

Audit Report No. 46, 1999-2000

High Wealth Individuals Task Force

Australian Taxation Office

Introduction

- 4.1 During 1995-96, the Australian Taxation Office (ATO) raised concerns about the income tax compliance behaviour exhibited by some wealthy individuals. Many of these taxpayers and their related entities paid very little tax. The ATO's estimate of revenue potentially at risk was \$800 million per year.¹
- 4.2 In 1996, the Commissioner of Taxation set up a High Wealth Individuals (HWI)² Taskforce to:
- act on tax planning techniques already identified;
 - gain an expanded and comprehensive understanding of the techniques employed; and
 - continue to identify, monitor and address emerging techniques.³

1 ANAO, Report No. 46, 1999-2000, p. 9.

2 The ATO defines an HWI as an individual who owns or controls net wealth of \$30 million or more.

3 ANAO, Report No. 46, 1999-2000, p. 18.

- 4.3 To enhance the ATO's investigations into HWIs' compliance with tax laws, the Government allocated in the 1996-97 Budget additional funds to the ATO of \$9.7 million in 1996-1997 and \$9.5 million in 1997-1998. In the 1998-99 Budget, the Government extended funding for a further two years, allocating \$9.5 million in both 1998-2000 and 1999-2000.⁴
- 4.4 The Government expected that improvements in compliance by HWIs as a result of the activities of the taskforce would generate revenue in the order of \$100 million in 1997-1998. The Government required additional revenue from taskforce activities of \$100 million in both 1998-1999 and 1999-2000.
- 4.5 The Government's decision to provide additional resources to the ATO required the HWI taskforce to accomplish the following two outcomes:
- undertake ongoing investigation and management of the payment of income tax by high wealth individuals (to yield an estimated \$100 million in additional revenue in each of 1997-98, 1998-99 and 1999-2000); and
 - develop administrative responses and, in association with Treasury, legislative proposals to address undesirable tax minimisation practices as they were identified.⁵
- 4.6 In Audit Report No. 46, *High Wealth Individuals Taskforce*, the aim of the audit was to examine and report on the management and operations of the HWI taskforce. In doing so, the ANAO reviewed the ATO's own evaluation of the taskforce and assessed the performance of the taskforce against the outcomes specified by the Government.⁶
- 4.7 The ANAO concluded that the management and operations of the taskforce was effective, and that the taskforce:
- managed the investigation of the tax affairs of HWIs in accordance with the ATO's risk management principles;
 - was achieving the revenue targets set by government;

4 ANAO, Report No. 46, 1999-2000, p. 9.

5 ANAO, Report No. 46, 1999-2000, pp. 9-10.

6 ANAO, Report No. 46, 1999-2000, p. 23.

- had contributed to the development of administrative and legislative proposals to address undesirable tax minimisation practices; and
 - could improve its reporting of taskforce outcomes.⁷
- 4.8 The ANAO made three recommendations aimed at improving the public reporting of the outcomes of the HWI taskforce's work and maintaining the focus and specialist resources in the ATO to manage the risk to revenue associated with the HWI population.⁸
- 4.9 The ATO agreed to all of the recommendations in the audit report and indicated at the public hearing that the recommendations were being implemented.⁹
- 4.10 At its hearing on 3 November 2000, the Committee took evidence from the ATO and the ANAO on the following issues:
- taskforce resourcing;
 - litigation and settlement;
 - revenue;
 - taskforce involvement in addressing tax minimisation techniques; and
 - taskforce reporting of outcomes.

Corporate governance framework

Taskforce resourcing

Memorandum of understanding

- 4.11 The HWI taskforce prepared a memorandum of understanding (MoU) with the Department of Finance (DoFA) covering the recording of revenue raised by the taskforce. The MoU was associated with the additional funding provided to resource the taskforce.¹⁰

7 ANAO, Report No. 46, 1999-2000, p. 10.

8 ANAO, Report No. 46, 1999-2000, pp. 12-13.

9 K Fitzpatrick, *Transcript*, 3 November 2000, p. 85.

10 ANAO, Report No. 46, 1999-2000, p. 55.

- 4.12 The Committee wished to know whether a substantial part of the funding for the taskforce had been determined by a resource agreement with DoFA.¹¹
- 4.13 The ATO stated that the MoU did not determine the resources the ATO allocated to HWIs and that it was a reporting mechanism established because of the additional funding provided by government:

I would regard the memorandum of understanding as a reporting by the Tax Office to the Department of Finance and Administration on the allocation of that additional funding and what was being achieved with that additional funding. [The MoU] did not determine how many resources were put into looking at high wealth individuals in the Tax Office.¹²

Taskforce funding

- 4.14 The specific purpose funding granted to the ATO for the establishment of the taskforce will cease at the end of 1999-2000.¹³
- 4.15 The Committee sought to ascertain the extent of ongoing resourcing to be provided to the taskforce by the ATO into the future.¹⁴
- 4.16 The ATO responded that it had made a decision to continue with the taskforce approach of looking at high wealth individuals:
- Each year we make assessments of risk...as to where we allocate our resources. Obviously, the Tax Office, as I am sure you appreciate, has a major job at the moment in implementing tax reform. A lot of our resources go toward that. We have other risk areas, the cash economy, for example. We allocate those resources, as has already been discussed, on a risk management approach each year, but clearly we have made a conscious decision to continue with this area of our work.¹⁵
- 4.17 The ATO indicated in the audit report that a continuing resource level of approximately 120 staff as well as additional

11 *Transcript*, 3 November 2000, p. 96.

12 Fitzpatrick, *Transcript*, 3 November 2000, p. 97.

13 ANAO, Report No. 46, 1999-2000, p. 26.

14 *Transcript*, 3 November 2000, p. 101.

15 Fitzpatrick, *Transcript*, 3 November 2000, p. 101.

administrative and legal costs would be provided for this area in 2000–2001. Furthermore, other areas of the ATO worked with the HWI taskforce:

For example, we call in experts from our tax counsel network and our international tax division within the ATO. Other areas, particularly the large business area of the ATO, are working on some high wealth individual cases.¹⁶

- 4.18 In addition, the ATO commented that some ATO base funding was used to access external expertise.¹⁷
- 4.19 By way of explanation, the ANAO noted that in 1999–2000, overall funding for the HWI taskforce was approximately \$15 million, of which \$9.5 million was additional funding.¹⁸
- 4.20 The Committee sought a response from the ANAO as to whether additional ATO resources would lead to the collection of more revenue.¹⁹
- 4.21 In reply, the ANAO commented:
- ... it is never easy for government to handle that particular issue. As Mr Fitzpatrick has mentioned, the Tax Office uses a risk profiling approach to determine the allocation of resources. I think it is pretty hard to argue conceptually with that, although there is always the view that, if you can continue to make \$2 for every \$1 you put into the Tax Office, why doesn't the Government pump in another \$500 million to make more?These are very difficult decisions for Government and they get made in the budget context.²⁰

Committee comments

- 4.22 The ANAO and the Committee agree that providing additional resources to the HWI taskforce would run into the marginal cost argument and the law of diminishing returns. The Committee notes the opportunity cost of increased resources for the HWI

16 Fitzpatrick, *Transcript*, 3 November 2000, p. 93, ANAO, Report No. 46, 1999-2000, p. 26.

17 Fitzpatrick, *Transcript*, 3 November 2000, p. 93.

18 P White, *Transcript*, 3 November 2000, p. 93.

19 *Transcript*, 3 November 2000, p. 100.

20 I McPhee, *Transcript*, 3 November 2000, p. 101.

taskforce and the possibility that those resources may be used more effectively elsewhere.

- 4.23 The Committee endorses the ATO's allocation of resources based on a properly planned risk management approach.

Litigation and settlement

- 4.24 The HWI taskforce established a Compliance Management Strategy to address its responsibilities. One of the elements of this strategy is litigation and prosecution.²¹

- 4.25 In the audit report, the ANAO commented:

Disputed assessments are inevitable given the complexity of tax arrangements utilised by some HWIs and the differing interpretations that can be applied to the provisions of existing tax law. That is, there are circumstances in which the amount of tax payable is not clear. At February 2000, 13 HWI cases were on hand where tax outstanding [was] disputed. In some cases, the factual and legal complexities and difficulties in obtaining evidence mean that cases of disputed assessments would be unsuitable to proceed to court, and are best resolved if an appropriate result can be achieved by means of settlement.²²

- 4.26 The ANAO noted the request of the Senate Economics and References Committee for it to consider the taskforce's approach to handling tax in dispute. The ANAO found that the taskforce conducted settlement processes in accordance with the ATO's *Code of Settlement Practice* and that settlement processes had been conducted with a view both to protection of the revenue outcomes possible and to the ongoing maintenance of fairness to the HWI taxpayer concerned.²³

- 4.27 The Committee asked about the negotiating process with a HWI or entity.²⁴

- 4.28 The ATO outlined the approach it applies to large business, including HWIs:

21 ANAO, Report No. 46, 1999-2000, p. 29.

22 ANAO, Report No. 46, 1999-2000, p. 40.

23 ANAO, Report No. 46, 1999-2000, pp. 40, 41.

24 *Transcript*, 3 November 2000, p. 108.

When we do an audit, we look at the issues...and come to a view based on the facts available as to how we see the law applying. We then issue what we call a position paper, which outlines the facts as we understand them and our view of how the law operates or applies to those facts; and we would generally propose to amend assessments in accordance with that view. We enable taxpayers and their advisers to respond to that and tell us where we have got it wrong, on either the facts or our view of the law. ...that is generally done before any amended assessments are issued.

Sometimes the taxpayers or their advisers come back to us and we accept that we got the facts or the law wrong and an assessment might be issued for what would be a lesser amount than otherwise would have been the case pursuant to our position paper. Sometimes there is a settlement discussion of what should be the right tax outcome. Sometimes there is no agreement and assessments are issued and there may well be litigation or subsequent discussions at a later stage which resolve a case.²⁵

- 4.29 The Committee inquired whether the taskforce had evaluated in any quantitative way the success of the taskforce's litigation program:

Did it, for example, evaluate how much tax was being deferred by the length of litigation proceedings? Did it examine in any quantitative way the decision that had been made to settle vis-à-vis taking cases to court?²⁶

- 4.30 In reply, the ATO stated:

In terms of the litigation, [the ATO] did not look at the monetary value that was being either held up or fought.We examined the procedures that led to settlement to ensure that they actually met with the general tax office guidelines.²⁷

25 Fitzpatrick, *Transcript*, 3 November 2000, p. 108.

26 *Transcript*, 3 November 2000, p. 91.

27 L Roe, *Transcript*, 3 November 2000, p. 91.

- 4.31 The ATO made the point that it did not have control over whether a taxpayer went to litigation on an issue.²⁸
- 4.32 In response to the Committee's question asking whether many taxpayers litigated cases to defer paying tax, the ATO stated that tax was not always deferred in full because a case is before the courts. 'Some taxpayers agree to pay part of the tax in dispute whilst the matter is before the courts or the Administrative Appeals Tribunal.'²⁹
- 4.33 The ATO pointed out that if the tax in dispute was not paid, a significant general interest charge accrued.³⁰

Committee comments

- 4.34 In terms of litigation the ANAO identified that there was a risk management process in place, and that the ATO was systematic in identifying which cases went to court. The ANAO also followed up a recommendation of the Senate Economics References Committee and reviewed the actual settlement guidelines being applied.
- 4.35 The Committee notes that the ATO has a fairly rigorous process in place to guide settlements.

Taskforce outcomes

Revenue

- 4.36 Based on analysis of a sample of taxpayers and their related entities, a figure of \$800 million per year was derived by the ATO as an order of magnitude estimate of revenue potentially at risk from aggressive tax planning and minimisation arrangements used by some HWIs.³¹

28 Fitzpatrick, *Transcript*, 3 November 2000, p. 93.

29 Fitzpatrick, *Transcript*, 3 November 2000, p. 94.

30 Fitzpatrick, *Transcript*, 3 November 2000, p. 94.

31 ANAO, Report No. 46, 1999-2000, pp. 9, 20.

- 4.37 The Committee asked the ANAO whether it had made an independent assessment of the revenue being lost or at risk from the activities of HWIs.³²
- 4.38 The ANAO stated that while it had not made an independent assessment, it had looked at the advice provided to the previous government and found no reason to dispute the assessment of \$800 million per year potentially at risk.³³
- 4.39 In providing additional funding to the taskforce, the Government's required revenue targets for the taskforce were \$100 million in each of 1997-98, 1998-99 and 1999-2000.³⁴
- 4.40 The ANAO found that although the taskforce's reporting arrangements could be improved, the direct revenue outcomes reported by the taskforce were supportable. It also found that the indirect revenue figures represented a reasonable estimate resulting from the activities of the taskforce.³⁵
- 4.41 The ANAO concluded that the taskforce had achieved its revenue targets for 1997-98 and 1998-99. The taskforce's direct and indirect revenue outcomes since it was created in 1996 are summarised in Table 4.1.³⁶
- 4.42 The Committee inquired of the ATO whether the taskforce had met its revenue outcomes for 1999-2000.³⁷
- 4.43 The ATO responded that the taskforce had met its revenue outcomes for 1999-2000 and, moreover, that it had attempted to report on revenue outcomes in a consistent way.³⁸

32 *Transcript*, 3 November 2000, p. 90.

33 Roe, *Transcript*, 3 November 2000, p. 91.

34 ANAO, Report No. 46, 1999-2000, p. 48.

35 ANAO, Report No. 46, 1999-2000, pp. 48, 49, 51.

36 ANAO, Report No. 46, 1999-2000, pp. 52, 53.

37 *Transcript*, 3 November 2000, p. 105.

38 Fitzpatrick, *Transcript*, 3 November 2000, pp. 105-6.

Table 4.1 HWI Taskforce—Revenue Outcomes

Year of Collection	Direct Revenue (\$m)	Indirect Revenue (\$m) ¹	
		Companies	Individuals
1996–1997	37.804	28	3
1997–1998	23.014	48	5
1998–1999	63.890	104	5
1999–2000	⁽³⁾ 38.867	⁽²⁾	⁽²⁾
TOTAL ⁽⁴⁾	163.575	180	13

Source: ANAO analysis of ATO quantitative data, *Audit Report No. 46, 1999-2000*, p. 52

Notes:

- (1) Indirect revenue figures are derived, rather than representing actual cash collection figures, and hence are shown as rounded figures.
- (2) Indirect revenue impacts of taskforce activities are not available yet for the 1999–2000 year as calculations can only be completed when processing of all income tax returns for the year has been completed.
- (3) Direct revenue collections for 1999–2000 apply up to 14 April 2000.
- (4) As a result of rounding, individual components may not add to totals.

Taskforce involvement in addressing tax minimisation techniques

- 4.44 One of the objectives of the HWI taskforce was to identify and provide advice on tax planning techniques being utilised by HWIs, and to recommend areas requiring reform through subsequent legislative action to address some of the undesirable elements of these activities. The audit report stated:

The ANAO has sighted evidence that the taskforce has provided a number of substantial reports covering tax minimisation techniques in use by some HWIs and that it has suggested areas for systemic policy reform to Government. The ANAO is aware also that the taskforce has circulated a number of internal working papers within the ATO covering both identified questionable tax planning techniques and possible action that may be taken to address them.³⁹

- 4.45 The audit report noted that as legislative amendments in the taxation area were commonly initiated and developed through joint input within the ATO and with Treasury involvement, it was

³⁹ ANAO, Report No. 46, 1999-2000, p. 56.

not possible to attribute action taken by government to legislate in particular areas, including those affecting HWIs, as being solely the result of the activities of the taskforce. However, it was clear to the ANAO that taskforce examination of techniques used by HWIs and subsequent advice by the taskforce had contributed information that the Government had acted upon.⁴⁰

4.46 In response to a Committee question, the ANAO confirmed that while it did not itemise taskforce submissions to government against legislative action taken, there had been a very substantial volume of advice from the taskforce (coordinated through the ATO to Treasury) to government.⁴¹

4.47 The Committee inquired whether the ATO would be willing to provide the Committee with copies of the advice put to government.⁴²

4.48 The ATO, in reply, stated:

Our advice to government is provided in the normal way. It is up to the government to decide what it wants to do with that advice in the sense of policy change. With respect to the approach we have taken in this area of our work in more recent times, we certainly provided advice to the Ralph review of business tax reform to assist that review to formulate its recommendations to government. Before that, we had provided advice to government on the findings of the task force and our recommendation on what some high wealth individuals were doing to minimise tax. But it is not normal for the ATO to provide advice that it gives to government to anybody else.⁴³

4.49 However, the ATO noted, as outlined in the audit report and its own annual report, that it had advised the government on areas of the law where people were able to minimise tax:

We have attempted to identify the systemic drivers of tax planning, looking for systemic approaches to addressing some of those practices through legislative change We have looked at the tax planning practices over the period on time and ... at the systemic weaknesses in the law and

40 ANAO, Report No. 46, 1999-2000, p. 57.

41 Roe, *Transcript*, 3 November 2000, p. 91.

42 *Transcript*, 3 November 2000, pp. 91-2.

43 Fitzpatrick, *Transcript*, 3 November 2000, p. 92.

provided advice accordingly. It is for government and the parliament to decide whether it wishes to change the law to remedy what we see as areas where taxpayers are able to minimise tax.⁴⁴

4.50 The Committee put the view that if the ATO recommended to government that a tax loophole be closed and estimated the revenue effect, and the government did not accept the recommendation, then the loophole effectively became a tax concession.⁴⁵

4.51 The ATO responded:

... the tax profession does not always agree with the Tax Office on whether a particular area of the law is a loophole or not. There is a lot of debate on whether a particular piece of law is appropriate, whether it is tax avoidance or not tax avoidance, whether it is being exploited or otherwise.⁴⁶

4.52 The Committee then asked whether the ATO thought it should release information on the tax benefit of such loopholes or concessions.⁴⁷

4.53 In reply, the ATO stated:

To the extent to which it is reasonably measurable....But it depends on what information is available. If the government of the day decides that a particular concession continues to be available, or there is no need in its view to change a particular area of the law which the tax office might believe enables people to minimise, as distinct from avoid or evade taxes, we do not necessarily then continue to look at that particular area so we can properly measure what is going on. The decision has been made. This is a legally available way of reducing one's tax. We are not going to devote significant resources to see what is then happening.⁴⁸

4.54 The Committee questioned the ATO on the estimate of revenue likely to be achieved from the legislative changes it had

44 Fitzpatrick, *Transcript*, 3 November 2000, p. 95.

45 *Transcript*, 3 November 2000, pp. 101-2.

46 Fitzpatrick, *Transcript*, 3 November 2000, p. 103.

47 *Transcript*, 3 November 2000, p. 102.

48 Fitzpatrick, *Transcript*, 3 November 2000, p. 102.

recommended to the Treasurer to deal with the activities of HWIs but which have not been implemented.⁴⁹

- 4.55 The ATO indicated that it was not possible for it to provide an estimate of likely additional revenue from HWIs in respect of legislative changes which had not been implemented.⁵⁰
- 4.56 The Committee asked whether the ATO could estimate the revenue collected as a result of legislative measures which had been introduced by the Government in recent years, and which were outlined in the audit report.⁵¹
- 4.57 The ATO could not give an estimate of the revenue impact of these legislative measures.⁵²
- 4.58 The ANAO sighted evidence that the taskforce had provided a number of substantial reports covering tax minimisation techniques in use by some HWIs and had suggested areas for systemic policy reform to Government.⁵³
- 4.59 On the basis of evidence gathered by the taskforce to date, the taskforce considers that the most significant systemic generators of tax planning by HWIs are the use of trusts and related party or intra-group transactions.⁵⁴
- 4.60 The Committee asked the ATO to confirm a view that the ATO expected the Government's proposed business tax reforms, including the taxation of trusts through the new entity tax system, would address major deficiencies in the current tax system.⁵⁵
- 4.61 The ATO responded:

The ATO expects that some of the tax planning arrangements of some high wealth individuals will be addressed by the proposed reforms to the taxation of trusts and also to the proposed reforms – or, in some cases, already enacted reforms – to intragroup arrangements involving losses. In our view, those so-called integrity measures will have an impact on some of

49 ATO, Submission No. 6, p. 2.

50 ATO, Submission No. 6, pp. 2-3.

51 *Transcript*, 3 November 2000, p. 98; ANAO, Report No. 46, 1999-2000, p. 57.

52 *Transcript*, 3 November 2000, p. 98.

53 *Audit Report No. 46, 1999-2000*, p. 57.

54 *Audit Report No. 46, 1999-2000*, p. 58.

55 *Audit Report No. 46, 1999-2000*, p. 58, *Transcript*, 3 November 2000, p. 92.

the arrangements entered into by taxpayers, including some high wealth individuals.⁵⁶

4.62 The Committee asked whether it was possible to know what revenue would be foregone in exempting trusts other than discretionary trusts from the Ralph integrity measures.⁵⁷

4.63 In response, the ATO stated that:

It is certainly our experience, not just with high wealth individuals, ... that the minimisation of tax has occurred through the use of discretionary trusts, essentially. it is the area of discretionary trusts which has in the existing law enabled people to minimise tax more than fixed trusts have.⁵⁸

4.64 In reply to the Committee's query as to whether the ATO would model the revenue effect of not applying company tax rates to unit trusts, the ATO stated that it '... would need to look at whether there would be a risk to the revenue through the use of fixed trusts', but that essentially, it was a policy issue.⁵⁹

4.65 The Committee asked whether the ATO or Treasury had a model which could predict revenue effects of applying company tax to both discretionary and fixed trusts as opposed to just discretionary trusts.⁶⁰

4.66 The ATO indicated that it did not have such a model and that it was not aware of the situation in Treasury.⁶¹

Taskforce reporting of outcomes

4.67 The audit report concluded that while there had been some public release of information on the taskforce's activities, the external reporting of the taskforce's performance that had taken place since its creation could have been more comprehensive. The ANAO acknowledged the augmented release of information on HWI taskforce activities provided in the Commissioner of Taxation's *Annual Report 1998-99*:

56 Fitzpatrick, *Transcript*, 3 November 2000, p. 92.

57 *Transcript*, 3 November 2000, p. 106.

58 Fitzpatrick, *Transcript*, 3 November 2000, p. 106.

59 Fitzpatrick, *Transcript*, 3 November 2000, p. 109.

60 *Transcript*, 3 November 2000, p. 109.

61 Fitzpatrick, *Transcript*, 3 November 2000, p. 109.

This release of more detailed material than previously allows for more informed public and parliamentary scrutiny of the activities of an important and relatively high profile ATO function.⁶²

- 4.68 The ANAO considered that in the case of revenue collection outcomes, a move to more public reporting at the conclusion of the taskforce's additional funding would serve to demonstrate that ATO compliance activities were directed equitably throughout the taxpayer community, and assist in maintaining taxpayer confidence in the integrity of the tax system in Australia.⁶³
- 4.69 The Committee asked the ATO what it had done to implement the ANAO's recommendation no. 2 that the ATO report publicly each year on the on-going achievements of the HWI taskforce.⁶⁴
- 4.70 The ATO responded that its major reporting of HWI taskforce work was through the Commissioner's annual report. In the annual report for 1999-2000, the ATO outlined the results of the ATO's work in respect of HWI individuals compliance in revenue terms. The ATO also outlined the tax planning techniques or arrangements used to minimise tax.⁶⁵
- 4.71 The Committee asked the ATO whether there was not more it could do to implement recommendation no. 2.⁶⁶
- 4.72 The ATO stated that press releases had been issued over the period of the last four years, and that the ATO was willing to look for '...different ways in which it could communicate to the public what was happening and what had been achieved'.⁶⁷
- 4.73 The Committee enquired about the possibility of the ATO reporting on the total amount of revenue collected from HWIs and the percentage of that amount due to taskforce activity.⁶⁸
- 4.74 In reply, the ATO stated that it was attempting to report the increase of revenue in the HWI population, both directly through audit activities in the ATO, including some activities outside the

62 ANAO, Report No. 46, 1999-2000, p. 59.

63 ANAO, Report No. 46, 1999-2000, p. 59.

64 *Transcript*, 3 November 2000, p. 90.

65 Fitzpatrick, *Transcript*, 3 November 2000, p. 90.

66 *Transcript*, 3 November 2000, p. 90.

67 Fitzpatrick, *Transcript*, 3 November 2000, p. 90.

68 *Transcript*, 3 November 2000, p. 107.

taskforce. It was also attempting to report the improvements in voluntary compliance:

That is the best estimate we can provide, which we call the indirect revenue impact. In our terms, that provides the measurement of the increase revenue from the high wealth individual area of the population...as a result...of the ATO's activities...⁶⁹

Committee comments

- 4.75 The Committee agrees that publishing the results of and issues involved in the taskforce's operations are important for community education and compliance.⁷⁰
- 4.76 The Committee notes the ATO's claim that it is attempting to enhance its reporting, and that it takes advantage of opportunities which arise to indicate its strategies and achievements to the community.⁷¹ The Committee also notes that the ATO annual report contains a quantification of the direct and indirect revenue impact of the taskforce's activities. However, the Committee considers that more attention should be given by the ATO to this area.

Recommendation 4

- 4.77 **The Committee recommends that the Australian Taxation Office make further efforts to promote greater public awareness of the High Wealth Individuals Taskforce's activities and achievements by disseminating more widely the information contained in the Commissioner's annual report.**

Bob Charles

Chairman

28 June 2001

69 Fitzpatrick, *Transcript*, 3 November 2000, p. 108.

70 ANAO, Report No. 46, 1999-2000, p. 59.

71 M Tucker, *Transcript*, 3 November 2000, pp. 90, 108.