



Australian Government
Australian Taxation Office

Commissioner's opening statement – Senate Economics Legislation Committee, 25 June 2024

Opening statement from Commissioner Rob Heferen to the Senate Economics Legislation Committee, 25 June 2024.

(Check against delivery)

Thank you Chair.

I'd like to start by acknowledging what a privilege it is to be appointed as Australia's 13th Commissioner of Taxation, and to have the opportunity to appear before the Committee at our rescheduled appearance.

I've now been in the job for nearly 4 months and in that time I have deepened my appreciation for the work of the Tax Office, and by that I am referring to the work delivered by approximately 20,000 ATO staff. We have an important role for the community and government: to collect the tax legally due, with expertise and integrity, and at the lowest cost to both the Government and taxpayers.

The Federal Budget included a range of measures to help us do this.

The Counter Fraud Program bolsters our ability to fight back against the growth we see in identity crime enabled fraud, and scaled fraud attacks across our digital services. These attacks are agile, prolonged, and persistent. The risk is amplified by global threats, organised crime, and increasing numbers of data breaches in the community.

Under these new measures, we will continue to grow the capability and tools we need to respond to fraud in an increasingly agile and sophisticated way.

We will make it easier for taxpayers whose identity has been compromised by helping them adopt stronger security and improving how we address fraudulent activity on their ATO account. We are also implementing real-time messaging to protect taxpayers against high-risk online transactions.

Extending the [Tax Avoidance Taskforce](#) ensures the largest and wealthiest taxpayers pay the right amount of tax. The taskforce has helped generate more than \$30 billion of revenue over 7 years, and for Australia – with our high dependence on corporate tax – the investment in this work is critical.

While we work hard for the Australian community, we sometimes make mistakes. When this happens, we know it is important for us to acknowledge this has occurred. Our communication about historical debts placed on hold was confusing and we apologise. The community can rightly expect us to communicate and act with sensitivity, compassion and sound judgment. The Government has announced it intends to provide us with a discretion that will help us manage the oldest of these historical debts and treat them in line with community expectations. The announced measure will ensure that affected small businesses, individuals and not-for-profit entities can receive the refunds they are expecting.

However, we can't shy away from the significant amount of tax debt owed, with collectable debt now over \$50 billion. This debt is not disputed, most of it has been self-reported, and is largely made up of amounts that have been withheld from employees' wages, and collected from consumers as GST – but not passed on to government.

We acknowledge the community is feeling the shift as we normalise our debt collection practices. I would like to emphasise that we will always have a pathway for those facing genuine hardship.

There are a range of actions the ATO can take to support taxpayers affected by financial hardship or domestic violence including deferrals, use of hardship provisions, withdrawing Director Penalty Notices and remitting General Interest Charges. It is important taxpayers speak to the ATO early, so we can pause any action and offer support.

Aside from tax debt we also play a role in administering debt repayments for student loans. While questions about policy settings are for the Department of Education, from an administrative perspective the Budget measure means that once the law is passed we will work to apply the relevant credits to accounts. Those with a student loan don't need to do anything.

To go back to my opening reflection, it is a privilege to lead over 20,000 hard working public servants, across Australia, to deliver the important work of the tax office. I'd like to acknowledge former Commissioner Jordan for building the strong team I am honoured to lead.

Looking ahead, I am optimistic about the opportunities for the ATO, to build on our existing work and continue to deliver for the Australian community and government.

I am here this evening with my leadership team, and we look forward to assisting the Committee.