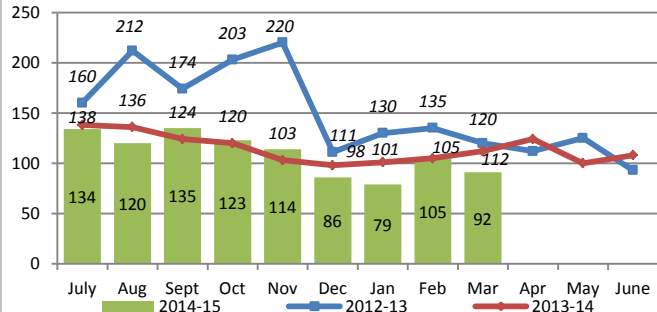


## TAX COMPLAINTS SUMMARY 1 JULY 2014 – 31 March 2015

### TOTAL COMPLAINT NUMBERS

Complaints received	2012-13	2013-14	2014-15 YTD
<b>Total</b>	1795	1369	<b>988</b>



### CLOSED COMPLAINTS

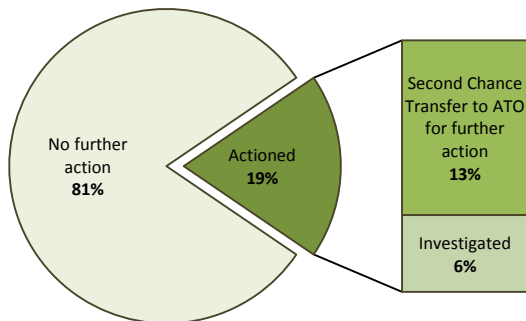
Complaints closed	2012-13	2013-14	2014-15
Cat 1 <sup>1</sup>	787	570	558
Cat 2	634	513	264
Cat 2 - Second Chance Transfer <sup>2</sup>		176	134
Cat 3	273	96	44
Cat 4	126	56	15
Cat 5	1	0	0
<b>Total</b>	<b>1821</b>	<b>1411</b>	<b>1015</b>

**Note:**

<sup>1</sup> Of the 558 Cat 1 complaints received, 455 (82%) were referred back to the ATO to lodge a formal complaint

<sup>2</sup> Second Chance Transfer program commenced July 2013 (see below)

### 2014-15 YTD CLOSED COMPLAINTS – ACTIONS



### SUMMARY OF COMPLAINTS – MARCH 2015

- We received 988 complaints concerning the ATO up to 31 March 2015, which is 5% less than at the same time last year (1037)
- Disputes about debt collection action taken by the ATO remain a prominent complaint theme for complaints closed YTD in 2015
- The number of complaints received by the Ombudsman will decrease significantly as we transfer the tax complaint role to the Inspector-General of Taxation from 1 May 2015. For further information regarding the transfer see [www.ombudsman.gov.au](http://www.ombudsman.gov.au)

### COMPARISON OF COMPLAINTS ISSUE TRENDS

Main issue – finalised complaints	2012-13	2013-14	2014-15 YTD
<b>Lodgement and Processing</b> - predominantly Tax Time issues.	25%	18%	17%
<b>Debt collection</b> - payment arrangement; garnishee action; bankruptcy action.	22%	22%	21%
<b>Audit and Review</b> - audit selection process, delay, audit period, auditor behaviour.	12%	10%	8%
<b>Superannuation</b> - from employees re ATO action to pursue non-payment. Employers complain about collection action.	12%	9%	12%
<b>Complaint</b> - complainants not satisfied that ATO complaints addressed the issue.	7%	20%	19%
<i>All other.</i>	22%	21%	23%

### INVESTIGATION OUTCOME

Ms X currently resides overseas but lived and worked in Australia for a period beginning in 2012. Ms X lodged her 2013 tax return and received a debt assessment. She later lodged her 2014 tax return and received a refund by cheque. As she lives overseas she was unable to deposit or cash the cheque, so she requested that the ATO cancel the cheque and instead credit the funds towards her tax debt. The ATO informed Ms X that it would review her status as a non-resident. Ms X was concerned that the ATO was charging her interest on the unpaid debt and any delay would cause further cost. She felt the review and subsequent delay was unfair. Ms X complained to the ATO but found its responses unclear. In the course of our investigation, the ATO reviewed its actions and resolved Ms X's concerns. The ATO advised Ms X that it agreed with her residency status and had not applied a general interest charge. The ATO cancelled the tax refund cheque and applied the credit to Ms X's debt.