



Australian Government
Inspector-General of Taxation
Taxation Ombudsman

Quarterly Reporting Pack

Quarter 4, 2019-2020

Some Reflections

- 29% increase in complaints over 5 years
- 6.6% increase in complaints per annum
- In FY20
 - received 903 Category 3.1 complaint investigations in FY20 – ie the ATO has no record of a complaint made with the ATO
 - > 338 [37%] of these complainants lodged via an online webform that asks if the complainant has already lodged a complaint with the ATO
 - > 86% of online complainants believed they had already complained to the ATO
 - the ATO/TPB is the source of referral to the IGTO in about 8% of IGTO complaint investigation cases
 - 22% of complainants were previous users of the service

Part 1

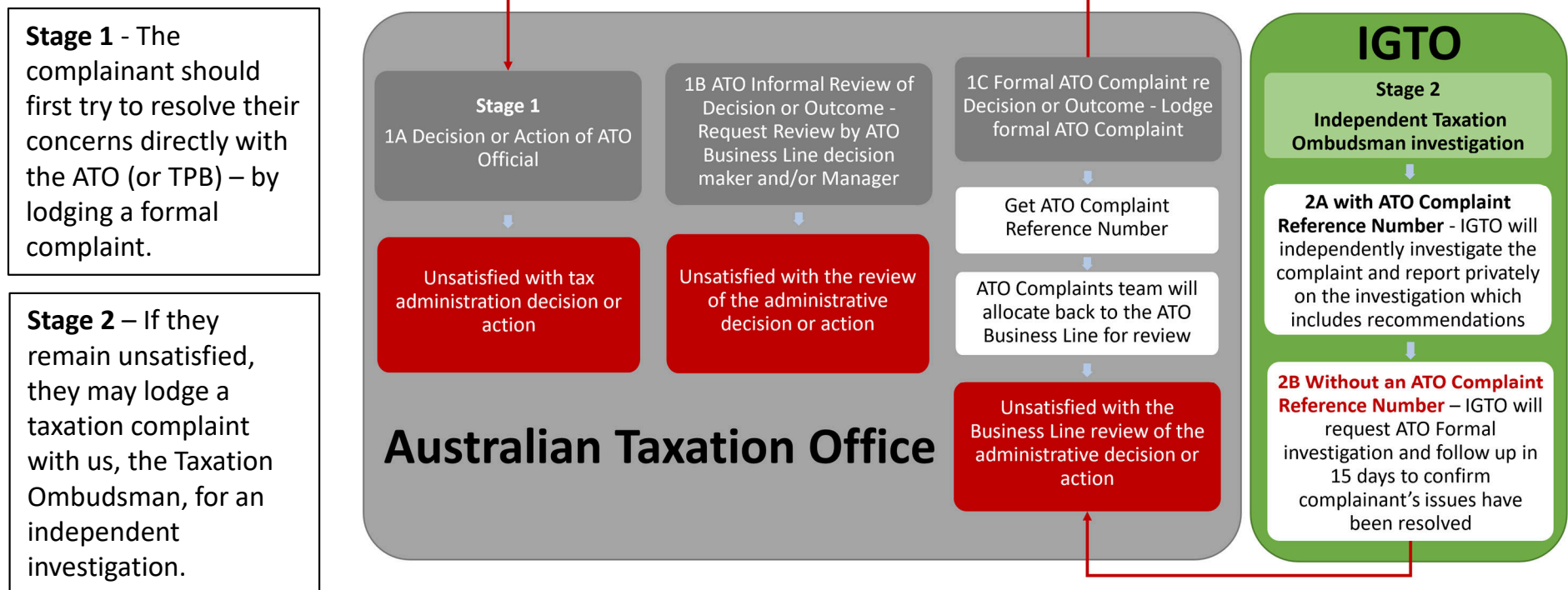
Complaints Data

Making a Complaint - Overview

As the Taxation Ombudsman, we can help with and investigate taxation complaints about the Australian Taxation Office (ATO) or the Tax Practitioners Board (TPB).

IGTO uses the definition of a complaint per ISO standards: *Any expression of dissatisfaction made to or about an organisation, related to its products, services, staff or the handling of a complaint, where a response or resolution is explicitly or implicitly expected or legally required.*

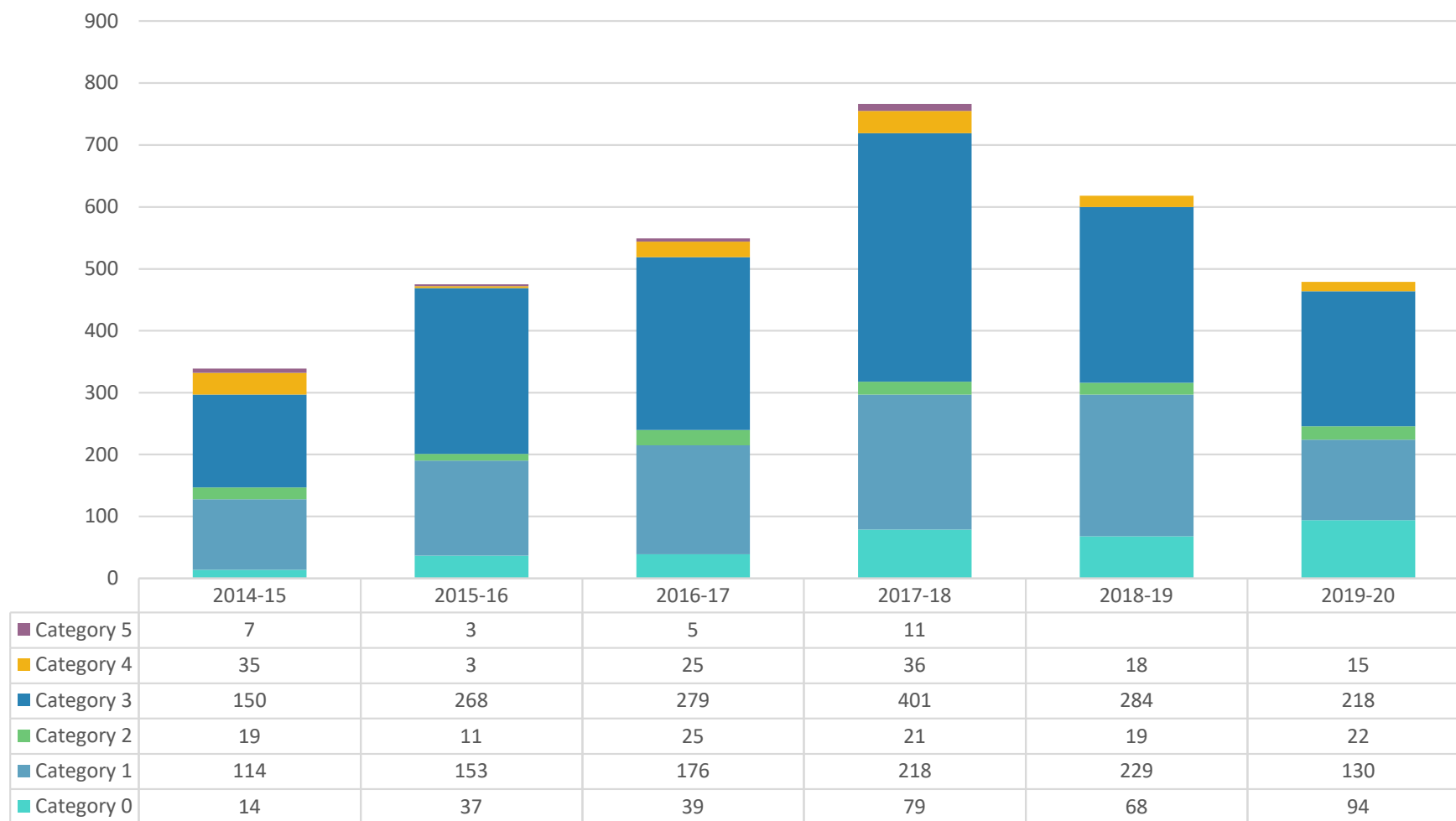
A taxation complaint may be formally investigated and resolved in two stages.



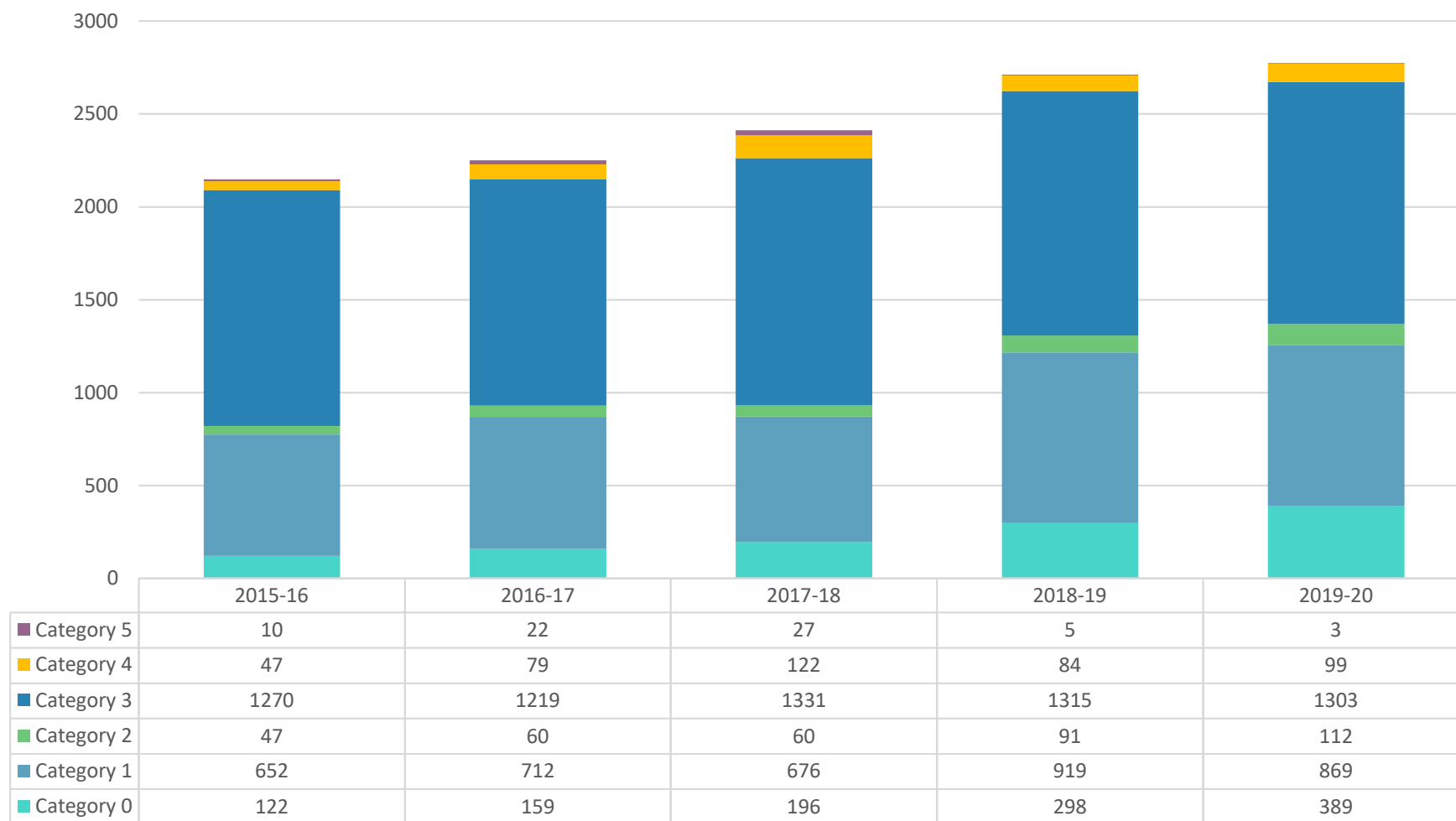
Complaint categorisations

Independent Assistance and Assurance	
Category 0	Insufficient information (i.e. the complainant is unable to provide the IGTO with sufficient information to be able to assist)
Category 1	Translation/Navigation (i.e. IGTO helps the complainant to make sense of ATO/TPB explanations, provides independent assurance regarding ATO/TPB actions of concern and/or charts out the options that are open to the complainant)
Category 2	Referral (i.e. IGTO refers complainant's information to most appropriate agency and/or declines to investigate)
Independent Formal Investigation	
Category 3.1	ATO has no record of a previous complaint - IGTO identifies issues requiring formal investigation and options for resolution and requires the matter to be dealt with by an identifiable ATO/TPB officer providing accountability for the management and resolution of the complaint. IGTO also checks the ATO/TPB's handling of the complaint for satisfactory conclusion
Category 3.2	Uncomplicated Cases - IGTO investigates independently, engages with the ATO to verify facts/issues, determines the most appropriate and timely actions, and identifies who will take them for early resolution
Category 3.3	Frequently Raised Issues - IGTO identifies the case as involving a common area of complaint that is capable of being resolved efficiently and effectively through pre-agreed investigation processes
Category 4	Complex Cases - IGTO undertakes deeper inquiry and investigation to surface relevant evidence and determine the most appropriate options for resolution
Category 5	High Complex Cases - IGTO investigates by engaging directly with ATO senior management (SES), and provides ATO senior management with early warning of emerging risks and opportunity to address sensitive issues (by providing early warning of emerging risks)

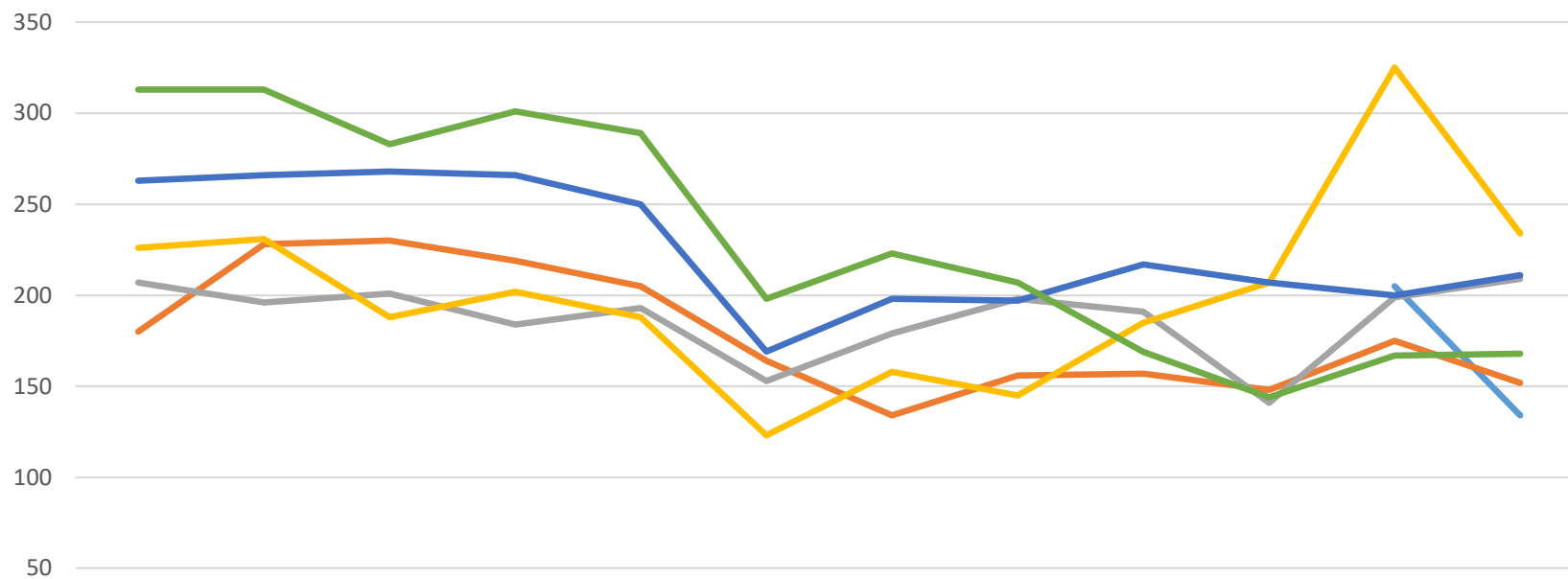
Total complaints received in Quarter 4 each year



Total complaints received each year



Total complaints received each year



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
2014-15											205	134
2015-16	180	228	230	219	205	164	134	156	157	148	175	152
2016-17	207	196	201	184	193	153	179	198	191	141	199	209
2017-18	226	231	188	202	188	123	158	145	185	207	325	234
2018-19	263	266	268	266	250	169	198	197	217	207	200	211
2019-20	313	313	283	301	289	198	223	207	169	144	167	168

Top 5 complaint issues with the ATO in Quarter 4

1. Payments to the taxpayer

- Complaints about COVID-19 payments (Jobkeeper, cash flow boost, early release of superannuation)
- The ATO hasn't paid me my tax refund
- Why isn't the ATO making my employer pay me super?

2. Debt collection

- How has the ATO calculated this debt and why is it using my refund to pay it?
- Why has the ATO issued me a Director Penalty Notice and garnished funds from my bank accounts?
- I am in serious financial hardship, why won't the ATO release my debt?

3. Lodgement and processing

- The ATO won't process my amendment
- Why was my tax return processed with different figures from what I had lodged?
- I can't lodge my tax return electronically

4. Registration and Taxpayer Details

- I am having difficulties registering for ATO Online Services
- I need help as my TFN has been compromised

5. Audit and Review

- The ATO auditor is not considering my circumstances or the information that I provided
- I don't understand the reasons behind the ATO's audit decision

Top 3 complaint issues with the TPB in Quarter 4

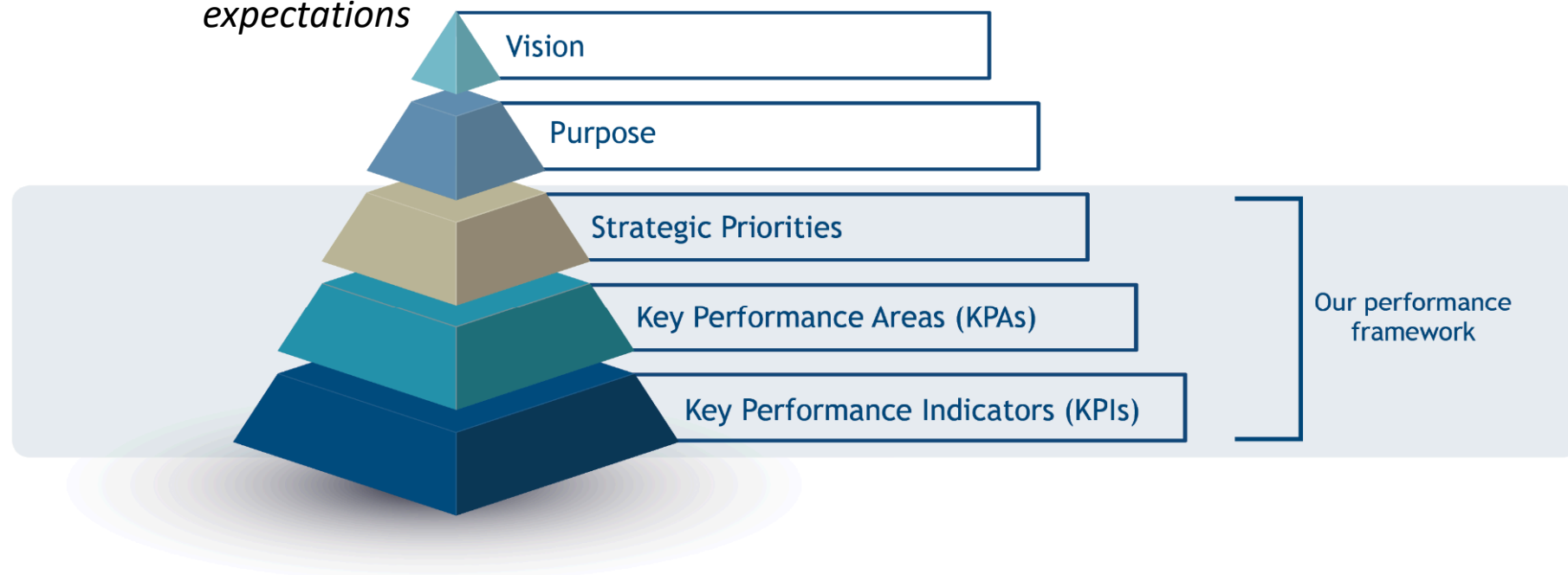
1. Breach of code of conduct (of tax practitioners)
 - The TPB is not investigating my tax agent's conduct
2. Registration
 - The TPB is not helping me to renew my registration
3. Sanctions
 - The TPB has decided I've breached the code of conduct without conducting a proper investigation
 - The TPB has cancelled my company and tax agent registration unfairly

Part 2






Key Performance Indicator (KPI) results for Quarter 4, 2020

Our Performance Framework





To assure and ensure that there is fair, equitable, and transparent administration of the tax system consistent with community expectations



Our Strategic Priorities

	Communicate clearly and effectively	<p>Clear communication is an important strategic priority for the IGTO. Clear communication is important in all aspects of the delivery of our services to the community:</p> <ul style="list-style-type: none"> • Providing access to information; • understanding issues raised in complaints; • understanding stakeholder issues; • investigating complaints; • understanding and analysing the sources of complaints and misunderstandings; • conducting reviews; • preparing submissions to Parliamentary Committees and Government; and • reporting our key findings and recommendations to the Minister, Government, Parliament, ATO, TPB and ultimately for the community. <p>Communication is critical and one of the main tasks that we have as complaint handlers is to assist in re-establishing communication between the ATO and taxpayers. This is particularly important in the context of audits and reviews and managing debt compliance – such as arrangements for time for payment.</p>
	Be approachable, contactable and responsive	<p>The success of our delivery of services to the community depends on IGTO being easy to work with, being accessible and responsive in our investigation of complaints and reviews. Whilst responsiveness may necessarily vary with the complexity of the matters investigated – it is a priority for all of our reviews and complaint investigations.</p>
	Improve the skills, expertise and resilience of our people and organisation	<p>Our team needs to have both tax technical skills and the expertise and skills to work with people, sometimes in moments of high stress and anxiety.</p> <p>The complexity of the Australian taxation laws necessitates specialist expertise in taxation to navigate options and make recommendations.</p>
	Independent thought leadership and expertise	<p>IGTO can provide some unique insights on the operation of the taxation administration laws – both domestically and by way of international comparisons. Our thought leadership contribution to the taxation community is another opportunity to contribute to improved taxation administration laws.</p>
	Engage with stakeholders in the tax administration system	<p>Stakeholder engagement is a strategic priority for IGTO – to ensure we stay connected with the tax community. This is critical to allow us to identify priority areas for review, to keep on top of the ‘current’ experiences in the market and tax community and to promote community awareness of the service we provide and assistance we can deliver.</p>

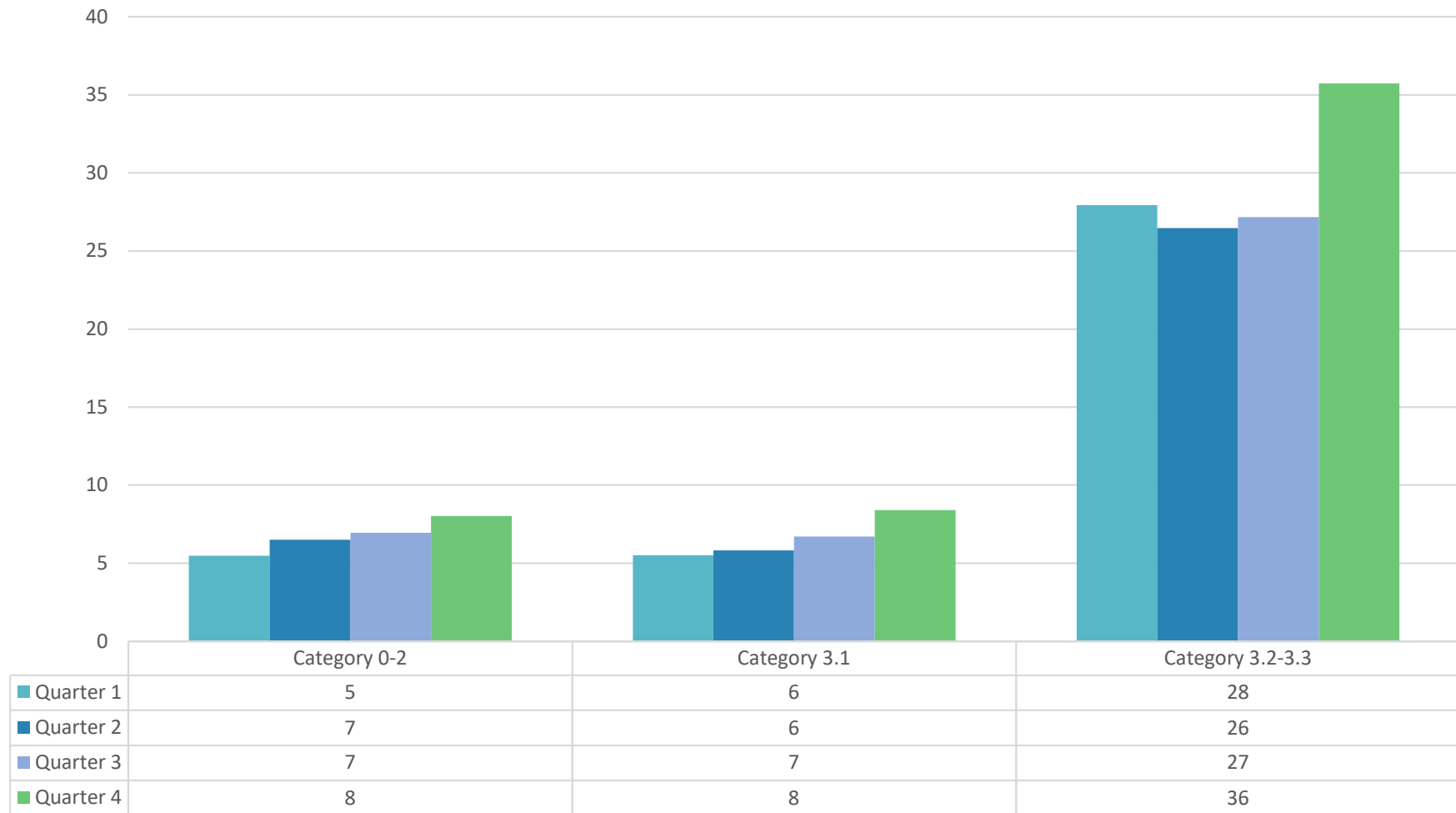
Key performance areas

KPA 1 Provide an independent, efficient and effective tax complaints service for taxpayers	<ul style="list-style-type: none"> • Actively investigate complaints in a fair, independent and timely manner. • Provide understandable reasons for our decisions. • Maintain cooperative relationships with the ATO and TPB. • Identify and share improvement opportunities, internally and also with the ATO and TPB, to support prompt and effective delivery. • Provide targeted training and development to staff in order to maintain a tax specialist complaints team. 	   
KPA 2 Identify and investigate priority areas for improved tax administration	<ul style="list-style-type: none"> • Analyse data and feedback obtained from complaints together with consultation with stakeholders to identify broader tax administration issues. • Allocate resources appropriately to priority areas. 	    
KPA 3 Provide advice that is independent, timely and relevant to the administration of taxation laws in Australia	<ul style="list-style-type: none"> • Be responsive to the community, including the Government, the ATO and the TPB in making effective recommendations for improving tax administration. • Allocate resources to conduct reviews appropriately. 	   
KPA 4 Co-operate and collaborate with relevant agencies and stakeholders - both domestically and internationally	<ul style="list-style-type: none"> • Engage with the Government, ATO and the TPB to communicate effectively and efficiently on areas of concern. • Foster relations with other government agencies and Ombudsman to ensure tax administration complaints are referred to our office. • Engage with the broader community using a variety of channels. 	    
KPA 5 Foster a diverse, engaged and resilient team	<ul style="list-style-type: none"> • Provide a workplace environment in which our staff are supported, engaged and inspired to provide the best service and outcomes. • Develop our specialist capabilities through targeted training and development opportunities. • Ensure our office is made up of diverse people with varied qualifications, skills and experience. 	    

KPA 1

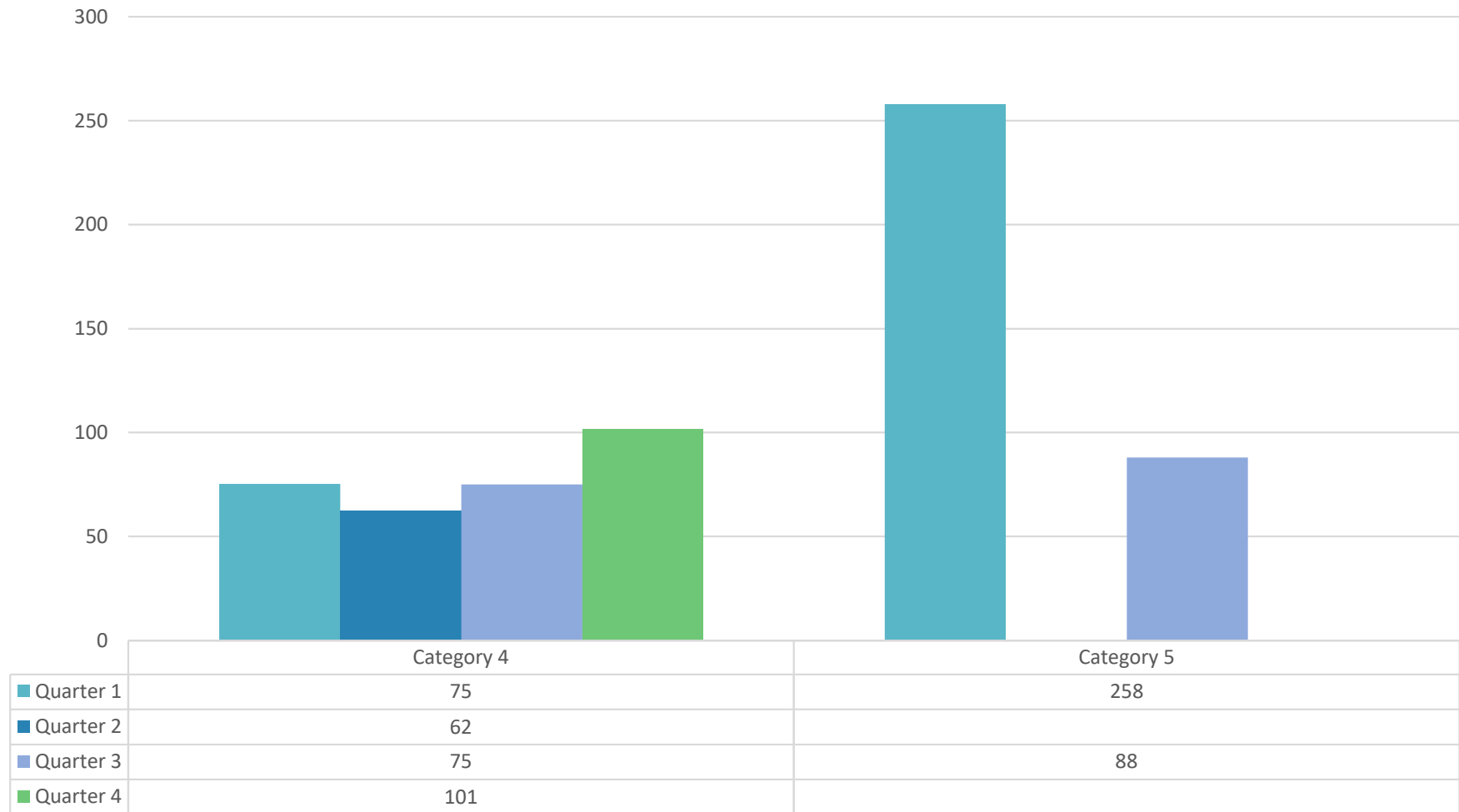
Provide an independent, efficient and effective tax complaints service for taxpayers

Average number of days to resolve complaints (Categories 0-3*) for each Quarter in 2019-20

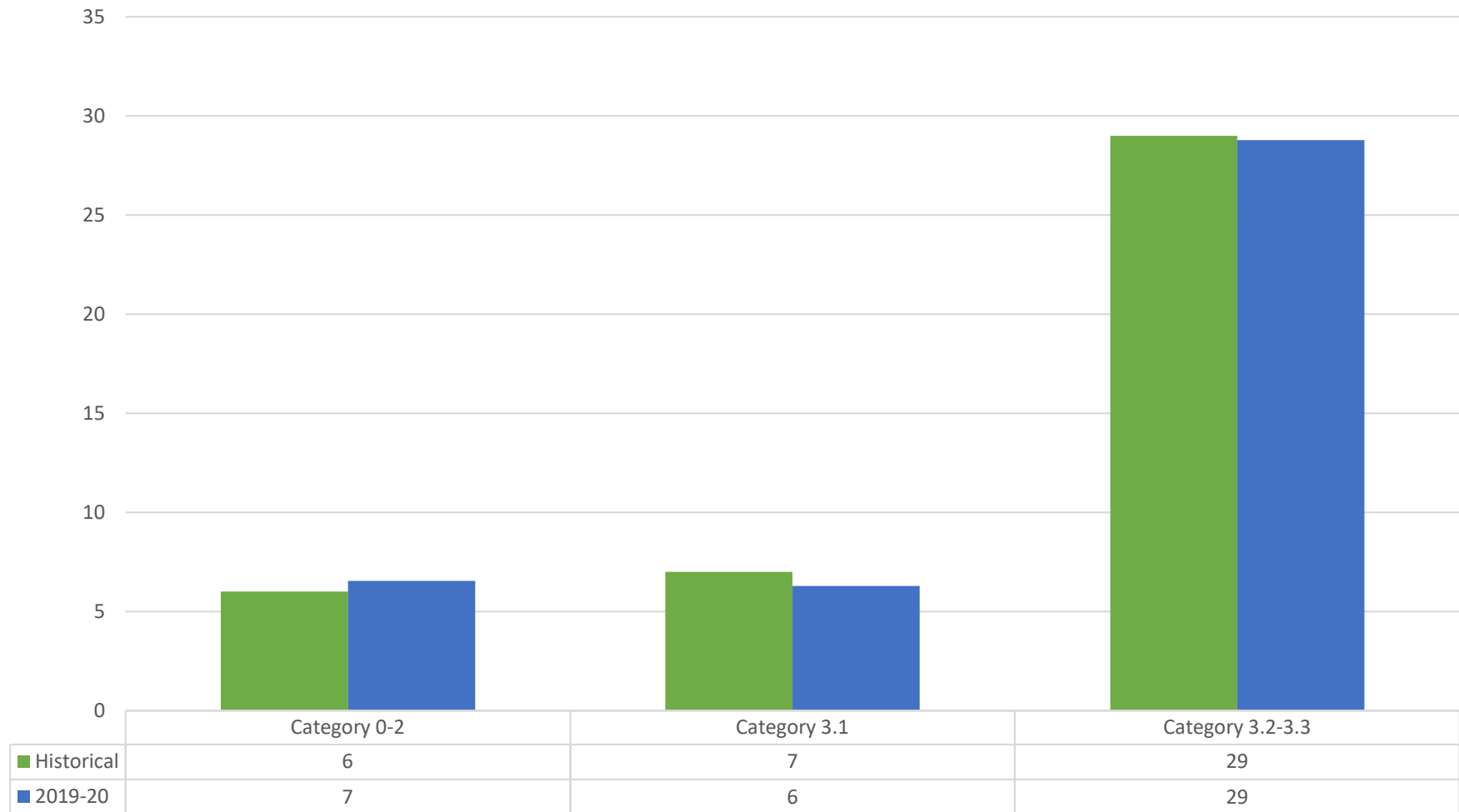


* 96% of complaints

Average number of days to resolve complex complaints (Categories 4-5) for each Quarter in 2019-20

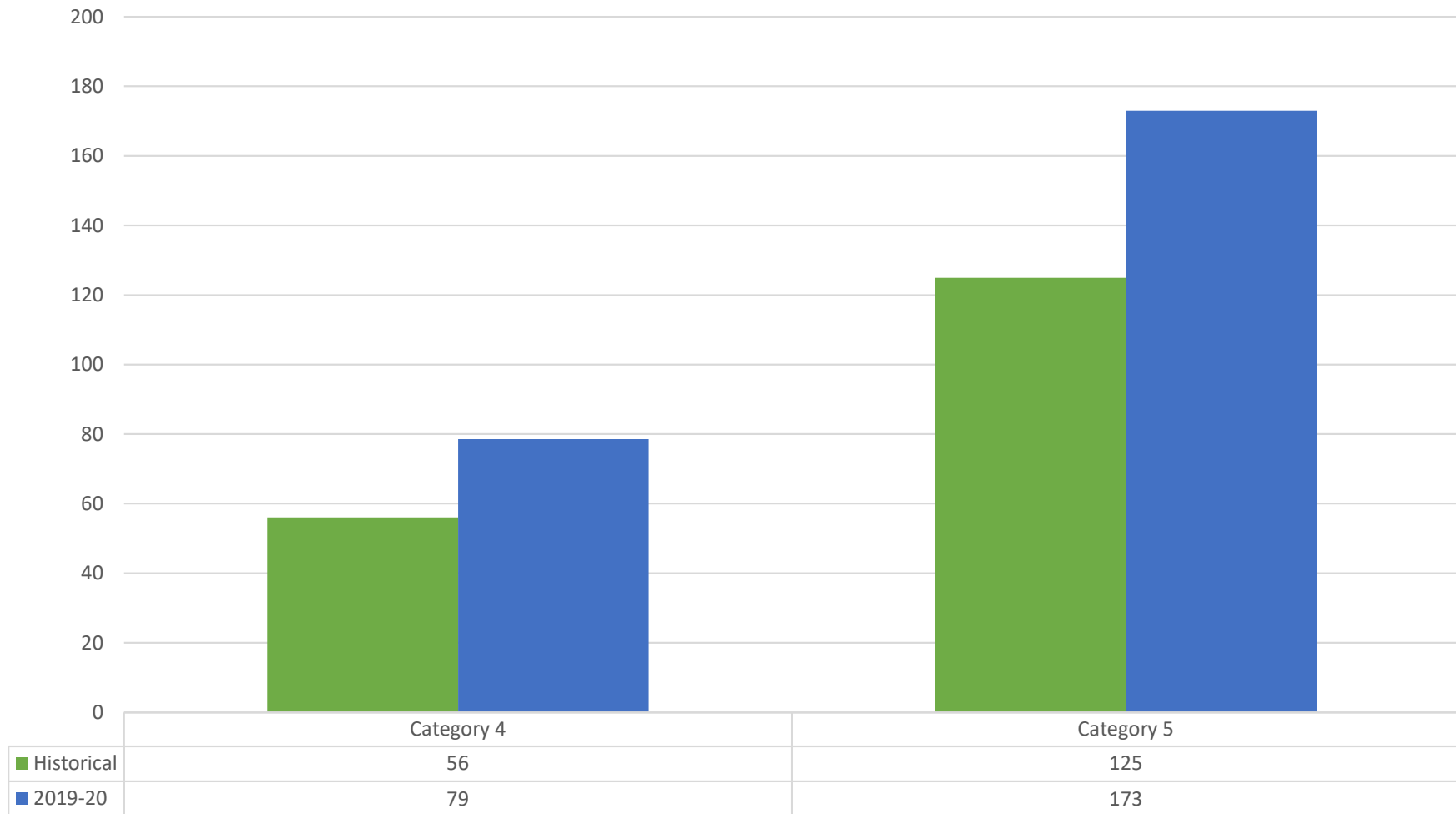


Average number of days to resolve complaints (Categories 0-3*) for 2019-20



* 96% of complaints

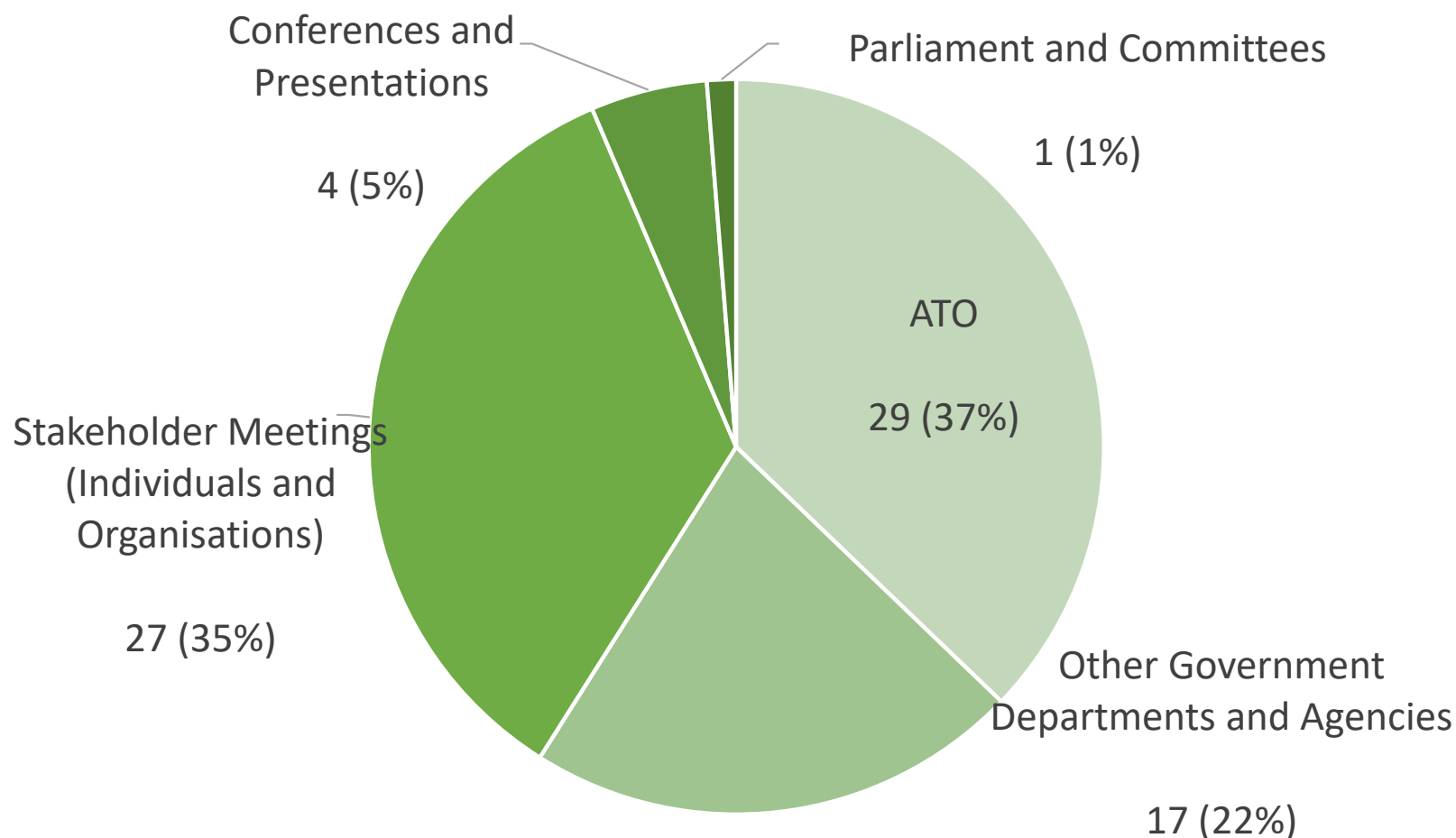
Average number of days to resolve complex complaints (Categories 4-5) for 2019-20



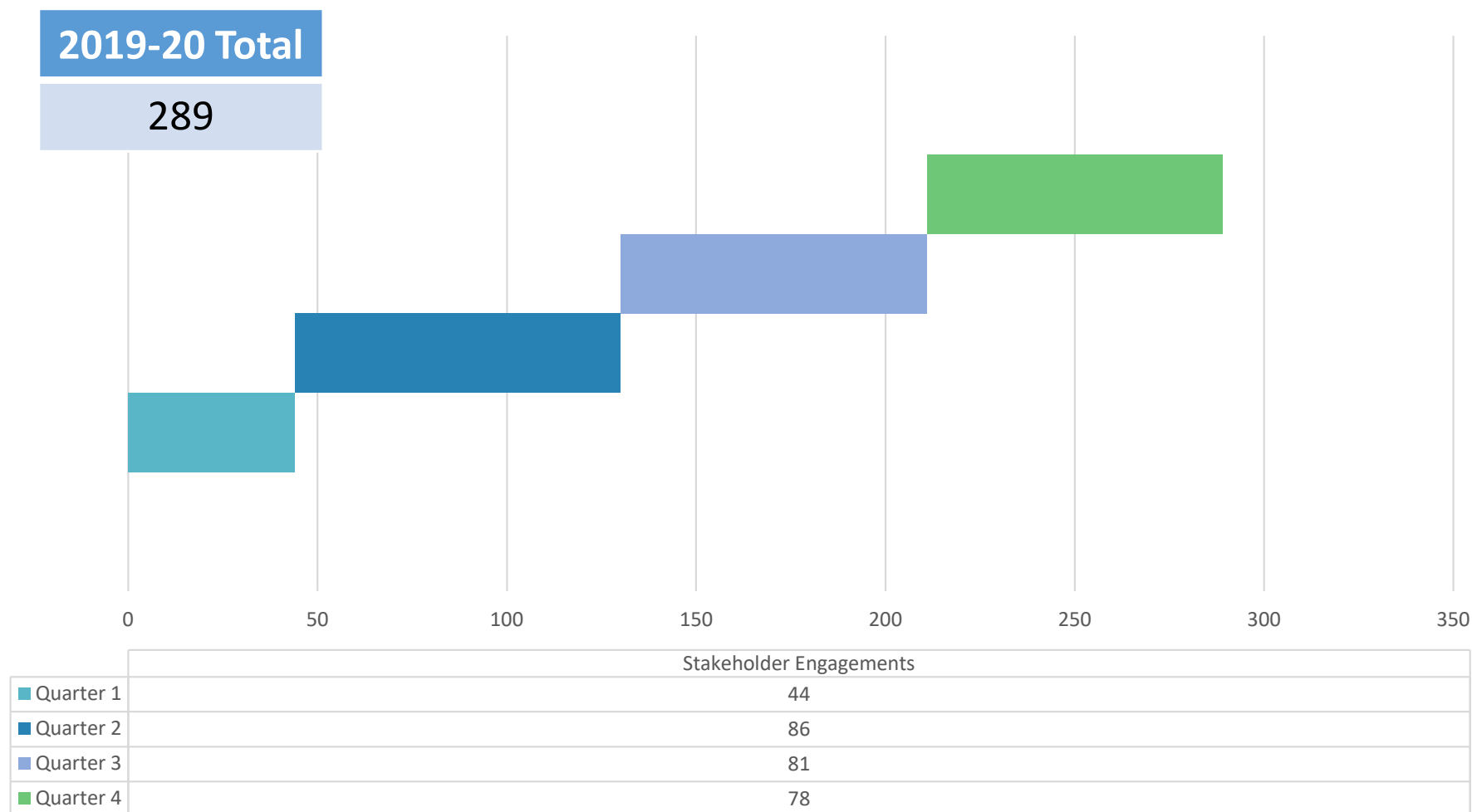
KPA 2

Identify and investigate priority areas
for improved tax administration

Meetings and engagement with stakeholders in Quarter 4



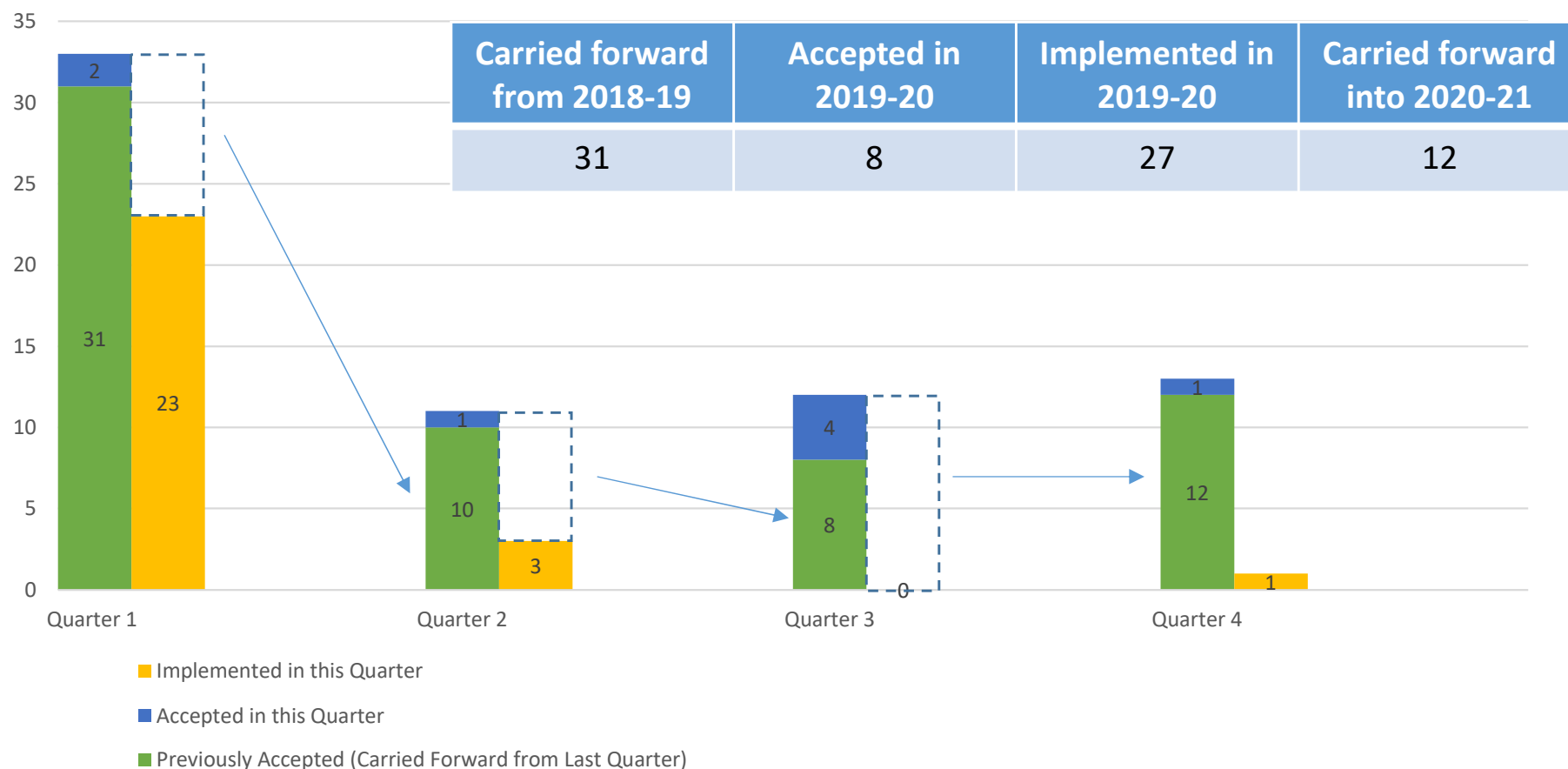
Meetings and engagement with stakeholders in 2019-20



KPA 3

Provide advice that is independent,
timely and relevant to the
administration of taxation laws in
Australia

Agreed Business Improvements accepted and implemented by the ATO and TPB



Responses to Government, Treasury or Parliamentary reviews that relate to taxation administration

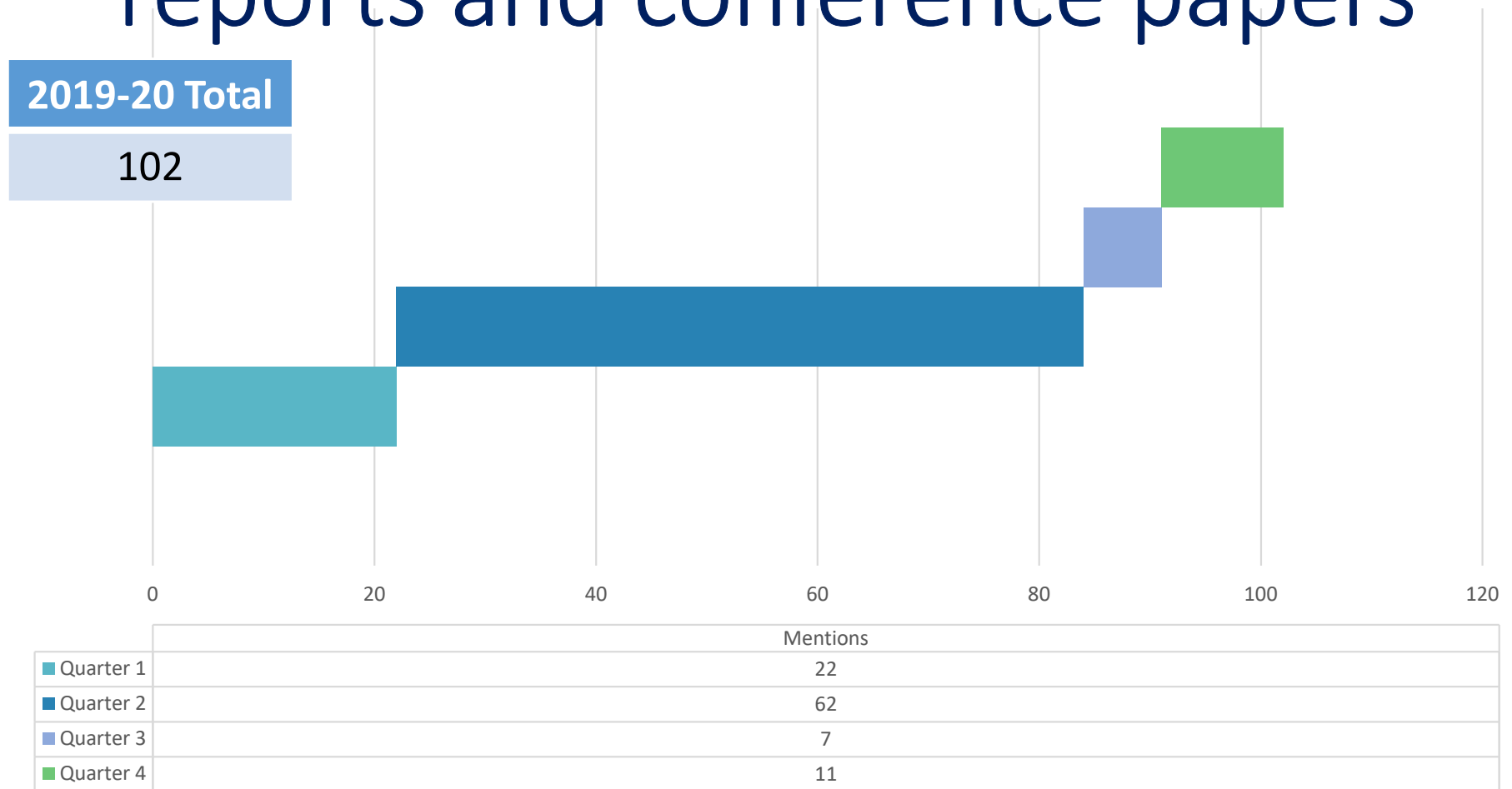
2019-20 Quarter 4

19 June 2020	Public hearing before the Standing Committee on Tax and Revenue in relation to the Tax Treatment of Employee Share Schemes
8 May 2020	Submission(s) to the Standing Committee on Tax and Revenue's Inquiry into the Commissioner of Taxation Annual Report 2018-19
23 April 2020	Submission to the Standing Committee on Tax and Revenue's Inquiry into the Tax Treatment of Employee Share Schemes
17 April 2020	Submission to the Standing Committee on Tax and Revenue's Inquiry into the Development of the Australian Corporate Bond Market

2019-20 Quarters 1-3

6 December 2019	Public hearing before the Senate Economics Legislation Committee in relation to the Review into the Performance of the IGTO
27 November 2019	Supplementary submission to the Senate Economics Legislation Committee's Review into the Performance of the IGTO (1)
27 November 2019	Supplementary submission to the Senate Economics Legislation Committee's Review into the Performance of the IGTO (2)
6 September 2019	Submission to the Treasury's Review into the Tax Practitioners' Board
30 August 2019	Submission to the Senate Economics Legislation Committee's Review into the Performance of the IGTO
19 August 2019	Public hearing before Senate Economics Legislation Committee on Tax Debt Transparency
15 August 2019	Submission to the Senate Economics Legislation Committee's review of the Treasury Laws Amendment (2019 Tax Integrity and Other Measures No 1) Bill 2019 (in relation to Tax Debt Transparency)
13 August 2019	Submission to the Australian Information Commissioner's Discussion Paper on Disclosure of Public Servants' Names and Contact Details

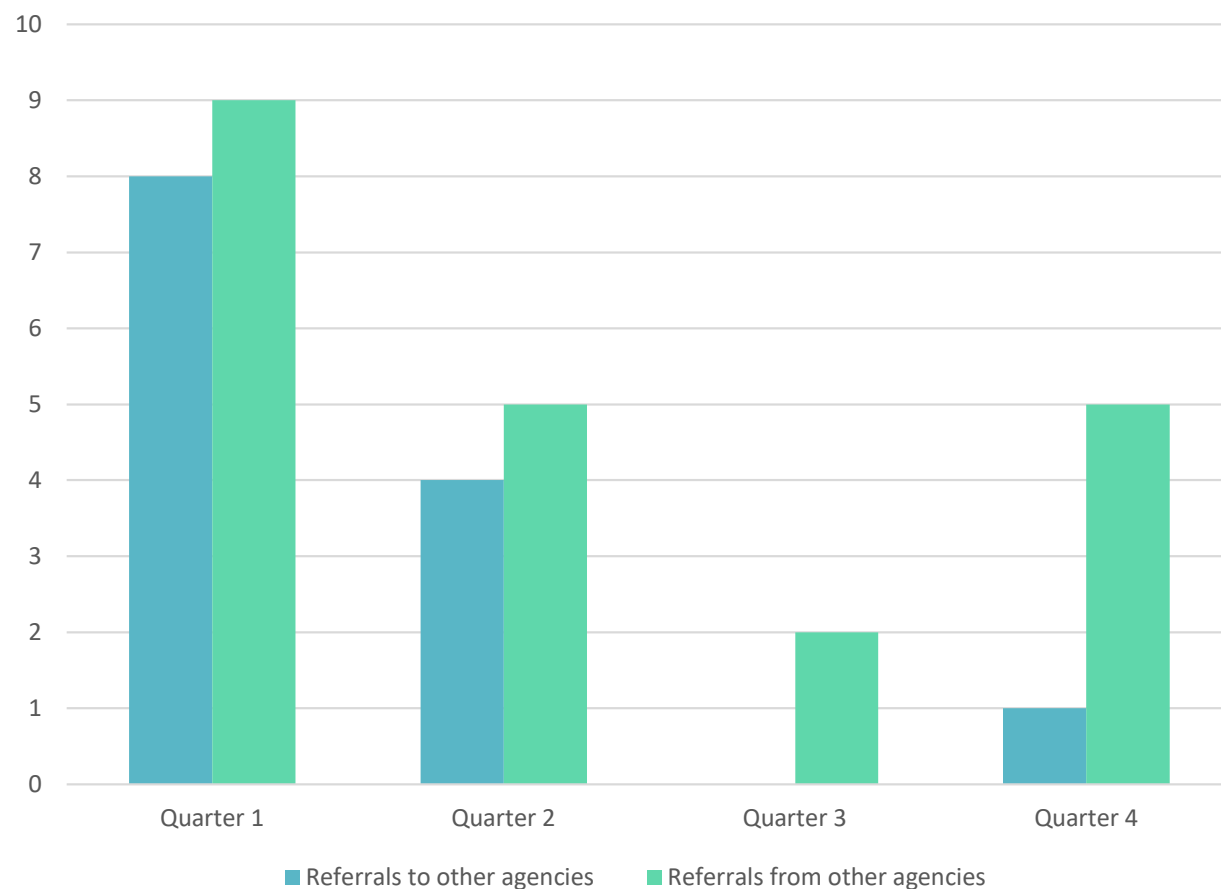
Mentions of the IGT0 in professional newsletters, updates, reports and conference papers



KPA 4

Co-operate and collaborate with relevant agencies and stakeholders – both domestically and internationally

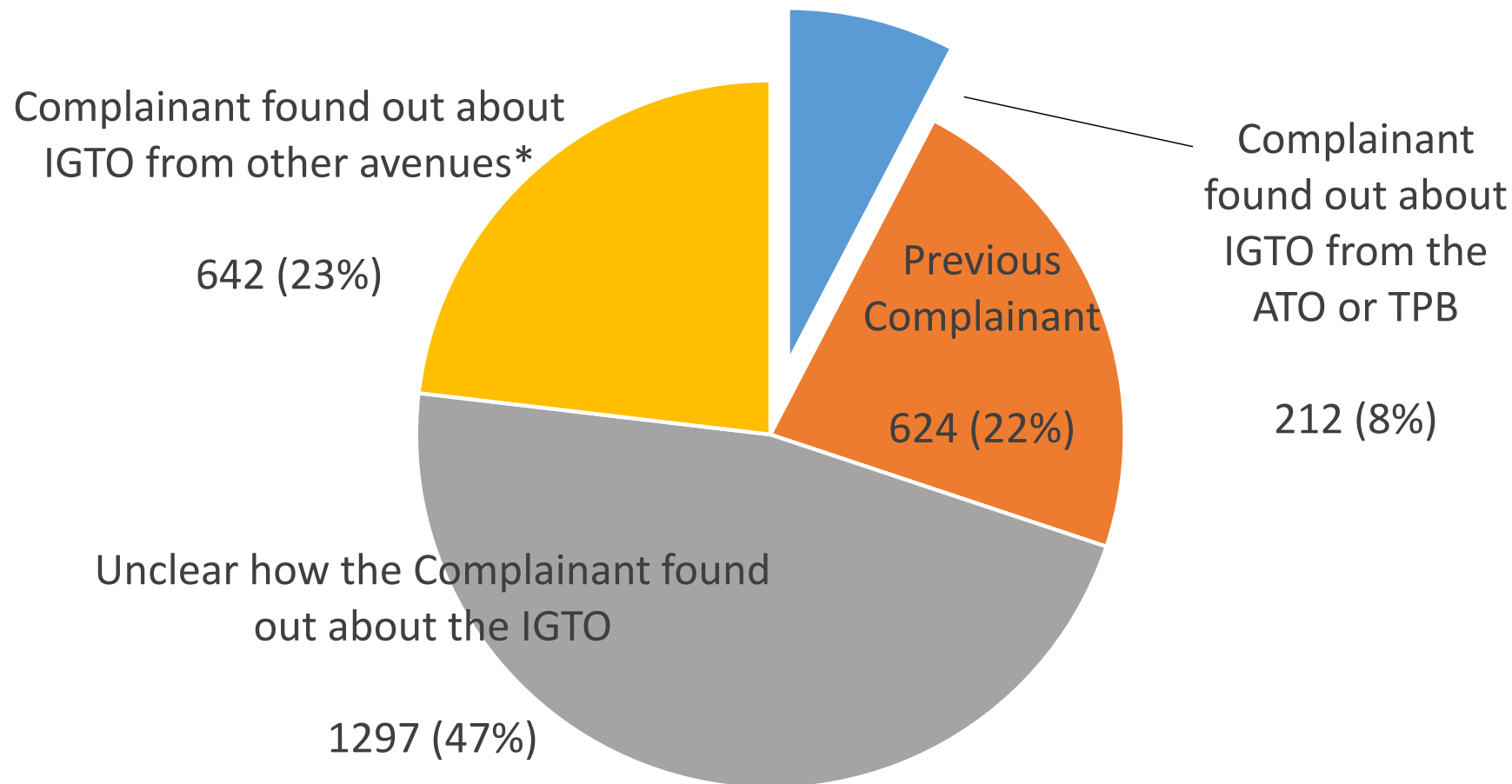
Cross referrals to/from other agencies



2019-20 Total

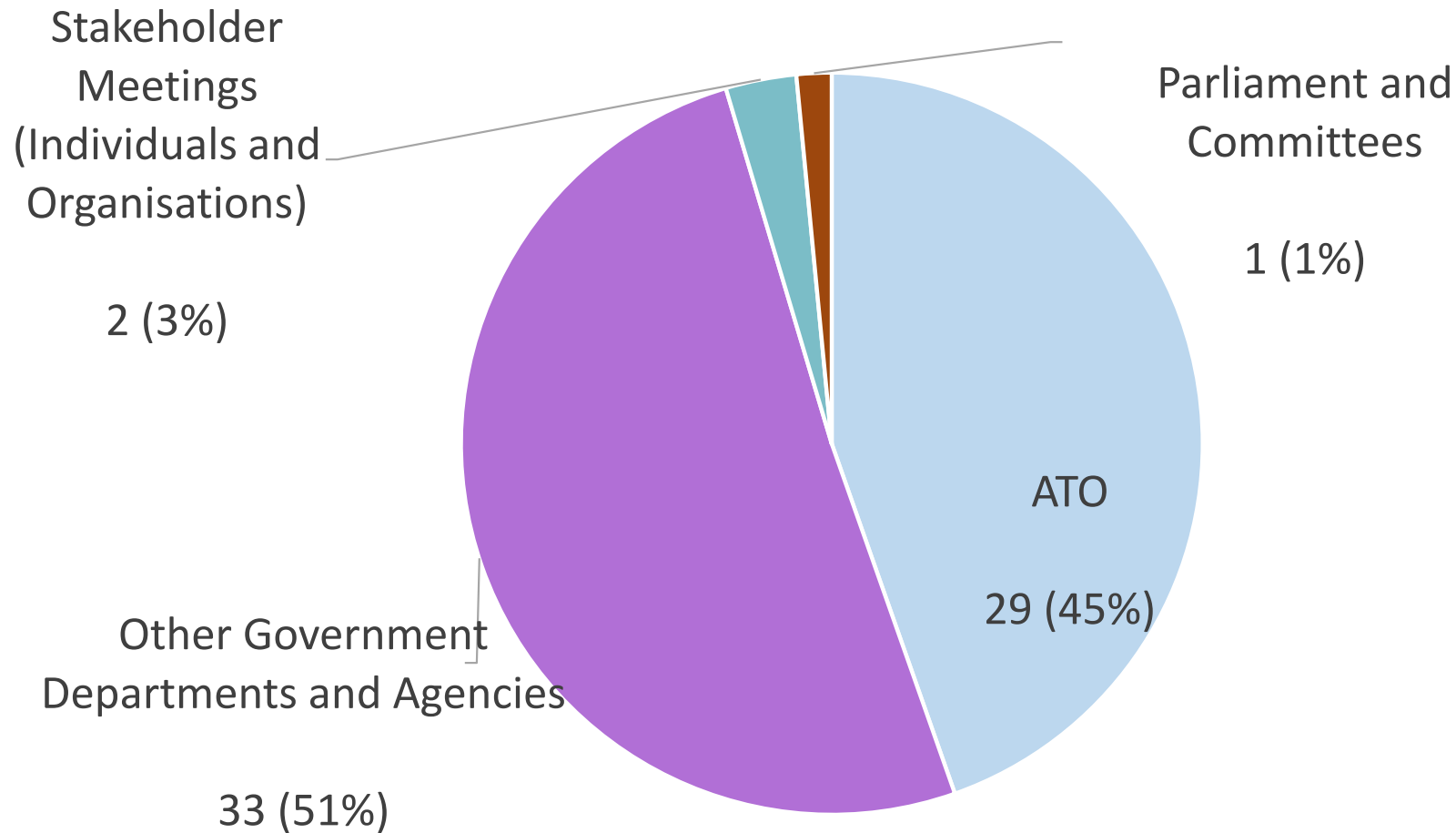
Referrals to	13
Referrals from	21

How complainants found out about the IGTO in 2019-20

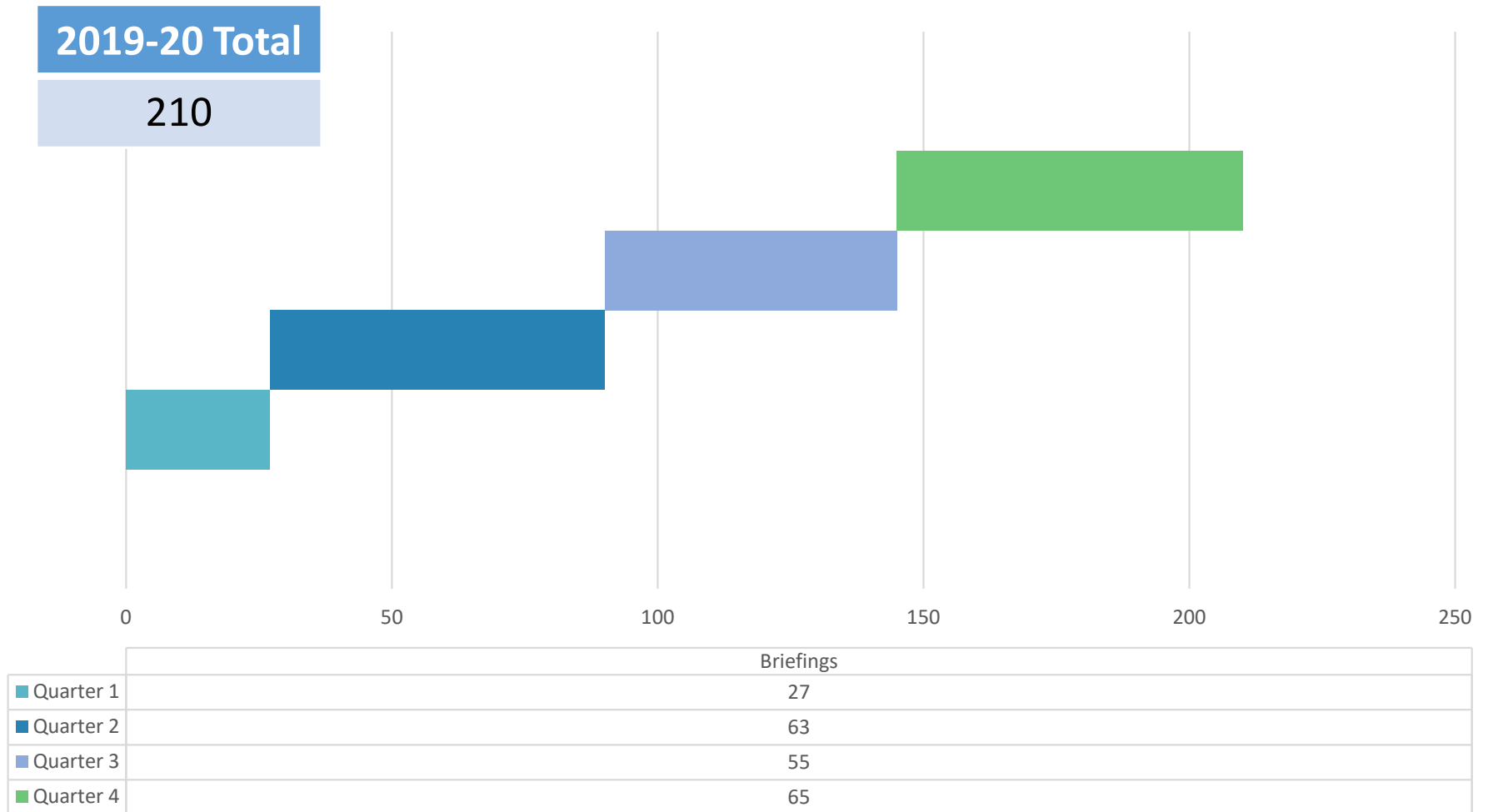


* e.g. common knowledge, community or professional org, internet, newspaper, MP/Parliamentarian, friends/relatives, legal advice/accountant etc.

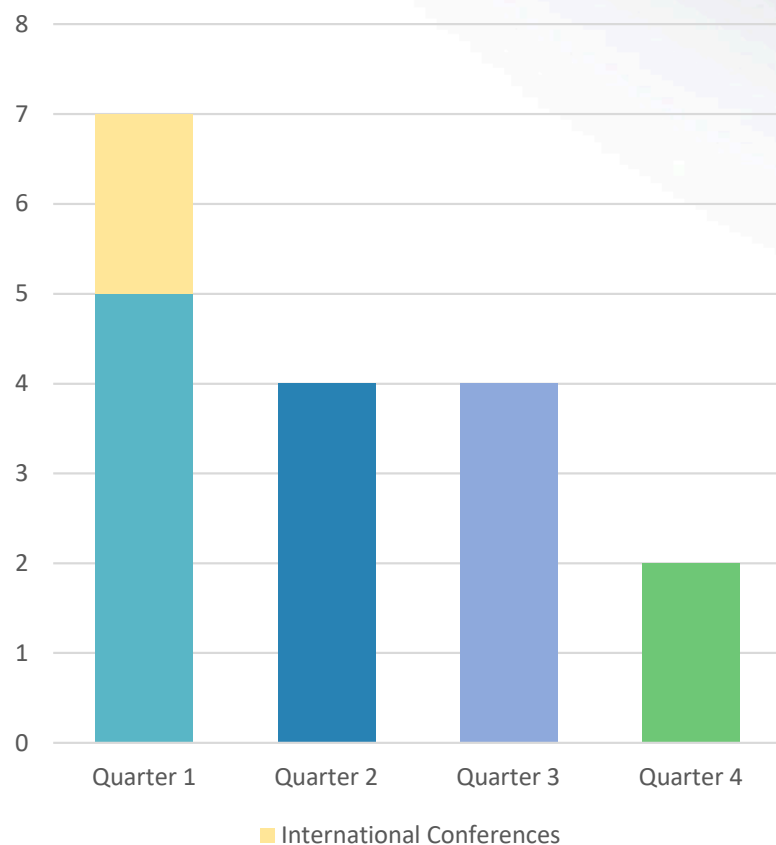
Briefings with the Government, the Australian Parliament, the ATO and/or the TPB in Quarter 4



Briefings with the Government, the Australian Parliament, the ATO and/or the TPB in 2019-20



Participation at relevant domestic and international conferences and forums



2019-20 Conferences

Quarter 1

Women in Leadership Symposium

United States Ombudsman Association (USA)

Tax Institute Tax Disputes Conference

Australasian and Pacific Ombudsman Region (Taiwan)

IPA Women in Practice Conference

SOCAP Symposium

Tax Institute 52nd Western Australia National Convention

Quarter 2

Law Council of Australia Taxation Workshop

Quarter 3

Australasian Tax Teachers' Association Conference

IPA National Congress – Adelaide

Tax Institute Tax Summit 2020

Australian and New Zealand Ombudsman Association AGM

Tax Institute Financial Services Taxation Conference

UNSW Seminar on Taxation and Business Law

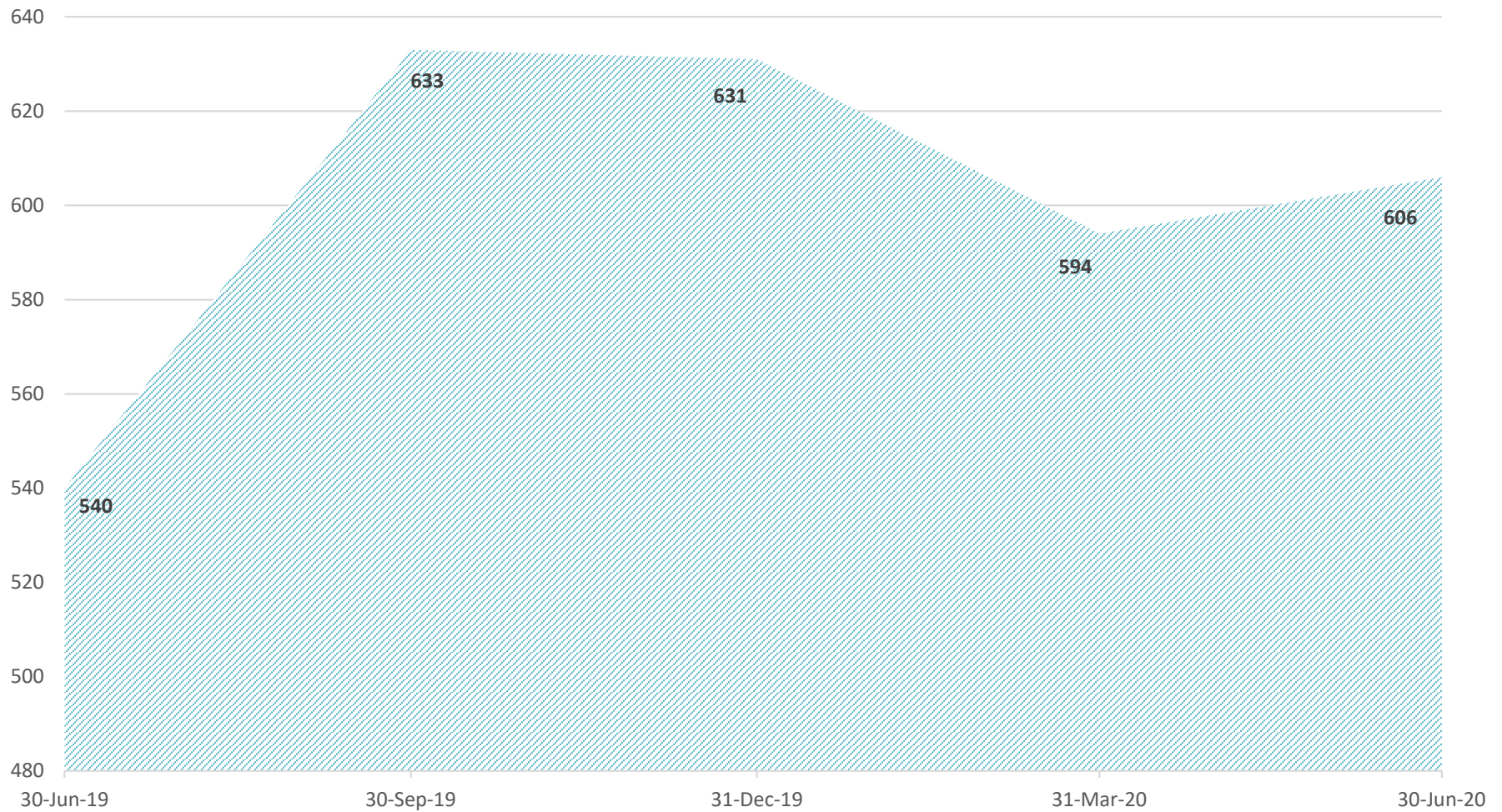
IPA WA Congress

Quarter 4

Death and Taxes Online

IPA Talks

Registered subscribers to IGT0 newsletter via website



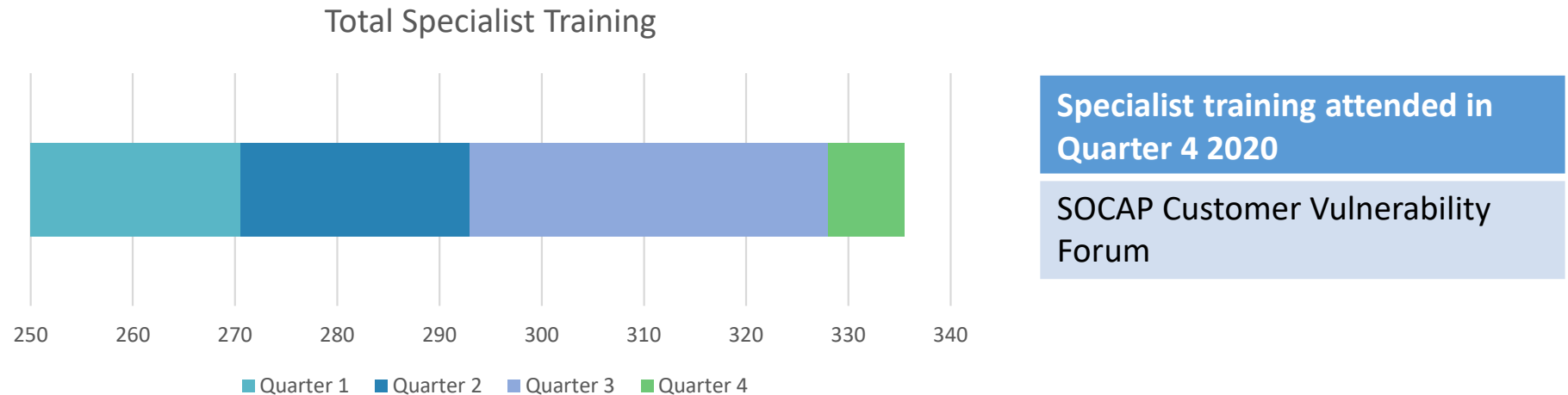
Website and Social Media

KPI	Description	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Up-to-date IGTO website links and information referring to related agencies	Percentage and total website links to other agencies are up-to-date	100% (15 of 15)	100% (15 of 15)	100% (15 of 15)	100% (15 of 15)
	Percentage and total number of other agencies listed on the IGTO website which contain valid links to the IGTO website	33.3% (5 of 15)	33.3% (5 of 15)	33.3% (5 of 15)	33.3% (5 of 15)
Website hits	Total website hits	40,963	40,489	35,270	24,358
Social media engagement	Total number of Facebook fans	5,692	6,196	6,169	6,059
	Total number of Twitter followers	687	718	728	744

KPA 5

Foster a diverse, engaged and resilient team

Average hours per staff attending specialist training annually



Eligible IGTO staff members **(26)** each attended on average **12.9** hours of specialist training in of 2019-20.

In addition to the above, the IGTO supported 6 of its staff members with Postgraduate, Professional Course or Long Term Study in 2019-20.

5 of these staff members have now completed their course of study.

Monitor diversity in the agency including the percentage of female staff across all levels

