

JCPAA biannual meeting with the Commissioner of Taxation

Friday, 3 October 2008

Melbourne

Commissioner's Opening Statement

Since our last appearance we have closed our books for year end reporting and made a successful start to Tax Time 2008. We have also welcomed Mr David Butler, formerly New Zealand's Tax Commissioner, back to the Australian Tax Office as a Second Commissioner.

In that time this Committee has published its Report 410 on Tax Administration. We appreciate the positive and supportive approach taken in the Report to our administration. We are currently finalising our formal response to the report.

The Committee's focus in Report 410 was primarily on tax administration and our responsibilities also extend to important aspects of superannuation and the Australian Business Register. Nevertheless, at a headline level, in 2007–08 revenue collections were significantly above Budget forecasts. We also paid substantial income tax refunds, GST input tax credits, excise grants and social benefits. Importantly we were able to maintain the positive trend in our independently conducted surveys of tax agent, business and community perceptions.

We did this in a difficult year, given our transformational Change Program and the need to deliver a range of new legislative measures.

In August 2008, we provided the Committee with copies of our annual Compliance Program for this year. We publish the Compliance Program so taxpayers know what sorts of transactions we will be focusing on in the coming year and the actions we will take. These include expanding our coverage of income tax compliance issues across the board, a continued strong focus on discouraging the abusive use of tax havens and dodgy tax schemes, wealthy individuals, large business including global corporate restructures, and unfair cash economy practices.

We continued to make it easier for individuals to comply with their tax obligations by expanding e-tax. Around 1.9 million people lodged their 2007 tax return using e-tax, and we are seeing a similarly strong take-up in 2008.

Australia's tax and superannuation systems work best where there are high levels of voluntary compliance. We now use around 50 consultative forums with taxpayer, business and tax professional representatives to foster good compliance and to reduce compliance costs. This puts us in a good position to build community commitment to systems that fund public goods and services, deliver social and economic policies, and safeguard retirement income for Australians.

Thank you.