

PROTECTING YOURSELF WITH AUDITCOVER

Your tax audit insurance partner

WHAT IS TAX AUDIT INSURANCE?

AuditCover provides for payment of professional fees otherwise payable by you when incurred as a result of being required to respond, on your behalf, to a tax investigation instigated by the Australian Taxation Office (ATO) or other Government revenue agencies.



WHO CAN GET COVER?

Tax audit insurance can be taken out by salary earners, sole traders, companies, directors, and/or SMSFs.



WHAT IS THE BENEFIT OF AN AUDITCOVER POLICY?

Data matching becomes more sophisticated each year. This makes it simpler and far more likely for previously untargeted taxpayers to encounter tax audit activity, even if they are fully compliant.



AuditCover means you can rest assured knowing that professional fees will be covered, and the accounting and taxation work will be undertaken, in relation to the tax investigation.

WHAT IS INCLUDED UNDER AUDITCOVER?

Professional fees that have been incurred in responding to tax audit activity until the completion of the matter, or until the cover limit as stated on your insurance policy is exhausted, will be covered under the AuditCover policy.

Fees of any other external specialist (e.g. tax lawyers) or relevant consultant engaged or instructed by your accountant to assist in a response to the tax investigation are also covered, broadly defined as professional fees.

Your cover begins from the day you make payment to bind the cover.



WHAT DOES REINSTATEMENT MEAN?

If a policy contains a reinstatement clause then in the event of the Insured having more than one Claim in a period of insurance, the policy provides an automatic reinstatement of the limit of indemnity.

This means that if AuditCover pays an amount for a claim, the policy will automatically reinstate the insured amount. You will not have to pay any additional premium.



WHAT 'DESIGNATED TAX' IS COVERED?

- Income Tax Assessment Act 1936 (Cth)
- Income Tax Assessment Act 1997 (Cth)
- Fringe Benefits Tax Assessment Act 1986 (Cth)
- Fringe Benefits Act 1986 (Cth)
- A New Tax System (Goods and Services Tax) Act 1999 (Cth)
- Superannuation Guarantee (Administration) Act 1992 (Cth)
- Or any law of an Australian State or Territory relating to payroll tax



WHAT TAX INVESTIGATIONS ARE COVERED?

There is no excess on the policy. Once you are an AuditCover policyholder, previous lodgements are also covered. The tax investigation must be instigated during the period of cover but can include responding to audits of returns that your Accountant or fringe professional adviser did not prepare.

Under the AuditCover policy, a tax audit means any official inquiry, investigation, examination, or review undertaken by an authority in respect of your liability to pay any designated tax (including the amount of tax payable) following lodgement of a return for that designated tax.

RESOURCES

- [Why AuditCover](#)
- [As ATO Closes Income Tax Gap, How Important Is Audit Insurance?](#)
- [ATO Targets: Cryptocurrency Trade in Australia](#)
- [Can I Avoid An ATO Tax Audit?](#)
- [FAQs](#)

