



Australian Government  
Inspector-General of Taxation

# IGoT News!

Edition 02 | October 2017



## Greetings from the IGT

Welcome to the second edition of our newsletter. People often say the sequel is never as good as the original, but let's hope we buck that trend, now and into the future! Having said that, I must say that the feedback on the first edition of the newsletter has been especially positive and it seems everyone enjoyed our catchy title – *IGoT News!*

We have settled well into our new premises and, as promised, there have been no disruptions to our complaints handling service or the progress of our reviews.

As we are nearing the end of Tax Time, it is pleasing that my team has been able to deliver a consistent and valuable service even as approaches to our office are higher than this time last year. This reflects the increasing awareness of our role and the services that we can offer to the Australian community.

All of our reviews are well under way with two of them (Pay As You Go Instalments and GST Refunds) being well progressed whilst the Future of the Tax Profession and the ATO's Fraud Control Management reviews are ramping up as we speak.

We continue our efforts to engage with our stakeholders and our outreach program to suburban and regionally-based tax practitioners has yielded much positive feedback. We are also actively working with our international counterparts on key areas of reviews to identify best practices and innovations that may be implemented to improve the administration of the tax system in Australia.

Our Annual Report will be published shortly and will provide even further details on the significant work and achievements over the past financial year.

Ali Noroozi  
IGT



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## Review update

The review into the [ATO's Fraud Control Management](#) has generated significant interest and almost 80 submissions were received. We have engaged with ATO senior executives to

share details of the submissions as we work through the review. We are on track to deliver our report to the Senate by 30 June 2018.

The [Future of the Tax Profession](#) review is well underway and we have received considerable feedback on this review with 54 submissions from tax and legal practitioners, software developers and a range of industry and professional bodies. We have also met with ATO senior executives to share some of the insights from those submissions as well as to chart the way forward for the review.



The reviews into [GST Refunds](#) and [Pay As You Go Instalments](#) are progressing well and we have shared some of our preliminary views and observations with the ATO. This process is critical as it enables the ATO to respond directly to stakeholder concerns as well as our observations and potential recommendations.

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## Complaints handling service update

Another Tax Time is nearly over and as we foreshadowed in our last newsletter, it has been an extremely busy period for all of us. Our complaints numbers have, on average, been approximately 7 per cent higher than during the same period last year, with the largest increase being around 18 per cent during the month of August.



We are also continuing our work to improve the reporting of issues from our complaints handling service. At a general level the most frequently raised issues remain unchanged with the ATO's debt activities at the top. However, a more granular examination shows that the most commonly raised concerns with us this past quarter were:

- difficulties with having the ATO rectify errors on notices of assessment;
- the ATO not taking into account individual taxpayer circumstances in audit decisions;
- delays in issuing refunds;
- unpaid superannuation guarantee;
- difficulties establishing or maintaining payment arrangements;
- the ATO's use of debt demand letters; and
- concerns associated with tax evasion referrals.

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## Complaints outcomes and feedback

Our complaints handling service continues to yield positive outcomes for taxpayers and tax practitioners. For example:

- we aided the trustee of a deceased estate to reach resolution in a case that had been running for over a year due to delays in the allocation of a private ruling request and incorrect advice that the ATO had given. Our intervention secured speedy action to address the delay and enabled the trustee to proceed with finalising the estate;



- we assisted a taxpayer who had not been afforded sufficient opportunity to respond to ATO information requests during an audit that resulted in two years of amended business activity statements and a significant debt being raised. As a result of our investigation, the ATO acknowledged that the audit should not have been finalised so quickly, suspended debt collection activity and allowed further time for information to be provided; and
- we helped a taxpayer whose bank had been issued with a garnishee notice even though he had actively worked to ensure that the majority of the debt had been paid and was well on his way to paying the balance. Following our investigation, the ATO acknowledged that further checks should have been undertaken before the garnishee notice was issued and an apology was promptly issued to the taxpayer.

We are also happy to report that the feedback that our staff have received from taxpayers and tax practitioners continues to be overwhelmingly positive. 78 per cent of complainants who were surveyed over the past financial year said that they were satisfied with our service and over 80 per cent of them indicated that our staff were respectful, professional and knowledgeable.

Some of the positive comments that our team has received include:

- *Thank you very much for taking my case to the ATO, I am pleased with the response. The assistance you have given has helped a great deal to cut through the many channels and obstacles I felt myself dealing with;*
- *I've been meaning to get in touch with you to thank you for your help...I'm very grateful for you, the intervention on my behalf,...I wouldn't have received such a quick response if I had tried to deal with them on my own I'm certain of that; and*
- *I am sure I speak on behalf of the [taxpayer] when I say that your representation on our behalf has been far more than we would have ever anticipated and is genuinely appreciated...*

From time to time, we also receive feedback from our stakeholders on how we can improve our service delivery. We welcome such feedback and have actively worked to address dissatisfaction directly with those affected as well as on a broader level to improve our service.

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## Vale Gordon Stewart Cooper AM

In July, we received the sad news that Professor Gordon Cooper AM had passed away. Professor Cooper's contributions to the tax community were significant and many. He was made a Member of the Order of Australia in the 2003 Queen's Birthday Honours for 'services to the tax profession and to the community as an adviser on national taxation and legislative reform, and through education and professional organisations.'



Our thoughts and prayers are with Professor Cooper's family and friends.

Mr Chris Wallis, a Melbourne-based barrister, has kindly prepared a [tribute to Professor Cooper](#).

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## Stay up-to-date with Twitter

Did you know that we have a Twitter account? We use that account to announce updates as well as new reviews and other projects that we are undertaking. If you have not already done so, you can follow us at [insp\\_gen\\_tax](#).



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## Stakeholder engagement

We have continued our program of engagement with suburban and regionally-based tax practitioners through professional discussions. Since our last newsletter, our staff have met and discussed key tax administration issues with practitioners in Newcastle, Gosford, Bankstown and Castle Hill.

The IGT has also delivered a number of presentations including a recent one to students at Carnegie Mellon University in Adelaide.



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## Corporate Plan 2017-18

In September we published our [Corporate Plan 2017-18](#) which sets out our four-year outlook as well as our purpose, operating environment, planned performance, capability, oversight and management.



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## Feedback

We welcome your feedback on how we can make our newsletter more informative and interesting for the community, including any features that you would like to see in upcoming editions. Please [email us](#) with your suggestions.