



Australian Government
Inspector-General of Taxation

PRESS RELEASE

INSPECTOR-GENERAL TO EXAMINE ATO HANDLING OF MAJOR, COMPLEX ISSUES

David Vos, Inspector-General of Taxation, today released the Terms of Reference and Consultation Plan for his review into the Tax Office's ability to identify and deal with major, complex issues within a reasonable timeframe.

The Tax Office's administration of major, complex issues has been raised by taxpayers and their representatives as a key concern throughout the Inspector-General's scoping study and subsequent consultations.

The Inspector-General stated, "this review will examine the Tax Office's handling of 3 major complex issues: research and development syndication arrangements, living away from home allowances and service entity arrangements. The review will examine the timeframes taken to identify and deal with each issue, the causes of uncertainty, the Tax Office's approach to the issues and the costs to the community."

Mr Vos said, "Parts of the private sector are concerned that periods of uncertainty are unnecessarily prolonged by the Tax Office when handling major, complex issues. They maintain this belief despite recent Tax Office refinements aimed at resolving large business compliance issues in a more timely manner. They also point to significant amounts of money and time the private sector spends in dealing with the Tax Office on these types of issues."

"The Commissioner of Taxation has at his disposal considerable resources to identify, consider, address and resolve major, complex issues. There are concerns that these resources are not being used in the most effective manner to resolve issues in a timely manner."

Mr Vos said, "In a self-assessment environment, providing certainty in a timely manner is an important aim in administering the tax laws. However taxpayers must also be satisfied that the Tax Office's approach to major, complex matters does not inappropriately antagonise their resolution or unnecessarily contribute to delays."

"In our review, we will be examining the adequacy of, and the influences, on the Tax Office's ability to identify and deal with major, complex issues. From this we will be drawing together any consistent themes to identify systemic issues that, when addressed, will improve the Tax Office's handling of major, complex issues into the future."

"I am actively seeking community feedback for this review" said Mr Vos.

The Terms of Reference and Consultation Plan for the review are available at www.igt.gov.au

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