

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Treasury Portfolio
Budget Estimates 2014
3 June to 5 June 2014

Department/ Agency: Office of the Inspector-General of Taxation

Question: BET 2470-2477

Topic: Reviews

Reference: Written – 12 June 2014

Senator: Ludwig

Question:

2470. Since Additional Estimates in February, 2014, how many new reviews (defined as review, inter-departmental group, inquiry, internal review or similar activity) have been commenced? Please list them including:
- a) the date they were ordered
 - b) the date they commenced
 - c) the minister responsible
 - d) the department responsible
 - e) the nature of the review
 - f) their terms of reference
 - g) the scope of the review
 - h) Whom is conducting the review
 - i) the number of officers, and their classification level, involved in conducting the review
 - j) the expected report date
 - k) the budgeted, projected or expected costs
 - l) If the report will be tabled in parliament or made public
2471. For any review commenced or ordered since Additional Estimates in February, 2014, have any external people, companies or contractors being engaged to assist or conduct the review?
- a) If so, please list them, including their name and/or trading name/s and any known alias or other trading names
 - b) If so, please list their managing director and the board of directors or equivalent
 - c) If yes, for each is the cost associated with their involvement, including a break down for each cost item
 - d) If yes, for each, what is the nature of their involvement
 - e) If yes, for each, are they on the lobbyist register, provide details.
 - f) If yes, for each, what contact has the Minister or their office had with them
 - g) If yes, for each, who selected them
 - h) If yes, for each, did the minister or their office have any involvement in selecting them,

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Treasury Portfolio
Budget Estimates 2014
3 June to 5 June 2014

- i. If yes, please detail what involvement it was
 - ii. If yes, did they see or provided input to a short list
 - iii. If yes, on what dates did this involvement occur
 - iv. If yes, did this involve any verbal discussions with the department
 - v. If yes, on what dates did this involvement occur
2472. Since Additional Estimates in February, 2014, what reviews are on-going?
- a) Please list them.
 - b) What is the current cost to date expended on the reviews?
2473. Since Additional Estimates in February, 2014, have any reviews been stopped, paused or ceased? Please list them.
2474. Since Additional Estimates in February, 2014, what reviews have concluded? Please list them.
2475. Since Additional Estimates in February, 2014, how many reviews have been provided to Government? Please list them and the date they were provided.
2476. When will the Government be responding to the respective reviews that have been completed?
2477. What reviews are planned?
- a) When will each planned review be commenced?
 - b) When will each of these reviews be concluded?
 - c) When will government respond to each review?
 - d) Will the government release each review?
 - i. If so, when? If not, why not?

Answer:

2470. Three Inspector-General of Taxation (IGT) reviews were commenced and each is addressed separately below:
- Review into the Australian Taxation Office's (ATO) management of tax disputes with large businesses and high wealth individuals:
- a) On 11 June 2014, the IGT accepted a request by the House of Representatives Standing Committee on Tax and Revenue (Committee) regarding its enquiry into tax disputes.
 - b) On 19 June 2014 the terms of reference issued and submissions close 18 July 2014.
 - c) Acting Assistant Treasurer
 - d) IGT
 - e) A review into disputes between large business and high wealth individual taxpayers and the ATO.

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Treasury Portfolio
Budget Estimates 2014
3 June to 5 June 2014

- f) The terms of reference and submission guidelines are outlined at:
http://www.igt.gov.au/content/work_program/ATO_TOR_high_wealth.pdf
- g) Refer to f) above.
- h) The IGT.
- i) Two Executive Level (EL) 1 officers, a Senior Executive Service (SES) Band 1 officer, and ultimately, the Deputy IGT and the IGT.
- j) Reviews generally take approximately twelve months from commencement depending on the level and number of issues to be explored. However, in relation to this review, the Committee has been asked to complete its work by March 2015.
- k) Met out of existing budget.
- l) Public release of completed reports by the Minister is required within 25 Parliamentary sitting days after receipt by the Minister.

Review into the ATO's approach to debt collection:

- a) Announced as part of the IGT's work program on 10 April 2014.
- b) On 26 May 2014 the terms of reference issued and submissions close 18 July 2014.
- c) Acting Assistant Treasurer
- d) IGT
- e) A review of stakeholder concerns raised with the IGT regarding the ATO's approach to debt collection.
- f) The terms of reference and submission guidelines are outlined at:
http://www.igt.gov.au/content/work_program/downloads/TOR-ATO-debt-collection.pdf
- g) Refer to f) above.
- h) The IGT.
- i) An EL 1 officer, an SES Band 1 officer, and ultimately, the Deputy IGT and the IGT.
- j) Reviews generally take approximately twelve months from commencement depending on the level and number of issues to be explored.
- k) Met out of existing budget.
- l) Public release of completed reports by the Minister is required within 25 Parliamentary sitting days after receipt by the Minister.

Review into the ATO's services and support for tax practitioners:

- a) Announced as part of the IGT's work program on 10 April 2014.
- b) On 26 May 2014 the terms of reference issued and submissions close 18 July 2014.

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Treasury Portfolio
Budget Estimates 2014
3 June to 5 June 2014

- c) Acting Assistant Treasurer
- d) IGT
- e) A review of stakeholder concerns raised with the IGT regarding the ATO's services and support for tax practitioners.
- f) The terms of reference and submission guidelines are outlined at:
http://www.igt.gov.au/content/work_program/TOR-ATO-tax-practitioners.asp
- g) Refer to f) above.
- h) The IGT.
- i) An EL 1 officer, an SES Band 1 officer, and ultimately, the Deputy IGT and the IGT.
- j) Reviews generally take approximately twelve months from commencement depending on the level and number of issues to be explored.
- k) Met out of existing budget.
- l) Public release of completed reports by the Minister is required within 25 Parliamentary sitting days after receipt by the Minister.

2471. Not applicable.

- a) Not applicable
- b) Not applicable
- c) Not applicable
- d) Not applicable
- e) Not applicable
- f) Not applicable
- g) Not applicable
- h) Not applicable
 - i. Not applicable
 - ii. Not applicable
 - iii. Not applicable
 - iv. Not applicable
 - v. Not applicable

2472.

- a) Three ongoing and three new IGT reviews:
 - Follow-up review into the ATO's implementation of agreed IGT report recommendations (arising from IGT reports released between August 2009 and November 2010);

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Treasury Portfolio
Budget Estimates 2014
3 June to 5 June 2014

- Follow-up review into the ATO's implementation of agreed recommendations included in the review into delayed or changed ATO views on significant issues;
 - Review into the ATO's administration of valuation matters;
 - Review into the ATO's approach to debt collection;
 - Review into the ATO's services and support for tax practitioners; and
 - Review into the ATO's management of tax disputes and high wealth individuals.
- b) Met out of existing budget.
2473. Nil.
2474. Two IGT reviews have been publicly released, namely:
- Review into the ATO's management of transfer pricing matters – publicly released 2 June 2014; and
 - Review into the ATO's compliance approach to individual taxpayers – superannuation excess contributions tax – publicly released 13 May 2014.
2475. The IGT's Review into the ATO's compliance approach to individual taxpayers – superannuation excess contributions tax was transmitted to the Minister 28 March 2014.
2476. Refer to BET 2474.
2477. In 2014-15, the IGT plans to complete the six reviews referred to in BET 2472a). The remaining reviews on the IGT's current work program will commence as the above six reviews approach completion, subject to the implementation of the individual complaints handling function as announced in the 2014-15 Federal Budget.
- a) Refer to BET 2477.
 - b) Reviews generally take approximately twelve months from commencement depending on the level and number of issues to be explored.
 - c) Most IGT recommendations are directed to the ATO. The ATO's responses to these recommendations appear in IGT review reports. The Government may respond to recommendations directed to them for consideration at the time of the public release of the report.
 - d) Public release of completed reports by the Minister is required within 25 Parliamentary sitting days after receipt by the Minister.