



Australian Government
Inspector-General of Taxation
Taxation Ombudsman

Systemic review of the effectiveness of the ATO's registered agent phone line – terms of reference

Introduction

Registered tax and business activity statement agents (collectively, registered agents) play an important role in Australia's tax and superannuation systems by supporting taxpayers to meet their tax and superannuation obligations. The Australian Taxation Office's (ATO) statistics indicate that registered agents lodged 62% of all 2022-23 individual income tax returns and 96% of all 2022-23 non-individual income tax returns. The most recent statistics (as of 7 January 2025) indicate that registered agents lodged more than half of all 2023-24 individual income tax returns received to date. The efficient and effective engagement between the ATO and registered agents is therefore essential to the health and efficient administration of the tax system.

The ATO provides a number of engagement channels that are exclusively available to registered agents. One of these is the registered agent phone line which aims to provide registered agents with dedicated, quick and direct phone access to ATO officers, separate to those available to the general public.

We note that as part of the 2022-23 audit of the ATO's engagement with tax practitioners, the Australian National Audit Office (ANAO) examined the registered agent phone line and recommended that the ATO 'consult with tax practitioners to better understand their concerns regarding the registered agent phone line and use this feedback to guide the development of future service offerings'.

Registered agents have raised increasing concerns about the quality and inconsistency of service from the ATO; the timeliness and effectiveness of the service through the registered agent phone line; and the level of support and assistance available (by phone) to troubleshoot issues relating to the recently implemented client-agent linking system.

ATO is increasingly expecting registered agents to use their online services for agents, while agents are reporting dissatisfaction with the online services.

According to the ATO's Annual Report 2023-24:

- the average score of tax professionals' perception of how the ATO is working together with them has reduced from 67.46 (out of 100) to 59.19
- 38% of tax practitioners believe ATO's digital services did not meet their expectations
- 65% of tax practitioners needed help when using online services for agents

Why we are undertaking this review

We undertake this review to address the above concerns from the registered agent community and potential mismatches of expectations between what registered agents want from the ATO's dedicated phone line, and the services that the ATO offers including when the registered agent can be expected to use their online services for agents.

We will examine concerns raised through our complaint investigation service and our engagements with registered agents and other stakeholders to identify opportunities for improving the effectiveness of the registered agent phone line to support registered agents.

We will also seek to understand how the ATO has progressed with its implementation of the ANAO recommendation on consulting tax practitioners regarding the registered agent phone line.

Terms of reference

The questions we will seek to answer as part of our review are:

1. whether there is a mismatch of expectations between the service that registered agents want from the ATO's dedicated phone line and the services that the ATO is offering and how the ATO can facilitate better interactions with the registered agent community to address these mismatches;
2. whether the skills, training and support tools of the officers assigned to the registered agent phone line are adequate and sufficient to consistently meet registered agent demands and expectations;
3. what service standards are set for the registered agent phone line, whether they are being met and whether they meet registered agents' expectations; and
4. whether the phone support provided to assist registered agents and their clients in managing issues relating to the recently implemented client-agent linking system is adequate and sufficient.

While this review will address ATO registered agent phone line support relating to the client-agent linking system, it will not involve a deep dive into this topic. This topic may be investigated as a separate stand-alone review, subject to further consultation with stakeholders as part of a future refresh of our workplan.

Our review will also not examine all other aspects of registered agents' interactions with the ATO. Our scope will only include the ATO's online services for registered agents to the extent that registered agents have raised particular concerns and/or it is driving up demand on the phone lines.

Expected delivery of final report

The final report is expected to be delivered in June 2025.

Proposed means of consultation

We will engage with stakeholders throughout the review in a number of ways including:

- public promotion of the review and call for input, insights and contributions from individual registered agents;
- directly engaging with relevant professional bodies, academics, government bodies and key representatives of the registered agent community; and
- testing our findings with key stakeholders ahead of finalising our report and recommendations.

Call for input and contributions

We welcome feedback from stakeholders including professional and industry bodies, registered agents and taxpayers, in relation to the registered agent phone line and potential improvements that may be implemented for the benefit of all.

Specific examples / case studies would be very welcome

The closing date for submissions is **28 March 2025**.

How to contribute to our review

Submissions may be lodged by:

Online	www.igt.gov.au
Email	consultations@igt.gov.au
Phone	(02) 8239 2123
Post	Inspector-General of Taxation and Taxation Ombudsman GPO Box 551 Sydney NSW 2001

Confidentiality

Your input and contributions will be treated confidentially. This means we will not reveal your identity, or any identifying information you provide to any other person or organisation, including the ATO.

Section 37 of the *Inspector-General of Taxation Act 2003* safeguards the confidentiality and secrecy of such information provided to the IGTO – for example, the IGTO cannot disclose the information as a result of a Freedom of Information (FOI) request, or as a result of a court order generally. Furthermore, if such information is the subject of client legal privilege (also referred to as a legal professional privilege), disclosing that information to the IGTO will not result in a waiver of that privilege.

Professional bodies and others (e.g. advisers) who wish to have their contribution to the IGTO formally acknowledged should accordingly expressly waive confidentiality for these purposes.