

AUDIT SHIELD SERVICE

How we can help you



Our Audit Shield service provides for the professional costs associated with audit activity. It is an optional service we provide to ensure you do not incur unexpected costs

WHAT IS THE AUDIT SHIELD SERVICE?

The Audit Shield service provides coverage for you, for any professional fees incurred by us relating to an audit, enquiry, investigation, review or examination (audit activity) of your lodged returns or your financial compliance obligations instigated by the Australian Taxation Office (ATO) or other Australian Government revenue agencies.

Data matching becomes more sophisticated each year. This makes it simpler and far more likely for previously untargeted tax payers to encounter audit activity, despite compliancy. With the Audit Shield service, you can rest assured knowing that our professional fees will be covered, and the accounting and taxation work will be undertaken, in relation to the audit activity. Often these fees can be greater than those we may charge you for completing the return(s).

WHAT IS INCLUDED UNDER THE AUDIT SHIELD SERVICE?

Our Professional fees that have been incurred in responding to audit activity until the completion of the matter, or until the cover limit as stated on your Client Acceptance Form is exhausted, will be covered under the Audit Shield service.

Fees of any other external specialist (e.g. taxation lawyers) or relevant consultant engaged or instructed by us to assist us in a response to audit activity are also covered. Both during (interim payments) and/or upon conclusion of the audit activity, we will present for payment our fees on your behalf to the insurer for recovery against the policy. Should a difference arise between our fees and the amount available to be covered against the policy, we may need to seek the shortfall payment of our fees from you. Your cover begins from the next business day after our receipt of your participation fee (see the attached Client Acceptance Form for further details).

EMPLOYER OBLIGATIONS AUDIT CASE STUDY:

An electrical contractor endured an ATO audit in respect of PAYG and superannuation obligations concentrating on payments to contractors which resulted in a number of contractors being deemed to be employees by the ATO.

- Professional fees of \$6,641 were incurred, and fully covered by Audit Shield.

This case study shows how Audit Shield helps to put a participant's mind at ease during a stressful situation, and saves the participant from the significant costs which are associated with audit activity.

WHAT AUDITS, ENQUIRIES, INVESTIGATIONS AND REVIEWS ARE COVERED?

- Capital Gains Tax
- SMSFs (cover available separately)
- Employer Obligations
- Fringe Benefits Tax
- Superannuation Guarantee
- R & D Tax Incentive (ATO Only)
- Workers Compensation
- Plus much more
- Land Tax
- Payroll Tax
- Stamp Duty
- PAYG
- GST/BAS
- Income Tax
- Record Keeping
- WorkCover

WHAT IS NOT INCLUDED?

We have carefully selected our Audit Shield policy to provide the widest possible coverage for us and our clients. However, we do remind our clients that such items or circumstances as listed below are not covered:

- Actions in regard to any notices from the ATO or any other government revenue agency that are educational or advisory in nature or merely suggest, invite or propose actions to be taken by you; or act as a warning to you that you may be selected for audit activity at a future time; or do not compel you to take any action.

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- If the ATO auditor imposes final culpability/shortfall penalties of 75% or more, and/or the return is deemed to have been fraudulently lodged.
- Any matter in relation to applications, assessments or reviews of government benefits or entitlements and any form of activity involving a review relevant to you maintaining industry status, license compliance, membership or any form of application, registration or re-registration process.
- Any fine or penalties imposed or for any amounts payable pursuant to an amended notice of assessment or adjustment including but not limited to any additional tax, duty, government impost or similar payments.
- Costs for work incurred which should have been undertaken prior to the audit activity (e.g. outstanding lodgments).

- Audit activity where notification was given prior to the inception of cover (i.e. prior to our receipt of your participation fee)

BENEFITS OF THE AUDIT SHIELD SERVICE

- Relief: In the event that you are subject to an audit, enquiry, investigation or review in relation to your lodged returns, the associated professional fees (up to a prescribed limit) are covered.
- Retrospective protection: Previously lodged returns are covered automatically.
- Simple claim process: In the event of a claim, we manage the process on your behalf.
- You have a choice: The offering is optional, so there is no compulsion to participate.



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