

IMF ENDORSES SMALL BUSINESS ASSISTANCE PROGRAM

The Assistant Treasurer, Senator Nick Sherry, has today highlighted the International Monetary Fund's (IMF) strong endorsement of the tax approach to small businesses in Australia during the global recession.

The IMF pointed to the Australian Taxation Office (ATO) Small Business Assistance Program as a global example of the provision of both targeted and proactive assistance to taxpayers during an economic crisis.

"The Rudd Government has placed support for the small business community at the forefront of our response to the global recession, and the tax system has been a key delivery mechanism for that stimulus support," said the Assistant Treasurer.

"The IMF has acknowledged that the Tax Office approach has also operated as a major boost for small businesses here in Australia by targeting assistance before a small business gets in trouble."

"When these Tax Office actions are combined with the Rudd Government's wide range of other measures to support small businesses, we can see why the IMF has offered its support," said the Assistant Treasurer.

The IMF paper also highlighted the importance of the Small Business Assistance Program in proactive service delivery to support small business taxpayers who may be most frequently the most reluctant to seek tax agency support.

"The small business program is using innovative ways to help small businesses, the backbone of our economy, such as sending text message reminders to small businesses who may have previously struck trouble with their tax obligations," said the Assistant Treasurer.

"This program helps small businesses before they hit trouble next time."

The full IMF paper entitled *Collecting Taxes During an Economic Crisis: Challenges and Policy Options* is available on the IMF website.

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