

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

1 June 2010

Question: BET 247

Topic: Complaints – daily statistics (ATO)

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Mr Butler—It would also be fair to say that people would have contacted us through our call centre and they might be going to put in a complaint and they talk that through. We might say, 'The assessment is scheduled to issue in two days time' and they might choose not to go ahead.

Senator XENOPHON—At its peak, how many complaints was the ATO receiving daily from taxpayers and tax agents about the delayed cheques, for instance.

Mr Butler—I would need to confirm that number.

Senator XENOPHON—Would it be in the hundreds?

Mr Butler—Yes. We had 17,000 in total, but that is since 1 February.

Senator XENOPHON—How does that compare with the same period last year?

Mr Butler—It is much higher than last year.

Senator XENOPHON—Is it twice as high? How much higher would it be?

Mr Butler—We were around the 2,500 mark in the same period last year, compared with 17,000.

Senator XENOPHON—So it is about a five-fold increase.

Mr Butler—Yes, but it is 17,000 out of 3.4 million returns.

Senator XENOPHON—I suppose another way of looking at it is, in terms of the number of complaints, there is an issue.

Mr Butler—Undoubtedly there is an issue. There were lots of complaints, there was lots of concern, because we had unfortunately two glitches that caused delays for some people for their refunds. We very much apologised for that. We did our absolute best to avoid that happening, but we had two particular things that went wrong. We have governed this extremely closely all the way through, but unfortunately two things went wrong.

Answer:

The ATO experienced an increase in complaints from tax practitioners and individuals during April, May and June 2010 primarily relating to delays in issuing refunds.

The summary at Table 1 below provides a comparison of finalised complaints relating to delays in processing of income tax assessments for the previous two years. The use of finalised complaints provides the best comparison against prior years given that:

- accurate analysis of complaint issues is only possible once the complaint is finalised, and
- the ATO was using an earlier complaint handling system prior to August 2009, which also relied on finalised complaints for issue categorisation.

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Table 1: Finalised complaints relating to delays in processing of income tax assessments

Financial Year	April	May	June
2009-10	2,918	7,822	2,460
2008-09	1,270	205	141
2007-08	200	195	183

The table below provides an estimate of average daily complaints about delays in processing income tax assessments. As with the previous table, this data is based on complaints that have been finalised and will therefore not include details of complaints received but not yet finalised.

Table 2: Estimated average daily complaints (received and finalised) relating to delays in processing of income tax assessments/refunds

Week Ended	9 Apr 2010	16 Apr 2010	23 Apr 2010	30 Apr 2010
Average daily complaints	125	227	316	176

Week Ended	7 May 2010	14 May 2010	21 May 2010	28 May 2010
Average daily complaints	237	135	102	77

Week Ended	4 Jun 2010	11 Jun 2010	18 Jun 2010	25 Jun 2010
Average daily complaints	82	57	46	41

Due to the differing timeframes for resolution for complaints, it is not possible to directly reconcile complaints finalised and complaints received during any given period.

All figures are accurate as at 28 June 2010.