

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

26 February 2014

Question: AET 1207-1214

Topic: Reviews (IGT)

Written: 5 March 2014

Senator LUDWIG asked:

1207. Since the Supplementary Budget Estimates in November 2013, 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) Whom 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.

1208. For any review commenced or ordered since the Supplementary Budget Estimates in November 2013, 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,

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- 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.
1209. Since the Supplementary Budget Estimates in November 2013, what reviews are on-going?
- a) Please list them.
 - b) What is the current cost to date expended on the reviews?
1210. Since the Supplementary Budget Estimates in November 2013, have any reviews been stopped, paused or ceased? Please list them.
1211. Since the Supplementary Budget Estimates in November 2013, what reviews have concluded? Please list them.
1212. Since the Supplementary Budget Estimates in November 2013, how many reviews have been provided to Government? Please list them and the date they were provided.
1213. When will the Government be responding to the respective reviews that have been completed?
1214. 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?
 - ii. If not, why not?

Answer:

1207. It should be noted that the Inspector-General of Taxation's (IGT) sole purpose is to review systemic tax administration issues. As a result the main focus of the IGT is to conduct reviews into tax administration matters involving various activities of the Australian Taxation Office (ATO). The following therefore relates to our usual function and no other reviews were conducted.

No new reviews have commenced during the relevant period. However a consultation process has begun to develop a new work program for 2014 and beyond. The new work program will be released in April.

- a) Not applicable.
- b) Not applicable.

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- c) Not applicable.
 - d) Not applicable.
 - e) Not applicable.
 - f) Not applicable.
 - g) Not applicable.
 - h) Not applicable.
 - i) Not applicable.
 - j) Not applicable.
 - k) Not applicable.
 - l) Not applicable.
1208. 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.
- 1209.
- a) Ongoing IGT reviews:
 - Review into the ATO's Administration of Valuation Matters; and
 - Follow-up review into the ATO's implementation of agreed IGT report recommendations (arising from IGT reports released between August 2009 and November 2010).
 - b) Met out of existing budget.
1210. Nil.

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1211. Concluded IGT reviews include reviews both publicly released and those transmitted to the Minister.

Publicly Released Reviews:

- Review into aspects of the ATO's use of compliance risk assessment tools – publicly released 21 February 2014;
- Review into the ATO's compliance approach to individual taxpayers - use of data matching – publicly released 21 February 2014; and
- Review into the ATO's compliance approach to individual taxpayers - income tax refund integrity program – publicly released 21 February 2014.

Transmitted Reviews:

- Review into the ATO's compliance approach to individual taxpayers - superannuation excess contributions tax – transmitted to the Minister 28 March 2014;
- Review into the ATO's administration of penalties – transmitted to the Minister 21 February 2014; and
- Review into the ATO's management of transfer pricing matters – transmitted to the Minister 16 December 2013.

1212. IGT reviews provided to Government:

- Review into the ATO's compliance approach to individual taxpayers - superannuation excess contributions tax – transmitted to the Minister 28 March 2014;
- Review into the ATO's administration of penalties – transmitted to the Minister 21 February 2014; and
- Review into the ATO's management of transfer pricing matters – transmitted to the Minister 16 December 2013.

1213. Review reports must be publicly released or tabled by the Minister within 25 Parliamentary sitting days after receipt by the Minister.

1214. In 2014, the IGT expects to complete the two reviews referred to in AET 1209a). Following the public announcement of the new work program in April, the IGT will commence a number of new reviews.

a) The completion of the ongoing reviews referred to in AET 1209a) will be synchronised with the commencement of reviews selected from the new work program.

b) Reviews generally take between six to twelve months from commencement.

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 at the time of the public release of the report.

d) Refer to response in AET 1213 above.