

# **Inspector-General of Taxation Announces Terms of Reference for his Review of the Tax Office's Administration of the Superannuation Guarantee Charge (SGC).**

Ali Noroozi, Inspector-General of Taxation, today released the Terms of Reference and Consultation Plan for his inquiry into the Tax Office's administration of the superannuation guarantee charge (SGC).

The inquiry follows on from the announcement by the Minister for Superannuation and Corporate Law, Senator Nick Sherry on 29 May 2009, of the Review into the governance, efficiency, structure and operation of Australia's superannuation system. "It is important that the two processes work together given the community of interest that they share. Accordingly my inquiry will be conducted in close consultation with Minister Sherry's Review" said Mr Noroozi.

Announcing his third new review, Mr Noroozi said "During consultations on my work program last year, stakeholders raised concerns with the level of employer compliance with SGC and with how well the ATO is responding to employees who complain that their employers are not paying superannuation guarantee on their behalf.

"They were concerned about the adequacy of the ATO's enforcement action and the level of outstanding SGC," Mr Noroozi said.

The Commissioner of Taxation is charged with the general administration of the SGC scheme and collects SGC where employers do not provide a minimum level of superannuation support for their employees. Between 2002 and 2006 successive governments provided additional support to the ATO, including specific additional funding, to improve its enforcement and compliance monitoring of whether employers are complying with their SGC obligations.

"This review will examine the ATO's administration of SGC including identifying the level of non-compliance and assessing the ATO's risk and detection mechanisms," Mr Noroozi said. "I will also examine the ATO's track-record in both actioning employee complaints about their employers and collecting unpaid superannuation guarantee."

"I am actively seeking community input to this review and I would welcome submissions from anybody with experience of the ATO's administration of the SGC including employees, employers and tax and superannuation professionals."

The full Terms of Reference for the review are available on the Inspector-General of Taxation website: [www.igt.gov.au](http://www.igt.gov.au).

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