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PRESS RELEASE

**INSPECTOR-GENERAL OF TAXATION ANNOUNCES TERMS OF REFERENCE FOR
REVIEW INTO THE TAX OFFICE'S ADMINISTRATION OF GST AUDITS**

David Vos, Inspector-General of Taxation, today released the Terms of Reference and Consultation Plan for his inquiry into the Tax Office's Administration of GST Audits.

Mr Vos said "GST has been in place for over 6 years. Net GST collections are now about \$37 billion per annum. Taxpayers continue to raise concerns regarding the nature of the reviews undertaken by the Tax Office, the time taken to complete audits and that matters are pursued during audits that result in no net return to the Revenue."

"This review will determine whether the Tax Office has in place processes to ensure that GST audits are conducted by officers who are appropriately skilled and supported and, also, whether penalties and interest are levied appropriately."

The review will focus particularly upon the following matters:

- the adequacy and effectiveness of Tax Office policies and procedures relating to the manner in which taxpayers and/or issues are identified for GST audit activity, including the extent to which the issues identified involve amounts which involve no net gain to the Revenue or which are of a timing nature only;
- the processes and procedures employed by the Tax Office to conduct audits; and
- the adequacy and effectiveness of the processes used by the Tax Office to evaluate the results of its GST audit program, including the processes used to compare amounts collected from GST audits with liabilities that are raised.

This review will cover all taxpayers including government and not-for-profits.

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

The Terms of Reference and Consultation Plan for the review are available on the Inspector-General of Taxation website: www.igt.gov.au

SYDNEY
30 October 2006

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