

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

2014 - 2015

Department/Agency: IGT

Question: SBT 2881-2888

Topic: Reviews

Reference: Written - 30 October 2014

Senator: Ludwig, Joe

Question:

Since Budget Estimates in June, 2014:

2881. 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) Who 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

2882. For any review commenced or ordered since Budget Estimates in June, 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,
 - 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

2883. Which reviews are on-going?

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

2014 - 2015

- a) Please list them.
- b) What is the current cost to date expended on the reviews?
- 2884. Have any reviews been stopped, paused or ceased? Please list them.
- 2885. Which reviews have concluded? Please list them.
- 2886. How many reviews have been provided to Government? Please list them and the date they were provided.
- 2887. When will the Government be responding to the respective reviews that have been completed?
- 2888. 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:

- 2881 One Inspector-General of Taxation (IGT) review was commenced, namely the 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, to conduct the above review, by the House of Representatives Standing Committee on Tax and Revenue as part of the latter's inquiry into tax disputes.
 - b) Terms of reference issued on 19 June 2014 and submissions closed 18 July 2014.
 - c) No minister is responsible for IGT reviews. However, upon completion of reviews, the IGT provides reports to the Assistant Treasurer who is required to publicly release them within 25 Parliamentary sitting days of receiving the reports.
 - d) IGT
 - e) A review into disputes between large business and high wealth individual taxpayers and the ATO.
 - 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) An EL 1 and EL 2 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. However, in

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

2014 - 2015

relation to this review, the IGT has been asked to complete its work by March 2015.

- k) Met out of existing budget.
- l) Refer to c) above.

2882. 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.

2883.

- a) Two reviews are ongoing and one new IGT review has commenced as mentioned in response to SBT 2881:
 - Review into the ATO's approach to debt collection
 - Review into the ATO's services and support for tax practitioners
 - Review into the ATO's management of tax disputes with large businesses and high wealth individuals.
- b) Met out of existing budget.

2884. Nil.

2885. Concluded IGT reviews are:

- Review into the ATO's management of transfer pricing matters – publicly released 2 June 2014
- Review into the ATO's administration of penalties – publicly released 8 July 2014
- Follow up review into delayed or changed ATO views on significant issues – publicly released 14 November 2014

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

2014 - 2015

- Follow up review into the ATO's implementation of agreed recommendations in five reports released between August 2009 and November 2010 – publicly released 14 November 2014
- Review into the ATO's administration of valuation matters – transmitted to the Minister 30 September 2014 and awaiting public release.

2886. Refer to SBT 2885.

2887. Review reports are required to be publicly released or tabled by the Minister within 25 Parliamentary sitting days after receipt by the Minister.

2888. In 2014-15, the IGT plans to complete the three reviews referred to in SBT 2883a). In addition, the remaining reviews on the current IGT work program, namely the Review into the ATO's Taxpayers' Charter and taxpayer protections and the Review into the ATO's conduct of employer obligation compliance activities, will commence as the above three reviews approach completion, subject to the implementation of the individual complaints handling function as announced in the 2014-15 Federal Budget.

- a) See above.
- 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.