



Australian Government  
Inspector-General of Taxation  
Taxation Ombudsman

# Quarterly Reporting Pack

Quarter 1, FY22

# The IGTO Quarterly Reporting Pack provides progressive updates against the latest IGTO Corporate Plan



The IGTO Corporate Plan can be accessed here: [Corporate Plan](#)

# Part 1

## Complaints

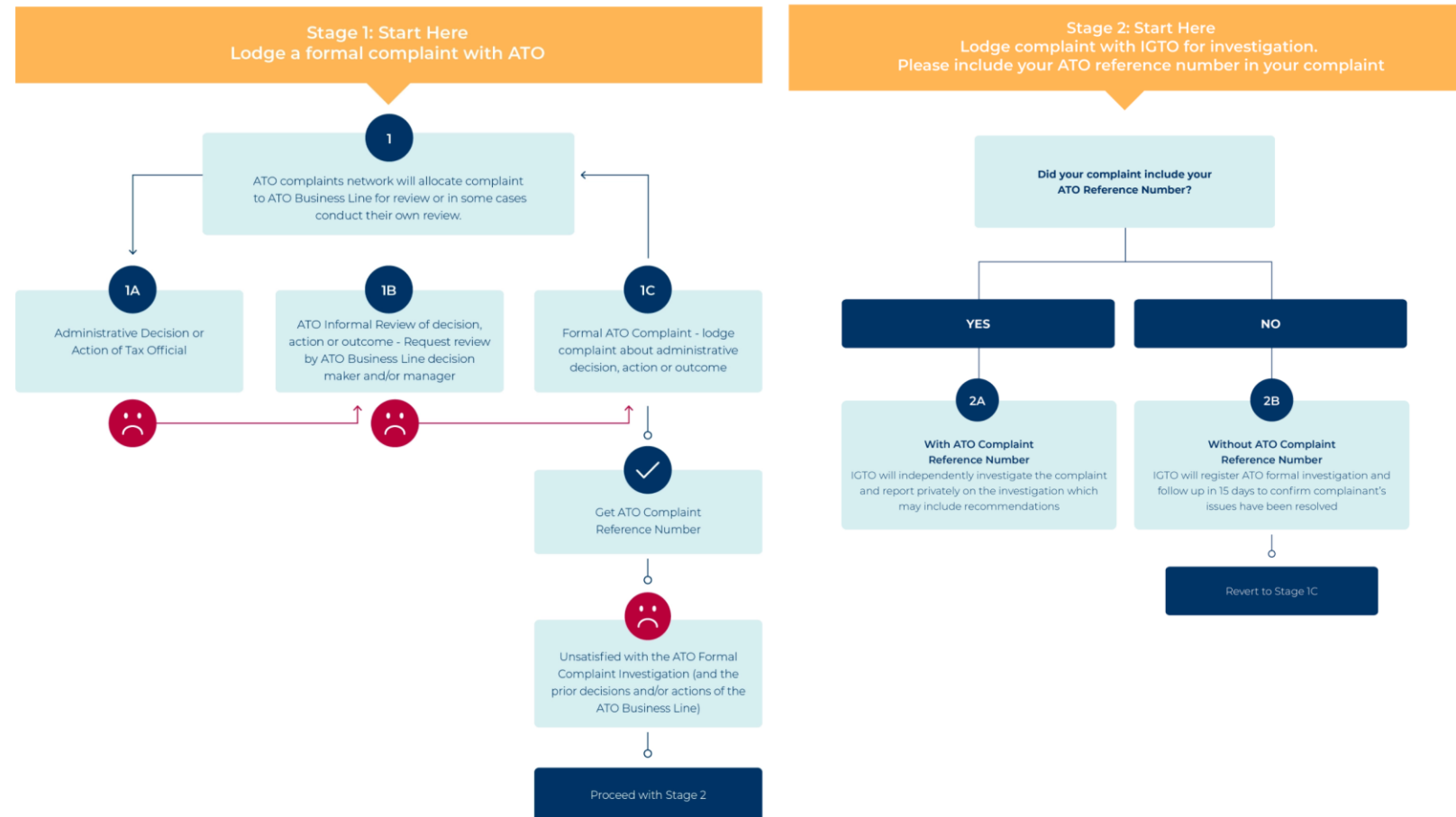
# Making a Complaint – Overview

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

A complaint may be formally investigated and resolved in two stages:

**Stage 1** – the complainant should first try to resolve their concerns directly with the ATO (or TPB) – by lodging a formal complaint.

**Stage 2** – if the complainant remains unsatisfied, they may lodge a taxation complaint with us, the Taxation Ombudsman, for an independent investigation.



# Complaint categorisations

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.*

Definition of disputes per ISO standards:

*Unresolved complaints escalated internally or externally, or both.*

## Complaint enquiries - 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., the 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)

## Complaint investigations - Formal Complaint or Dispute Investigation

Category 3.1	<b>ATO has no record of a previous complaint</b> – 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	<b>Uncomplicated Disputes</b> – IGTO investigates independently, engages with the ATO to verify facts and issues, determines the most appropriate and timely actions, and identifies who will take them for early resolution
Category 3.3	<b>Frequently Raised Dispute Issues</b> – 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	<b>Complex Disputes</b> – IGTO undertakes deeper inquiry and investigation to surface relevant evidence and determine the most appropriate options for resolution
Category 5	<b>Highly Complex Disputes</b> – IGTO investigates by engaging directly with ATO senior management (SES), and provides ATO senior management with early warning of emerging risks and the opportunity to address sensitive issues

# Case Studies for Q1 FY22

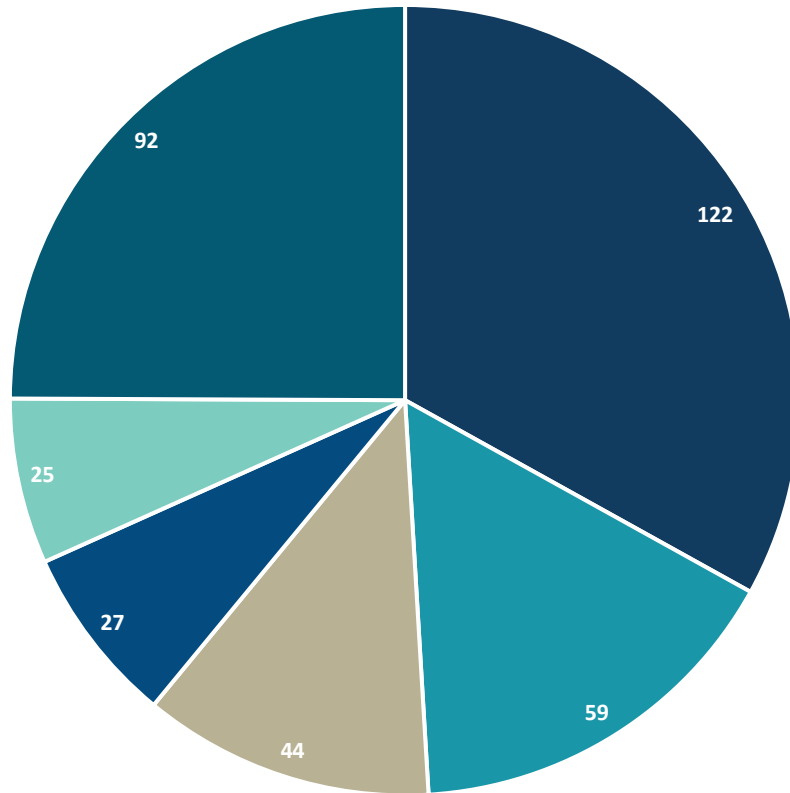
## Case Study 1:

A First Nation taxpayer raised concerns that the ATO had issued him with tax debt for the 2021 financial year. The taxpayer was worried given this was the first time he had received a tax debt. The IGTO commenced an investigation and asked the ATO to explain what had occurred with their income tax return, including why the return resulted in a tax debt. As part of our investigation, we also sought for the ATO to consider the complainant's financial circumstances and if possible to enter him into a payment arrangement. The ATO agreed to do so. The case illustrates that IGTO complaint investigation and assistance is available to all taxpayers and importantly relies upon community connections and can encourage taxpayers to remain engaged with the taxation system.

## Case Study 2:

A small business taxpayer raised concerns that the ATO denied further JobKeeper stimulus payments between April and October 2020. The taxpayer raised concerns that the ATO considered him not to be carrying on a business in Australia during that period, although his circumstances had not changed. The IGTO commenced an investigation and asked the ATO to internally review its decision, and to consider the taxpayers circumstances in line with the legislative criteria for JobKeeper. The ATO agreed to do so. As a result, the ATO determined that the taxpayer was eligible and the JobKeeper stimulus payments were processed and ensured that the small business continued to operate.

# Top 5 complaint issues in Quarter 1



Top 5 issues	
Payments to the taxpayer	122
Debt collection	59
Lodgment and processing	44
Registration/Taxpayer details	27
Communications	25

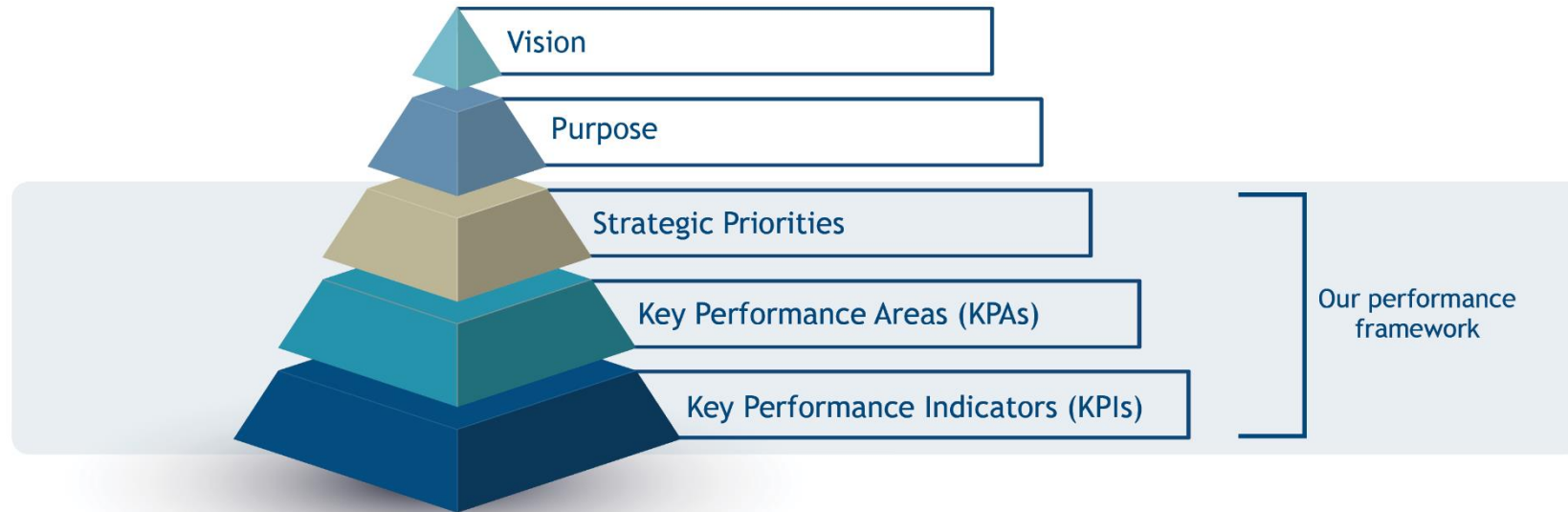
■ Payments to the taxpayer ■ Debt collection ■ Lodgement and processing ■ Registration/Taxpayer details ■ Communications ■ other

# Part 2

## Key Performance Indicator (KPI) results for Q1, FY22

# Our performance framework

Our performance framework is intended to inform Parliament and other stakeholders of our activities and to ensure we are accountable to the Australian community. It naturally supports our vision and purpose. Our strategic priorities inform our framework and outline the areas we must focus on to meet our objective of improving tax administration for the benefit of the Australian community. Key performance areas (KPAs) and indicators (KPIs) assess our performance in achieving these priorities.



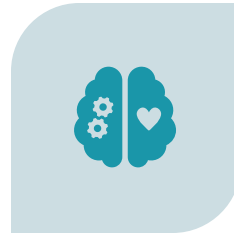
# Our Strategic Priorities



COMMUNICATE CLEARLY  
EFFECTIVELY INDEPENDENTLY  
AND WITH INTEGRITY



ENSURE OUR TAX COMPLAINT  
INVESTIGATION SERVICE IS  
APPROACHABLE,  
CONTACTABLE AND  
RESPONSIVE TO THE  
CHANGING NEEDS OF THE  
COMMUNITY



IMPROVE THE SKILLS,  
EXPERTISE AND RESILIENCE OF  
OUR PEOPLE



PROVIDE INDEPENDENT  
THOUGHT LEADERSHIP AND  
EXPERTISE



ENGAGE WITH STAKEHOLDERS  
IN THE TAX ADMINISTRATION  
SYSTEM

# Key performance areas

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

## KPA 1

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

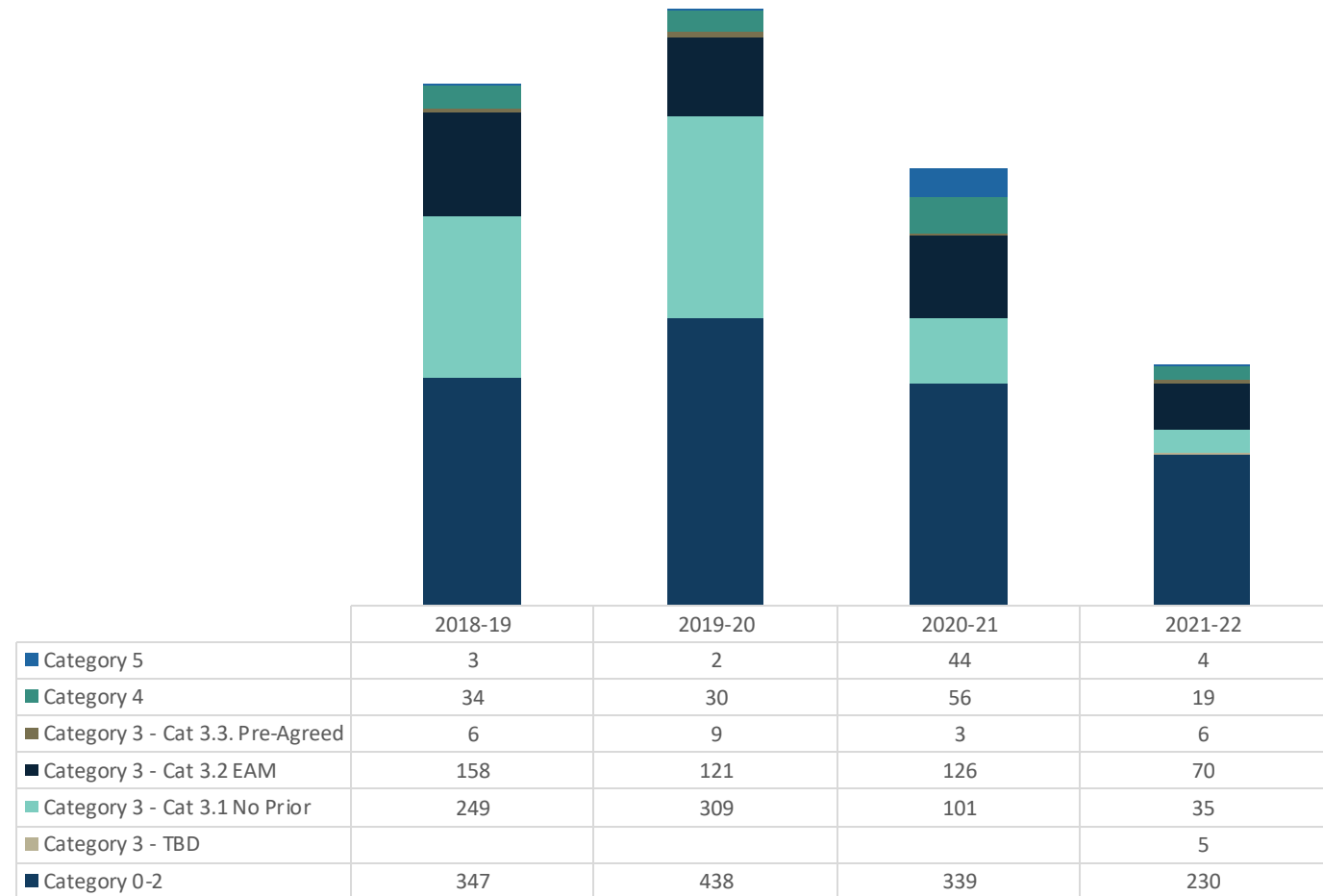
# Complaint trends/observations in Q1



- There has been reduction in total complaints received by the IGTO during Q1 FY22 compared to the same period in prior years. This may be attributable to the ongoing impacts of the COVID-19 pandemic and responses thereto, ATO compliance activities and better IGTO messaging regarding complaint and dispute investigations.
- The number of dispute investigations closed in Q1 FY22 is similar to Q1 FY21. However, we have closed more complex dispute investigations at Categories 4 and 5 compared to the same period in prior years.
- Furthermore, the IGTO continues to hold a higher proportion of complex Category 4 and 5 dispute investigations compared to the same period in prior years. These cases are significantly more resource intensive to investigate.

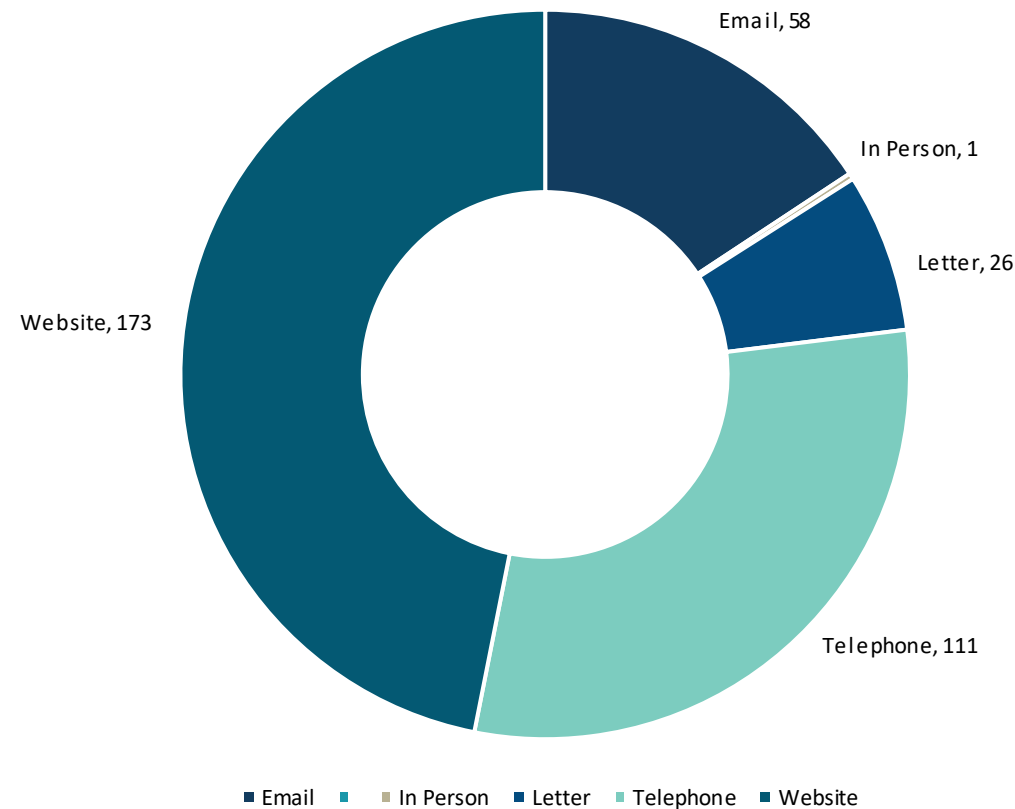
# Total complaints received by Category in Quarter 1 of FY19 – FY22

- The IGTO received a total of **369** complaints during Q1 of FY22.
- Overall, there has been a reduction in total complaints received by the IGTO during FY22 Q1 compared to the same period in prior years. This can be attributed to various factors, including the continuing impacts of the COVID-19 pandemic and dynamic responses thereto, including state health orders, ATO compliance activities (in particular, the staying of debt activities which previously comprised the issue of greatest complaint to the IGTO) and IGTO efforts to better message the complaint and dispute investigation processes.
- For example, consistent with the IGTO updated website and call centre messaging, there has been a marked reduction in the number of Category 3.1 investigations received from 309 in FY20 Q1 to 101 in FY21 Q1 and 35 in FY22 Q1.
- The reduction in Category 3.1 investigations assists the IGTO to focus limited resources towards complex dispute investigations.
- The IGTO is also operating a triage model to better manage limited resources where cases demonstrating exceptional circumstances are prioritised with the remainder allocated on a first-in-first-out basis.
- Complaints currently categorised 0 to 3 TBD may become dispute investigations as they progress and include those awaiting allocation.



# Percentage of complaints lodged via dedicated complaints webform or email

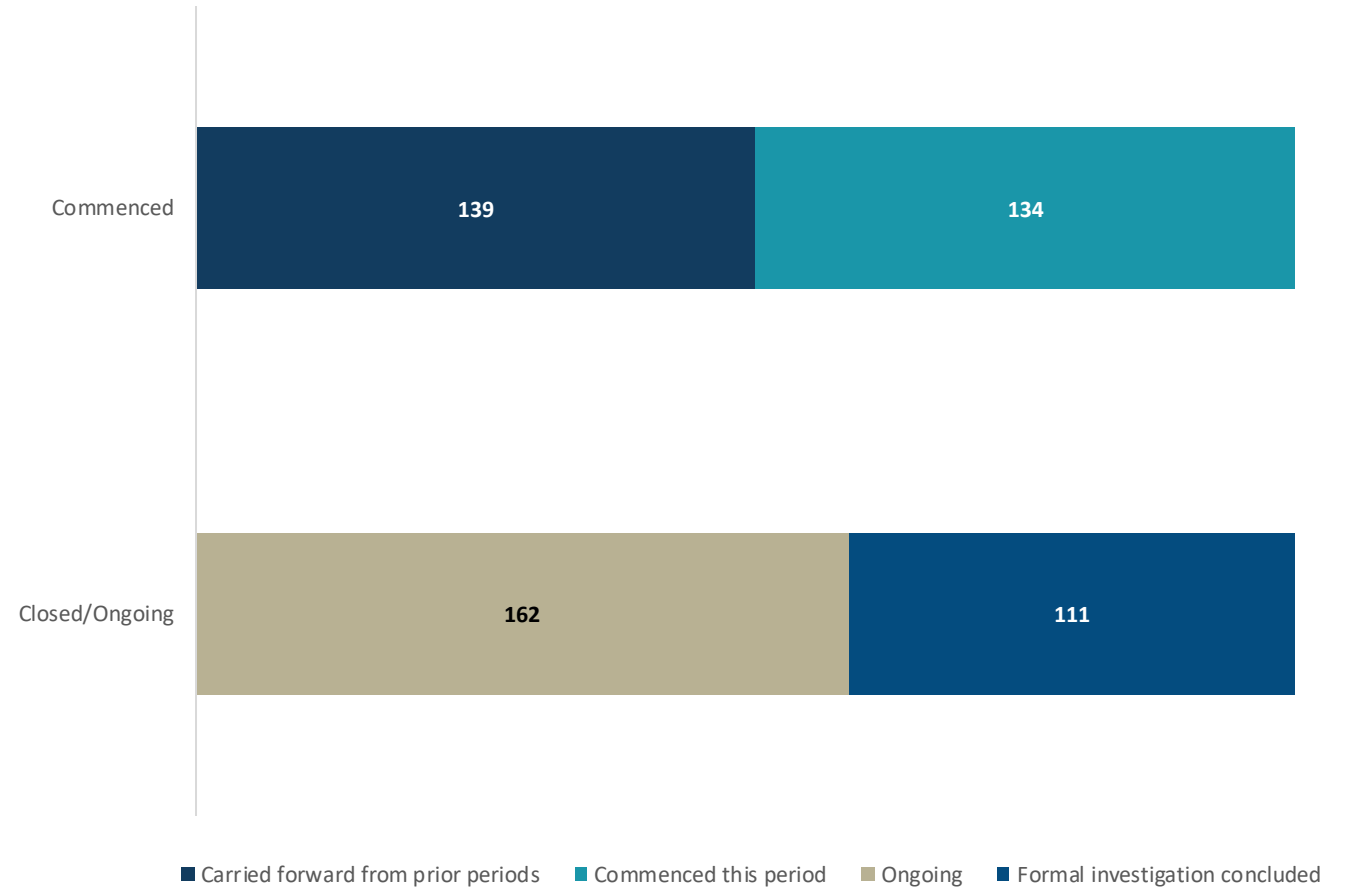
Of the 369 complaints lodged during Quarter 1 FY22, 63% of those complaints were lodged via the complaints webform or email.



# Number of complaint investigations (Cat 3.1+) commenced, ongoing and finalised in Q1 FY22

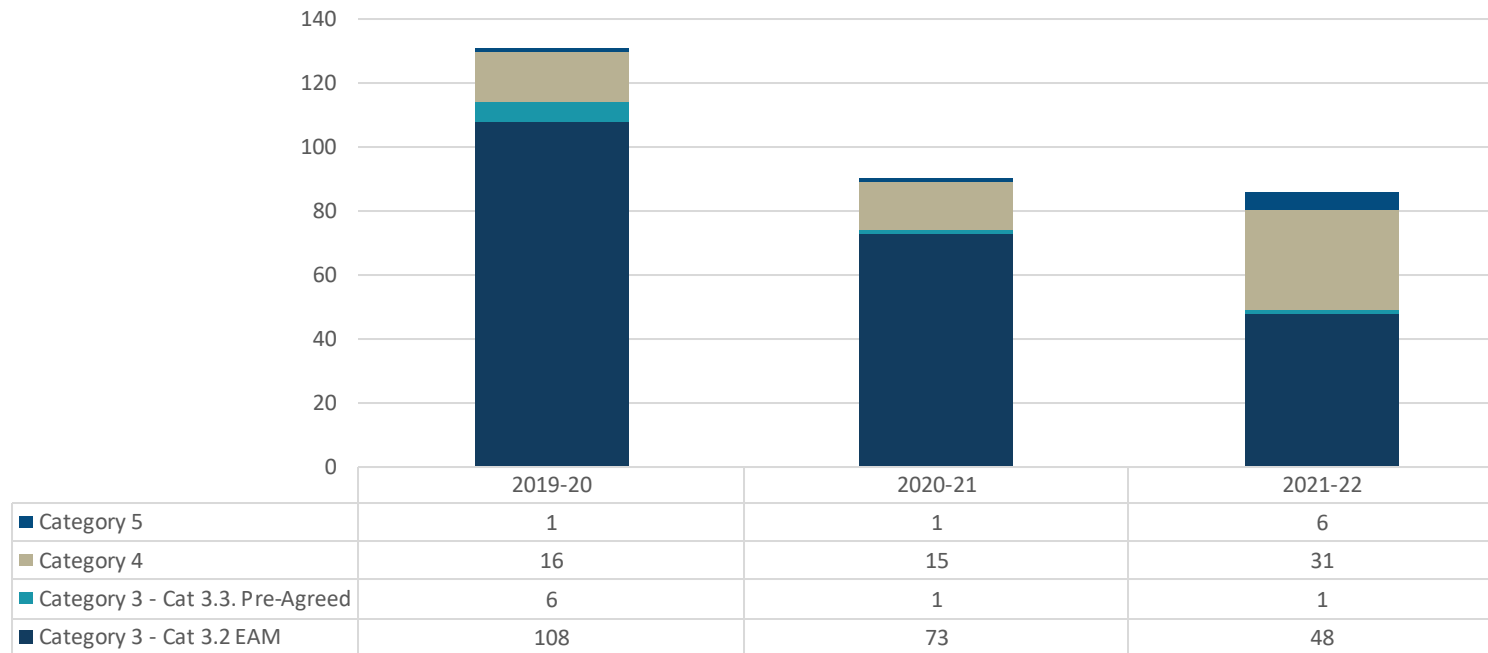
Investigations commenced and closed - 1 July 2021 to 30 September 2021

- We have commenced **134** 3.1+ complaint investigations during Q1 FY 22.
- We have closed **111** 3.1+ complaint investigations during Q1 FY 22
- We have **162** 3.1+ complaint investigations ongoing at the end of Q1 FY 22 (30 September 2021).
- $111/273 = 41\%$  of complaints investigations finalised in Q1



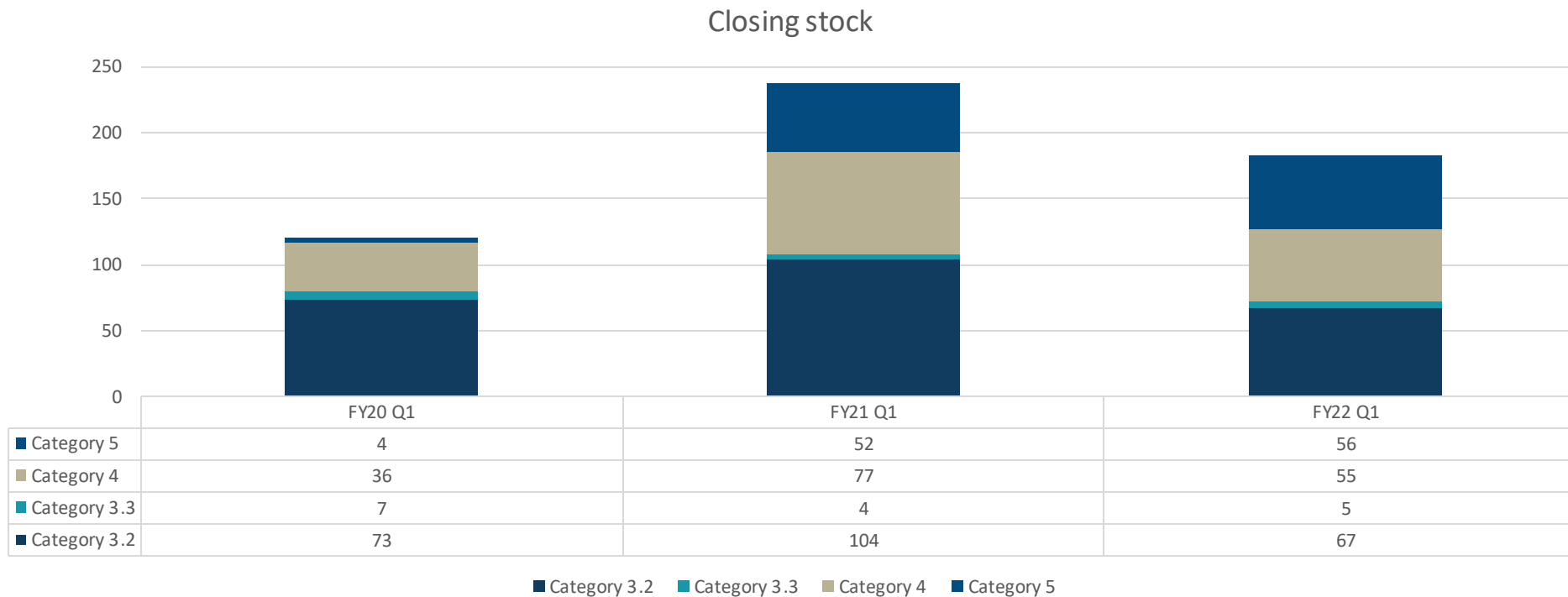
# Dispute investigations (Cat 3.2+) closed in Q1 FY20 – FY22

- The number of dispute investigations closed is similar to FY21.
- However, the IGTO has closed more complex dispute investigations, particularly Category 4 and 5 disputes, compared to prior Quarter 1 periods. These cases are significantly more resource intensive to investigate.



# Dispute investigations (Cat 3.2+) on hand in Q1 FY20 – FY22

- There are 183 3.2+ dispute investigations currently on hand.
- Dispute investigation closing stock in FY22 Q1 is lower compared to FY21 Q1 but higher than FY20 Q1. However, we continue to hold a high proportion of complex Category 4 and 5 dispute investigations. These cases are significantly more resource intensive to investigate.
- Furthermore, additional cases may be re-categorised as dispute investigations as they progress, including those currently awaiting allocation.



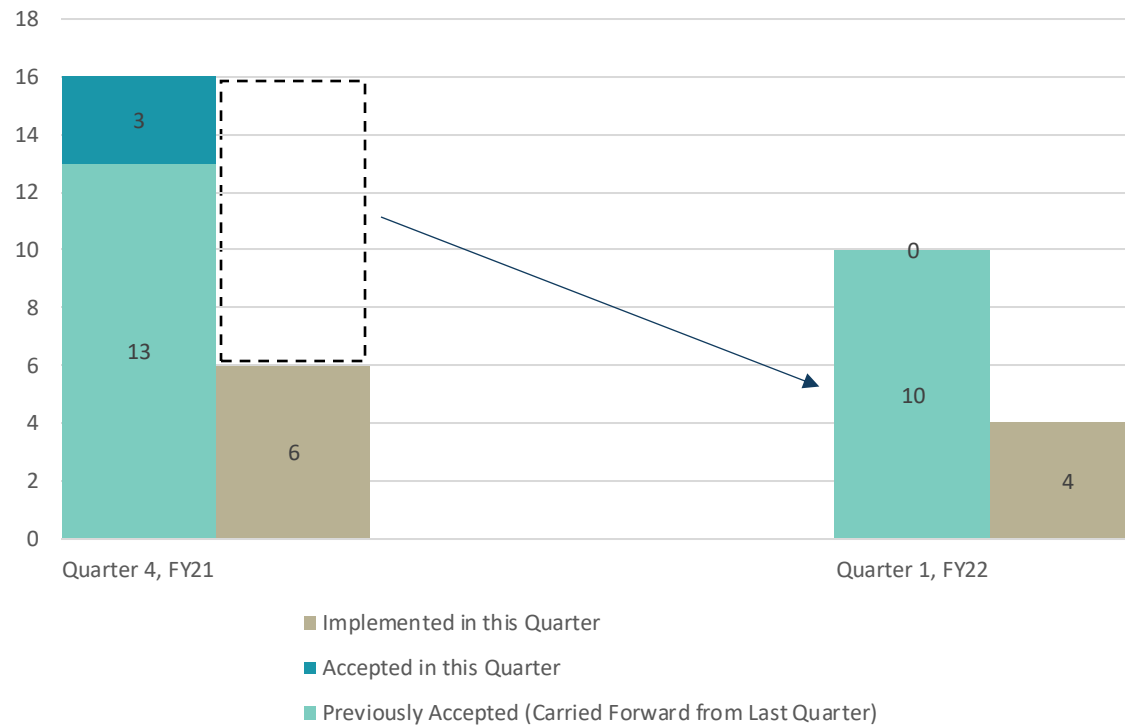
\*Note: this figure includes additional dispute investigations than the graph in slide 16 due to data reporting timing differences.

## KPA 2 & KPA 3

Identify and investigate priority areas for improved tax administration

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

# Number of Agreed Business Improvements from Complaint Investigations accepted and implemented by the ATO or TPB



Accepted in Quarter 4 FY21	Implemented in Quarter 4 FY21	Carried forward to Quarter 1 FY22	Accepted in Quarter 1 FY22	Implemented in Quarter 1 FY22
3	6	10	0	4

## KPA 4

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

# Meetings or Briefings with the ATO and/or TPB on IGTO review investigations or the complaints investigation service

The IGTO attended a total of 39 meetings during Q1, all of which were with the ATO.

These meetings were in relation to the complaints service. No meetings were held in relation to review investigations.

# Number of domestic and international conferences and forums, stakeholder discussion groups or workshops attended by the IGT0

	Domestic Conferences	International Conferences
Quarter 1 FY22	20	0

Examples of conferences attended in Q1 FY22 include:

- Australian and New Zealand Ombudsman Association
- CAANZ
- CPA
- Accountants Daily

## KPA 5

Develop and foster a diverse, engaged and resilient team

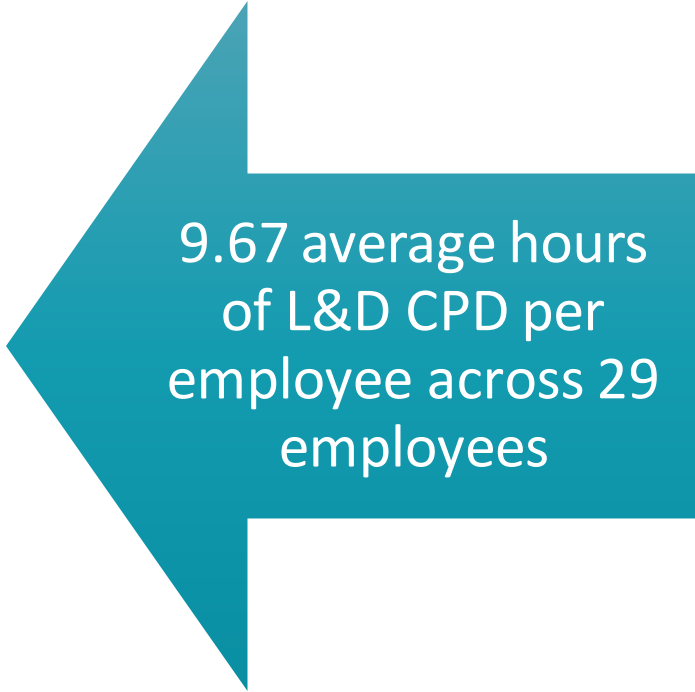
# IGTO Workforce

	Male			Female			
Period	Full Time	Part Time	Sub Total	Full Time	Part Time	Sub Total	Total
As at 30 September 2021 (Q1 FY22)	16	0	16	12	1	13	29
As at 30 June 2021	16	0	16	12	1	13	29
As at 30 June 2020	16	0	16	9	1	10	26
As at 30 June 2019	18	0	18	9	1	10	28

# Number of hours in undertaking Learning & Development/ training including those that contribute to the continuing professional development (CPD) requirement for the various professional associations



280.3 total hours of  
L&D CPD for all  
employees



9.67 average hours  
of L&D CPD per  
employee across 29  
employees

# Monitor diversity in the agency – including the percentage of female and culturally and linguistically diverse (CALD) staff across all levels

- 45% female
- 52% born overseas
- 62% English as a second language

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