threshold of \$2mill to \$10mill• add the GST reporting option and commencement date	Feb 17
AS Registration Maintenance Services	Update to introduce the following new changes: <ul style="list-style-type: none">• update GST turnover threshold range• update the GST reporting option and commencement date• opt in/out of GST instalment method	Feb 17



QUESTIONS?

Impacted software developers
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