

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
TREASURY
Australian Taxation Office
(Supplementary Budget Estimates November 2004)

Outcome 2, Output 2.2.1

Topic: Detection of fraud against department

Supplementary question on notice: Supp 25

Senator **Ludwig** asked:

How many incidents of fraud were detected against the department in 2000-01, 2001-02, 2002-03, 2003-04? For each incident:

- a) What was the subject of the fraud in each instance?
- b) What was the value of the fraud?
- c) Which administrative unit was the subject of the fraud?
- d) Was anyone charged with the fraud (specify if they were employed by the Department)?
- e) Was anyone convicted of the fraud (specify if they were employed by the Department)?
- f) Were any of the defrauded items or was any of the defrauded money recovered?

Answer:

See attached spreadsheet.

		(a) INCIDENT TYPE (Subject of fraud in each instance)																		
Year	Stats	Information access	Information disclosure	Supply false statement in employment declaration	Falsify flex time records	Forge/attempt to forge ATO documents (eg Tax refund notice)	Lodge false tax returns using inactive tax file numbers.	Monetary loss value of each incident	Submit false Business Activity Statements	Monetary loss value of each incident	Advertise pirated information for sale (eg DVDs)	Transfer client refund to ATO staff members own ABN	Monetary loss value of each incident	Theft	Forge medical certificate or other document to obtain a benefit	Misuse cabcharge card	Totals for period	(c) Administrative Unit- Australian Taxation Office	(b) Value of Fraud	(f) Recovered Amt
		Incidents of Fraud																		
2000/01	(d) No of charges	4		1			1	\$314,000.00	2	\$250,000.00 2 offences, same staff member (reparation order by court)							8	ATO staff		
	(e) No of convictions	4		1			1		2								8	ATO staff		\$0.00
2001/02	(d) No of charges	4	1				2	\$83,000.00 2 offences, same staff member (reparation order by court)	2	\$70,642.00 (before court) \$12,251.00 (no loss attempt only) 2 offences, 2 different staff.							9	ATO staff	\$153,642.00	
	(e) No of convictions	4	1				2		1								8	ATO staff		
2002/03	(d) No of charges	1					2	\$4,462.00 \$468.00 2 offences same staff member			1	\$11,796.00					6	ATO staff		
	(e) No of convictions	1					2										6	ATO staff		
	Incidents of Fraud	14		1			2				1			1	1		20		\$16,726.00	\$11,796.00
	Incidents of Fraud	19	1	1			2		2					1	1		37		\$564,000.00	\$0.00

Year	Stats (e)	(a) INCIDENT TYPE (Subject of fraud in each instance)										ATO staff	(b) Value of Fraud	(f) Recovered Amt						
		Information access	Information disclosure	Supply false statement in employment declaration	Falsify flex time records	Forge/attempt to forge ATO documents (eg Tax refund notice)	Lodge false tax returns using inactive tax file numbers.	Monetary loss value of each incident	Submit false Business Activity Statements	Monetary loss value of each incident	Advertise pirated information for sale (eg DVDs)				Transfer client refund to ATO staff members own ABN	Monetary loss value of each incident	Theft	Forge medical certificate or other document to obtain a benefit	Misuse cabcharge card	Totals for period
	No of convictions	1					2				1						6	ATO staff		
	Incidents of Fraud	13					1	\$40,000.00		2	\$25,000.00 \$1,000,000.00 2 offences, 2 separate staff members						19	ATO staff	\$1,065,000.00	\$0.00
2003/04	(d) No of charges																0			
	(e) No of convictions																0			
	Total incidents for each subject type	72	3	4	2	1	6		6	1	1		1	3	1	101			\$1,645,726.00	\$11,796.00

Notes:

1. Incident = A fraud which has been substantiated
2. Statistics taken as of 30 June 2004. At this time no matters for the 03/04 yr had reached the charging or finalisation stage.
3. Currently there is one matter from the 2001/02 period that is before the court.
4. For the 2003/04 period there are 3 matters (1 Lodge false returns, 2 lodge false Business Activity Statements) for which charges are expected to be laid. Involves 3 ATO staff.