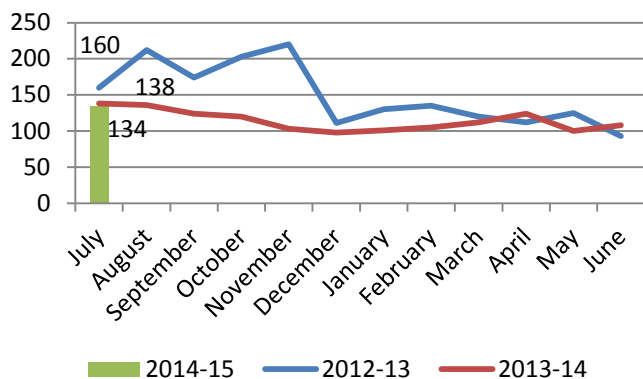


TAX TIME 2014 COMPLAINTS SUMMARY 1 – 31 JULY 2014

TOTAL COMPLAINT NUMBERS

Complaints received	2012-13	2013-14	2014-15 YTD
Total	1795	1369	134



Complaints closed	2012-13	2013-14	2014-15
Cat 1	787	570	75 ¹
Cat 2	634	512	47
Cat 2 - Second Chance Transfer ²		177	16
Cat 3	273	96	8
Cat 4	126	56	1
Cat 5	1	0	0
Total	1821	1411	147

Note:

¹ Of the 75 Cat 1 complaints received, 63 (84%) were referred back to the ATO to lodge a formal complaint

² Second Chance Transfer program commenced July 2013

TAX TIME 2014

- The number of tax complaints received for the period is similar to July 2013-14.
- 20 complaints involved **Tax Time issues**, including access to paper forms/instructions and the useability of myTax and e-tax. More recent complaints also concerned delay, processing of hardship applications and difficulty accessing information concerning the progress of processing of the return.
- 5 complaints related to **myGov**^{*}. Some complainants reported difficulty accessing the service and others were unhappy about the need to establish a myGov account in order to lodge, or about the requirement for a unique email address in order to register.

^{*} 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
Lodgement and Processing - predominantly Tax Time issues	25%	18%	19%
Debt collection - payment arrangement; garnishee action bankruptcy action	22%	22%	18%
Audit and Review - audit selection process, delay, audit period, auditor behaviour	12%	10%	16%
Superannuation - employees re ATO action to pursue non payment; employers complain about collection action	12%	9%	12%
Complaint - complainants not satisfied that ATO complaints addressed the issue	7%	20%	16%
All other	22%	21%	19%

The proportion of complaints relating to **audit and review** has increased compared to last year. One month into Tax Time, it is too early to tell if the trend will continue. Complaints are typically about audits triggered by data matching problems or about a taxpayer's eligibility to claim a tax offset (e.g. the new dependent [invalid and carer] tax offset). In most cases, we referred complainants to the ATO to make a formal complaint or, where this had already occurred, we transferred the complaint to the ATO to give the ATO the opportunity to better explain the circumstances of the audit to the complainant and what further review rights were available.

OTHER ACTIVITIES

The ATO provides the Ombudsman with a fortnightly update regarding the progress of Tax Time 2014. Over one million returns have been lodged online and, despite some individual experiences, systems appear to be functioning well.

INVESTIGATION OUTCOME

Our investigation of a complaint about the remission of Shortfall Interest Charge (SIC) identified that ATO's template letter to taxpayers about remission of SIC may lead to some confusion about remission options. We suggested that the ATO consider amending its template letter to avoid confusion and provide greater clarity.