



MEDIA RELEASE  
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### **Small Business expert supports ATO criticism of its Auditors**

One of Australia's leading small business advisers has joined the Inspector General of Taxation in criticising Australian Taxation Office auditors for their lack of understanding of the SME sector.

"This lack of understanding is creating costly and unnecessary headaches for business owners, said Des Caulfield, director of MGI Adelaide, which is part of the national MGI accounting network.

"The last thing small business owners need is to be subject to unnecessary extra costs created by a Government agency that does not fully understand the very businesses that they are being asked to investigate".

"Small business operators are being put to unnecessary expense because these auditors' enquiries have to be dealt with by the small business' accountants," he added.

Mr. Caulfield was commenting on a recent criticism of the tax office by the Inspector General of Taxation, Ali Noroozi.

Mr Noroozi highlighted the treatment of the small business saying ATO auditors lacked technical and legal expertise and do not understand small business.

Auditors handling large companies are better equipped than those dealing with small business, the inspector general said.

"It could be for a range of reasons – turnover of staff, how they are being developed, do people move from one sector to another too quickly, are they being supervised appropriately" the inspector general said.

Mr. Caulfield said ATO auditors needed better training and a touch of empathy.

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