

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

1 June 2010

Question: BET 244

Topic: JCPAA evidence regarding Change Program backlogs (ATO)

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Senator XENOPHON—Mr Butler, when you gave evidence to the joint standing committee on 22 April, in answer to a question from Ms Ley in relation to the backlog, you stated:

We normally would see about 100,000 going through that process, so we have got about 88,000 more than we would normally have. By Friday of next week, we will be absolutely on top of that and that will not be there.

That would have been Friday, 30 April. Can you indicate whether that was the case?

Mr Butler—My recollection is we did meet those expectations, but I would need to take on notice to specifically check the numbers. As the commissioner said, since 1 April we have met all of our service standards in processing returns and as of the end of May we had many fewer returns on hand being scrutinised than in May last year or May the year before. So we did have the two glitches that the commissioner referred to, but essentially we foreshadowed a delay, had a delay and caught up. Since 1 April all new returns have been processed in accordance with the service standards.

Answer:

Second Commissioner David Butler stated on 22 April 2010 at the Joint Committee on Public Accounts and Audit hearing into the review of the Australian National Audit's *Audit Report No. 8, The Australian Taxation Office's implementation of the Change Program: a strategic overview*, that at close of business on 19 April 2010 the ATO had approximately 188,000 items on hand requiring scrutiny compared to the normal expected volume of approximately 100,000 items.

During the period 19 April to 30 April 2010 the ATO:

- processed 2,374,000 Income Tax Returns into the new Income Tax Processing system
- issued 1,356,000 Notices of Assessment; and
- issued 1,207,000 Statements of Account.

On 30 April 2010, the ATO had approximately 134,000 items on hand requiring scrutiny, which is within expected volumes for this time of year.