

House of Representatives Standing Committee on Tax and Revenue



Chair: Mr Bert van Manen MP Deputy Chair: Hon Bernie Ripoll MP

Tax Office scrutiny to remain in place

The <u>Standing Committee on Tax and Revenue</u> has recommended that the present arrangements of the external scrutiny of the Australian Taxation Office (ATO) should remain in place in its report tabled today.

Chair the Committee, Bert van Manen MP, said its inquiry into the external scrutiny of the ATO examined the roles of its main scrutineers – the Australian National Audit Office (ANAO), the Inspector-General of Taxation and parliamentary committees.

"The ATO has considerable resources and powers, which are necessary to administer the tax system, but their use also needs to be monitored," said Mr van Manen.

"Taxpayers receive a great deal of comfort from knowing the ATO is subject to high quality external scrutiny and we have recommended that the present arrangements should continue."

Mr van Manen said that complaints about tax administration were transferred from the Commonwealth Ombudsman to the Inspector-General in May 2015.

"The Committee supports the Inspector-General's mandate and found that the Inspector-General plays an important role in scrutinising the ATO and is highly regarded by taxpayers and tax practitioners," he said.

Mr van Manen said another key issue in the inquiry was the extent of overlap between the work of the ANAO and the Inspector-General.

"The Committee found that the extent of any duplication, if it does occur, is minimal," he said.

The Committee also considered communication between the Inspector-General and the ATO and recommended that the Inspector-General and the ATO increase efforts to communicate effectively.

There are opportunities for improvement in how the scrutineers operate. The Committee's other recommendations were that:

- the scrutineers increase the transparency of how they co-ordinate their work
- the scrutineers better explain in their reports how each review fits in with other reviews
- the Inspector-General consider how to conduct reviews based on complaints and emerging issues in tax administration
- in the next Parliament, the Committee scrutinise the work of the Inspector-General, similar to how the Committee scrutinises the work of the ATO.

For media comment: please contact Jessica Reid on 0437 731 858 in the office of Mr Bert van Manen MP.

For information about the inquiry: please contact the committee secretariat by telephone (02) 6277 4821, e-mail taxrev.reps@aph.gov.au, or visit the committee website www.aph.gov.au/taxrev.

Telephone: 02 6277 4821
Facsimile: 02 6277 2220
E-mail: taxrev@aph.gov.au

E-mail: taxrev@aph.gov.au
Website: http://www.aph.gov.au/taxrev

Parliament House PO Box 6021

CANBERRA ACT 2600