House of Representatives Standing Committee on Tax and Revenue

Inquiry into the 2016 Annual Report of the Australian Taxation Office

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2016 ATO Annual Report—Performance Review

The House Tax and Revenue Committee today presented its review of the Australian Taxation Office's 2016 Annual Report and agency performance over tax time 2016.

The Committee Chair Mr Kevin Hogan MP said that tax time 2016 was an important test for the transformation of ATO services under the Reinvention Program.

"The implementation of myTax and the refinement of online lodgement services for tax agents and business was a big part of the ATO's reform agenda, but there was also the need to change the performance culture of the ATO," Mr Hogan said.

The Committee's review found that, this tax year, more Australian taxpayers went online to prepare and lodge their tax returns and business activity statements. Complaint and dispute levels had also dropped dramatically compared with tax time 2015. Meanwhile, the ATO had made big advances in its engagement with tax agents and small business, who have been working closely with the agency to ensure compatibility of online payments and lodgement systems.

The Committee has made 14 recommendations in this report. A number of these recommendations go to the need for increased accountability at a time when the digitisation of government services has raised concerns about the security and integrity of the data held. Others focus on fairness in ATO decision-making and revenue collection accountability.

The Committee has also urged the ATO to put on the public record the information it has on the cash economy and the revenue gap, to promote public debate and awareness of the problem.

"While the ATO is to be congratulated on its achievements over the reporting period, the Committee has called for greater accountability in performance reporting in future annual reports. This responds to scale of the Tax Office's transformation, and will allow for the results of the reforms to be better gauged over time," Mr Hogan said.

Copies of the report and information about the inquiry are available on the Committee website: http://www.aph.gov.au/Parliamentary Business/Committees/House/Tax and Revenue

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