

Dear Kris,

I would like to thank you for engaging with ATO as part of your consultation process regarding the AASB's proposal to replace Special Purpose Financial Statements with the new Tier 2 reporting framework (as per your Executive Draft's 295 and 297).

As discussed, the ATO is supportive of the AASB's recommendations surrounding the timing and application of the new Tier 2 disclosure requirements. One aspect of the proposed new Tier 2 reporting framework we would ask you to consider is to retain the income tax reconciliation disclosure in the '*Income Tax*' note forming part of the '*Notes to the financial statements*'. From an ATO perspective, this specific disclosure provides important and valuable data concerning an entity's income tax adjustments – this is an important source of information used by the ATO for risk identification and assessment purposes.

Once again, thank you for engaging with the ATO on this important initiative to enhance corporate transparency.

Kind regards,

Stan

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