

# CHAPTER 1

## **Inquiry into Inspector-General of Taxation Bill 2002**

### **Background**

1.1 The Inspector-General of Taxation Bill 2002 (the Bill) was presented to the House of Representatives on 19 September 2002 by the Hon Peter Costello MP, Treasurer. The Bill was passed in the House of Representatives on 16 October 2002 and introduced in the Senate on 17 October 2002.

### **Purpose of the Bill**

1.2 The Bill proposes the establishment of a statutory office to review tax administration and to report to the Government with recommendations for improving tax administration for the benefit of all taxpayers.

1.3 The provisions of the Bill:

- provide for the appointment of an independent Inspector-General of Taxation (the Inspector-General) by the Governor-General for a fixed term of up to five years;
- set out the functions and powers of the Inspector-General;
- set out protection for people who provide the Inspector-General with information; and
- contain measures to ensure that information obtained during the course of the Inspector-General's activities is not improperly disclosed or used.

### **Reference of the Bill**

1.4 On 23 October 2002, the Senate adopted an amendment to Selection of Bills Committee report No.11 of 2002 and referred the Bill to the Committee for report by 3 December 2002.

### **Submissions**

1.5 The Committee advertised the inquiry in the *Financial Review* on 30 October, in the *Australian* on 6 November, and on its web site. It also wrote to relevant government departments and agencies and to a number of organisations interested in tax administration. The Committee contacted over 30 organisations about the inquiry, and received eighteen submissions. These are listed in Appendix 1.

## **Hearing and Evidence**

1.6 The Committee held one public hearing on this inquiry in Parliament House, Canberra, on Tuesday 19 November. It took evidence from the Commonwealth Ombudsman, officers from the Department of the Treasury, and representatives of a number of business and accountancy bodies. Witnesses who presented evidence before the Committee are listed in Appendix 2.

1.7 Copies of the Hansard transcript are tabled for the information of the Senate. They are also available through the internet at <http://www.aph.gov.au/hansard>

## **Acknowledgment**

1.8 The Committee wishes to thank all those who assisted with its inquiry.