

SYSTEM FOR TAXPAYER OBJECTIONS TO TAX OFFICE DECISIONS TO BE IMPROVED

The Assistant Treasurer, Senator Nick Sherry, has today released the Inspector-General of Taxation's report of his *Review into the Underlying Causes and the Management of Objections to Tax Office Decisions*.

The Review sought to identify changes that would improve the efficiency, effectiveness and fairness of the objections process as part of the IGT's wider examination of the Tax Office's approach to settling and finalising issues with taxpayers.

"The report makes twelve key recommendations on the handling of taxpayer objections to Tax Office assessments," the Assistant Treasurer said.

"The majority have been directed to the Tax Office and I welcome the Tax Office's constructive responses."

"In the one recommendation related to legislation, the Inspector-General suggests the Government considers certain improvements to the legislative framework for amendments and objections to tax assessments."

"I have today asked the Treasury to closely examine the issues raised and provide me with further advice."

Key findings in the Report include that the Tax office should:

- issue a comprehensive public statement setting out its philosophy on objections, including their management and handling;
- continue to develop a culture that recognises and respects the role of objections;
- continue to encourage early dispute resolution and where taxpayers are self-represented, advice should be in plain language; and
- review its current audit work practices and training programs for original decision-makers to ensure they align with the general published philosophy on dispute resolution.

"The Inspector-General's review provides a broad set of principles to improve dispute resolution within the Tax Office and I believe the outcome will be improved objection management for all in the community," the Assistant Treasurer said.

The full report, which also contains the Tax Office response to all recommendations, is available at www.igt.gov.au.

CANBERRA
11 August 2009