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**PRESS RELEASE**

**IGT ANNOUNCES CLASS RULINGS REVIEW**

The Inspector-General of Taxation (IGT), Ali Noroozi, today released the Terms of Reference and Submission Guidelines for his inquiry into the ATO's administration of class rulings. This inquiry replaces the review that was to take place into the efficiency of the ATO's compliance and regulatory approaches to Self Managed Superannuation Funds (SMSFs).

The IGT has decided not to proceed with a review into SMSFs because the Government is currently conducting a wide ranging review into the governance, efficiency, structure and operation of Australia's superannuation system, known as the Super System Review.

“Representatives of businesses and the tax profession have raised certain concerns about class rulings, particularly during the course of the IGT's current review on the administration of private rulings. Aspects of the class ruling system that have caused concerns include communication of changes in ATO views, delays and the nature of information requests”, said Mr Noroozi.

Applicants of class rulings have suggested that where the ATO revises its view of the law for a particular kind of arrangement, they have experienced delays in being informed. They have also suggested that the ATO requests an excessive amount of information and often such information seems to bear little relevance to the matter in question. The class rulings process may also have some transparency of process issues giving rise to increased cost and timeframes.

“This review will seek to establish whether applicant concerns about class rulings processes are justified. It will examine the management of selected class rulings with a focus on important milestone events and the underlying issues and behaviours. It will consider if ATO behaviours and decision-making processes are leading to extended timeframes. This will provide a basis for conclusions to be drawn and recommendations of best practice for class rulings” Mr Noroozi said.

“I strongly encourage interested parties to use the Submission Guidelines in preparing their submissions. The Submission Guidelines are intended to provoke thought and indicate the kinds of taxpayer experiences and related evidence that would be of assistance to the review. My aim is for balanced thinking on the issues to lead to better outcomes for both tax administration and taxpayers alike. Please outline both positive and negative aspects in responses,” he said.

The Terms of Reference and Submissions Guidelines for the review are available on the Inspector-General of Taxation website: [www.igt.gov.au](http://www.igt.gov.au). Submissions are due by 30 April 2010.

SYDNEY  
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