

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**TREASURY**

**Australian Taxation Office**

(Additional Estimates 14 February 2007)

**Question**                    **AET 145**  
**Topic:**                      **Service standards on refunds-historical data**  
**Hansard Page:**            **E75**

Senator **Sherry** asked:

...On the issue of refunds, apparently the ATO Tax Practitioner Forum draft minutes for November show the ATO has needed to implement procedures to speed up the processing and release of held refunds. A refund is supposed to be sent to a taxpayer within 28 days. Can you provide the committee with an update on the ATO's progress to improve the time period for the payment of refunds for taxpayers?

*Ms Crawford*—Generally speaking, the issue of refunds is tracking within our service standards, at present.

**Senator SHERRY**—Can you give me some more detail? What is 'tracking within service standards'?

*Ms Crawford*—Meeting the service standards that are set for refunds in relation to activity statements and also in relation to income tax. At present, in relation to the income tax year to date, the tax office has processed 96 per cent of original electronic lodgements within 14 days of lodgement and over 93 per cent of original paper returns within 42 days of lodgement. In relation to activity statements year to date, the tax office has processed 94 per cent within 14 days of lodgement.

**Senator SHERRY**—How does that compare with previous years?

*Ms Crawford*—That is fairly on par. Those service standards have not changed in my short time with the tax office. We met those service standards last financial year and we are tracking within service standard this year.

**Senator SHERRY**—Can you take on notice to supply some of the historical data going back a couple of years?

*Ms Crawford*—Certainly.

**Answer:**

The table below is a comparison of ATO performance in regard to activity statement refunds processing for the previous three financial years.

<b>Activity Statement Refunds</b>	<b>Standard</b>	<b>Benchmark %</b>	<b>Achieved %</b>
<b>2003 - 04</b>	<b>14 days</b>	<b>92.0</b>	<b>94.4</b>
<b>2004 - 05</b>	<b>14 days</b>	<b>92.0</b>	<b>92.1</b>
<b>2005 - 06</b>	<b>14 days</b>	<b>92.0</b>	<b>92.2</b>

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<b>Electronic Tax Returns</b>	<b>Standard</b>	<b>Benchmark %</b>	<b>Achieved %</b>
<b>2003 - 04</b>	<b>14 days</b>	<b>95.0</b>	<b>96.5</b>
<b>2004 - 05</b>	<b>14 days</b>	<b>96.0</b>	<b>96.9</b>
<b>2005 - 06</b>	<b>14 days</b>	<b>96.0</b>	<b>96.8</b>

<b>Paper Tax Returns</b>	<b>Standard</b>	<b>Benchmark %</b>	<b>Achieved %</b>
<b>2003 - 04</b>	<b>42 days</b>	<b>90.0</b>	<b>96.1</b>
<b>2004 - 05</b>	<b>42 days</b>	<b>92.0</b>	<b>94.6</b>
<b>2005 - 06</b>	<b>42 days</b>	<b>92.0</b>	<b>96.6</b>