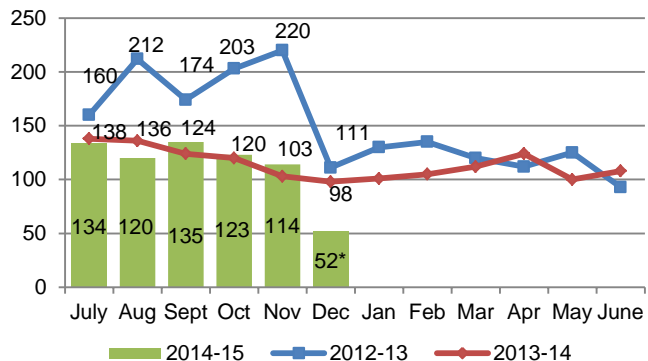


## TAX COMPLAINTS SUMMARY 1 JULY – 15 DECEMBER 2014

### TOTAL COMPLAINT NUMBERS

Complaints received	2012-13	2013-14	2014-15 YTD
<b>Total</b>	1795	1369	678



\* Number received in the first 15 days of December

Complaints closed	2012-13	2013-14	2014-15
Cat 1 <sup>1</sup>	787	570	397
Cat 2	634	513	171
Cat 2 - Second Chance Transfer <sup>2</sup>		176	91
Cat 3	273	96	32
Cat 4	126	56	15
Cat 5	1	0	0
<b>Total</b>	<b>1821</b>	<b>1411</b>	<b>706</b>

**Note:**

<sup>1</sup> Of the 397 Cat 1 complaints received, 329 (83%) were referred back to the ATO to lodge a formal complaint

<sup>2</sup> Second Chance Transfer program commenced July 2013

### TRANSFER OF TAX COMPLAINT HANDLING ROLE

A Bill was introduced in to Parliament on 4 December 2014 to give effect to the Government's decision to transfer the tax complaint handling role from the Taxation Ombudsman to the Inspector-General of Taxation. If the Bill is passed in its current form, the Inspector-General's tax complaint handling role will commence on 1 May 2015 or the 14th day after the Act receives Royal Assent (whichever is later).

### TAX TIME 2014

- The number of tax complaints received for the period is tracking at a similar level to 2013-14.
- Almost 18% (121) of complaints received to date involved **Tax Time issues**, including 13 complaints related specifically to **myGov\***.
- Current complaints are mainly related to disputes involving a debt established following the outcome of an audit or review. Complainants have also raised concerns about debt collection action taken by the ATO in regards to a disputed debt.
- **myGov\*** complaints related to difficulty accessing the service and some complainants were unhappy about the need to establish a myGov account in order to lodge.

\* myGov is managed by the Department of Human Services

### 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%	20%
<b>Debt collection</b> - payment arrangement; garnishee action; bankruptcy action	22%	22%	20%
<b>Audit and Review</b> - audit selection process, delay, audit period, auditor behaviour	12%	10%	10%
<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%	18%
<i>All other</i>	22%	21%	20%

As at 15 December 2014, we had received 678 complaints concerning the ATO, which is similar to the same time last year. Generally each year at this stage in Tax Time, we see the focus of complaint issues shift from delay to disputes involving the outcome of audit or review, the raising of debts and debt collection action. Taxpayers with a debt from their 2014 tax return generally were required to have paid by 21 November 2014.

### INVESTIGATION OUTCOME

Mr Z lodged a complaint with the ATO regarding an application to have his unclaimed superannuation rolled over into his current super fund. The ATO advised that it transferred his lost super to his superannuation fund, however his fund denied receipt of the transfer. Mr Z complained to the Ombudsman. Our investigation revealed that due to a system issue the ATO did not provide full details with the payment to the super fund. The fund was unable to identify the account to be credited and returned the funds to the ATO. The ATO apologised to Mr Z, and confirmed the successful transfer of his unclaimed super to his superannuation fund. The ATO has also addressed the system issue to ensure others taxpayers are not also affected.