

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

31 May – 2 June 2011

Question No: BET 41

Topic: Private Binding Ruling

Hansard Page: Written

Senator Xenophon asked:

1. What is the service standard for a PBR (private binding ruling)?
2. What is the average handling time for a PBR?

Answer:

1. The ATO's service standard for private binding rulings is to complete 80% of rulings within 28 days of receiving *all* information or by a negotiated due date. Obtaining complete information from the taxpayer, so the ATO can provide a binding ruling, quite often results in delays. As at 31 May 2011, the ATO has achieved 88% for the 2010-11 year.
2. The ATO does not have measures for the average handling time of private binding rulings where this is defined as the actual time a case officer is actively working on the case.

However, in addition to service standard performance, the ATO records the number of elapsed days from receipt of a ruling request to its completion. For private binding rulings completed in the 2010-11 year to 31 May 2011:

- 40% of cases have been completed within 28 days of the request being received by the ATO.
- The median elapsed days to issue a private binding ruling response is 39 days.
- The average (mean) number of days taken to issue a private binding ruling response is 58 days.