



## **Australian Government**

Australian Government response to the  
Senate Committee on Economics report:  
Performance of the Inspector-General of Taxation

May 2024



# Response to the recommendations

## Recommendation 1

The committee recommends the Australian Government assess whether the IGTO is adequately resourced, both now and into the foreseeable future, to effectively discharge its dual role as the Inspector-General of Taxation and the Taxation Ombudsman.

### *Australian Government response*

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

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## Recommendation 2

The committee recommends the Australian Government consider whether the IGTO's current portfolio arrangements are appropriate, and whether alternative arrangements could improve actual, or perceived, independence.

### *Australian Government response*

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

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## Recommendation 3

The committee recommends the Australian Government review the IGTO's current access to the ATO and Tax Practitioners Board's systems, data, and records and considers improving access, where necessary, to further enable it to perform its legislative functions.

### *Australian Government response*

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

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## Recommendation 4

The committee recommends the Australian Government consider whether the IGTO should have a formal role to independently advise the minister on the administrative aspects of new tax laws and amendments to existing tax laws.

### *Australian Government response*

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

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## Recommendation 5

The committee recommends the Australian Government better publicise the IGTO's ombudsman function through the development of a marketing campaign. Such a campaign should, amongst other things, clarify how the IGTO's role interacts with other ombudsmen, such as the Small Business and Family Enterprise Ombudsman..

### *Australian Government response*

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

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## Recommendation 6

The committee recommends the Australian Government consider strengthening protections available to individuals who disclose information to the IGTO, regardless of whether the disclosure is in relation to a complaint investigation or systemic review.

### *Australian Government response*

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

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## Recommendation 7

The committee recommends the rights of tax officials who are interviewed during investigations undertaken by the IGTO be clarified, and that protections afforded to them be strengthened. This includes providing officials the legal right to choose whether or not they have other persons present when providing information.

### *Australian Government response*

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

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## Recommendation 8

The committee recommends the Australian Government ensure that non-binding recommendations made by the IGTO, in respect of a complaint, be formally responded to within a reasonable time frame and, where a recommendation is not accepted, rationale for the non-acceptance be provided.

### *Australian Government response*

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

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## Recommendation 9

The committee recommends the Australian Government clarify which entities are responsible for investigating and prosecuting offences under the IGT Act, such as those created under section 39.

### *Australian Government response*

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

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## Recommendation 10

The committee recommends the Australian Government review the IGT Act and its interactions with the Ombudsman Act, with the objective of improving the IGT Act's clarity. Such a review would also include an assessment of the necessity of the exclusion in subsection 7(2) of the IGT Act regarding rules and quantification.

### *Australian Government response*

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

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## Recommendation 11

The committee recommends the Australian Government consider the benefits of introducing more formal arrangements between the IGTO and Australian Tax Clinics, as well as improving the model for inter-agency collaboration to permit joint investigations.

### *Australian Government response*

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

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## Recommendation 12

The committee recommends an independent review of the PID Act be undertaken in 2021, which includes consideration of establishing a single whistleblower authority.

### *Australian Government response*

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

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## Recommendation 13

The committee recommends the IGTO be made an 'investigative agency' under the PID Act.

### *Australian Government response*

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

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## Recommendation 14

The committee recommends the IGTO be made an 'eligible recipient' under the TAA 1953.

### *Australian Government response*

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

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## Recommendation 15

The committee recommends the Australian Government resolve the inconsistencies between the TAA 1953 and the IGT Act regarding taxation officers who make unauthorised disclosures to the IGTO.

### *Australian Government response*

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

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## Recommendation 16

The committee recommends the Australian Government remove the requirement for the Tax Commissioner to authorise disclosures by tax officers if an IGTO review has either commenced or is being contemplated.

### *Australian Government response*

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

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## Additional comments by Senator Rex Patrick - Recommendation 1

The IGTO's appointment should be for a 10 year non-renewable term.

### *Australian Government response*

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

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## Additional comments by Senator Rex Patrick - Recommendation 2

The government address the shortfall in funding necessary to allow the IGTO to discharge its functions properly.

### *Australian Government response*

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

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### Additional comments by Senator Rex Patrick - Recommendation 3

The IGTO should have full and unfettered access to all ATO and Tax Practitioner Board records, data, and systems.

#### *Australian Government response*

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

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### Additional comments by Senator Rex Patrick - Recommendation 4

Mr Shamir should be granted compensation either under the Scheme for Compensation for Detriment caused by Defective Administration or, failing that, as an act of grace payment.

#### *Australian Government response*

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

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### Additional comments by Senator Rex Patrick - Recommendation 5

To provide clarity on the legislative powers and functions of the IGTO, and to provide operational clarity, there should be a self-contained IGT Act.

#### *Australian Government response*

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

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