ATO corporate plan
2014–18
Priorities for 2014–18

Strategy 01
Build a culture that embodies our values and transforms the client experience

- Co-designing with the community and stakeholders a transformed client experience
- Identifying the foundation programs to continue our reinvention journey, ensuring we continue to demonstrate visible progress as we implement this program of work
- Engaging and communicating on our reinvention journey
- Driving cultural change

Strategy 02
Simplify interactions, maximising automation and reducing costs

- Contributing to the government’s ‘open for business’ agenda, driving productivity increases, deregulation, improvements in efficiency and reductions in red tape
- Providing an integrated online experience focusing on myGov, myTax and building on our contemporary services
- Improving our online services to small businesses and reducing paper products
- Improving the productivity of the superannuation system through the implementation of consistent data and payment standards
- Reducing the administrative cost to business of complying with government regulation*
- Encouraging the adoption of new practices by businesses to reduce operating costs*
- Delivering efficiencies by 2015 outlined in the federal Budget

Strategy 03
Connect with the community and other agencies in meaningful ways

- Working with the Department of Human Services to deliver a whole-of-government Reliance Framework solution
- Working with software developers and tax professionals to drive innovation in tax services
- Working with taxpayers to resolve issues early so that returns lodged are correct
- Working with the community to develop targeted compliance strategies that leverage off taxpayers’ natural business systems
- Proactive engagement with individuals throughout their life to prevent lost superannuation and other inadvertent consequences
- Earlier, direct and open contact with taxpayers to avoid disputes wherever possible or resolve disputes as early as possible
- Reducing aged cases through earlier engagement and increased use of alternative dispute resolution strategies
- Managing disputes fairly and independently in the simplest and most cost-effective manner

* Relates to the Australian Business Register programme
Influencing policy and law design, using insights from our administration and connections with the community

Supporting Australia’s G20 presidency and its taxation priorities including addressing base erosion and profit shifting

Influencing government policy development and implementation, through advocating the use of services, technologies and processes to minimise the administrative impact on business*

Sharing intelligence and data with tax agencies worldwide to support voluntary compliance, encouraging disclosures through Project DO IT; and identifying and investigating tax evasion

Improving and extending our data matching and our pre-filling services

Using analytics to develop better-targeted services based on a deeper understanding of taxpayers’ needs and behaviours

Establishing a holistic view of taxpayer risk to improve our service and enforcement approaches

Enhancing our data mining and analytics capabilities to enable the real time identification of potential risk and appropriate responses

Supporting our transformation to a digital enterprise while ensuring the integrity and availability of production systems

Extending our tax gap measurement to direct taxes

* Identifying opportunities from our independent review service to improve our auditing capability and performance

Undertaking a detailed design and implementation of a corporatised shared services ‘hub and spoke’ delivery model

Developing leadership capability

* Relates to the Australian Business Register programme
Foreword

The Australian Taxation Office has set out on a path of reinvention. This journey over the next few years focuses us on changing how we operate to better meet the needs and expectations of the community.

We have created a dedicated program for transforming the client experience while we continue to deliver high-quality customer service.

This year we released a new statement of our vision, mission and values and purposefully selected and delivered some initiatives to signal the genuine commitment to change.

This plan outlines our way forward, with the strategies, priorities and activities we will focus on to achieve our goals and mission.

We are focused on building on our culture of integrity and making the necessary cultural changes to align with the transformed client experience.

Within a challenging resourcing environment, our investment decisions are critical and we are committed to advancing our strategic direction and contributing to the economic and social wellbeing of Australians.
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Introduction

This plan includes both our priorities for 2014–15 and what we want to achieve over the planning period.

A corporate plan is a requirement under the Public Governance, Performance and Accountability Act 2013, with the corporate plan rule coming into effect in 2015–16.

This plan will be updated annually as part of the Executive’s strategic management of performance. We will report on this plan in our annual report for 2014–15 and through our quarterly performance reports that are considered by the ATO Executive Committee.

The suite of measures included in this plan cover the deliverables we produce, their impacts on the community, and our commitments to service. From this suite we have identified 12 key measures that are outlined in our strategic intent.

Over the next few years we will refine our measures by adding targets and new indicators to broaden our coverage and ensure they continue to reflect the services we provide, our changing environment and our reinvention.

We have developed six strategic risks and our challenge over the next year is to integrate these with our enterprise risk management system. On a rolling basis we review our risks to ensure that they are reflective of our current environment and their mitigation strategies are effective.

Our business line plans and individual performance development agreements support this plan and create a line of sight ensuring all staff can see how their efforts contribute.
Our strategic intent
We want the ATO to be relevant and valuable to the Australian community for the long term — trusted and respected here and internationally and considered a leading organisation by all stakeholders.

To the extent we can influence and control, we will aim to make the tax and superannuation systems and our administration fair, efficient and sustainable — where tax and superannuation are recognised and valued as a necessary part of our community in Australia.

We intend to improve the tax and superannuation experience for Australians, designing the systems for the majority of people who do the right thing, not for the small minority who don’t.

Our new leadership team is driving a transformational program, reinventing the ATO, to realise the newly articulated vision, mission and values statement. This program challenges our thinking around concepts such as compliance and participation, the client experience, being contemporary and managing the pressures of being a useful and sustainable large public service organisation.

At a practical level reinventing the ATO will result in a different culture, new products and services, strong connection to the community, productivity improvements and an openness and willingness to change.

We are using our response to the Australian Public Service Commission Capability Review as an opportunity to refresh our management approaches; aligning our strategy, culture and capabilities.
What we want to achieve

Mission
We contribute to the economic and social wellbeing of Australians by fostering willing participation in our tax and superannuation systems

Vision
We are a leading tax and superannuation administration known for our contemporary service, expertise and integrity

Values
We are impartial, committed to service, accountable, respectful and ethical
Strategies

- Build a culture that embodies our values and transforms the client experience
- Simplify interactions, maximising automation and reducing costs
- Connect with the community and other agencies in meaningful ways
- Influence policy and law design for more certain outcomes
- Use data in a smarter way to improve decisions, services and compliance
- Reshape the workforce to optimise capability and performance.

Strategic risks

- **Revenue collection**
  Collecting the right amount of money for the Government to support and fund services for the community

- **ICT systems**
  Designing, implementing, and maintaining critical ICT systems to support the improved tax and superannuation experience

- **Financial management**
  Making effective investment decisions for the longer term vision, while balancing delivery of current year commitments

- **Relationships**
  Having the trust and respect of key stakeholders

- **People capability**
  Having an agile, engaged and skilled workforce

- **Service expectations**
  Providing tailored services and communications that match contemporary needs and expectations
Who we are and what we do

With employees based in sites around Australia, the ATO is a large employer with a proud history of effectively managing the tax and superannuation systems that support and fund services for Australians.

We are represented in all states and territories, with 88% of our workforce based outside Canberra. Our people have skills ranging from accounting, auditing and law to customer service, information technology and marketing. Almost half of our workforce has a tertiary qualification. The diversity of our workforce brings together a broad range of skills and experiences, helping us to deliver for the government and the community.

Major responsibilities

Our role is to effectively manage and shape the tax and superannuation systems that support and fund services for Australians including:

- collecting revenue
- administering the goods and services tax on behalf of the Australian states and territories
- governing a range of programs which result in transfers and benefits back to the community
- administering major aspects of Australia’s superannuation system
- custodianship of the Australian Business Register.
The scale of our activities

Gross revenue collected
More than $408 billion

Administered expenses paid
$8.5 billion

Payments refunded
$31.7 billion

Individual clients
13 million

Small business clients
Around 2.5 million

Large or multinational companies clients
1,300

Number of employees
Around 24,000

Practitioners
(tax and BAS agents)
55,000

Self-managed super funds
510,000

Operating budget
$3.5 billion

Data source: Commissioner of Taxation Annual Report 2012–13
We have a strong and proud history of delivering for the Australian government and the community but we know we will need to change to continue to be considered valuable and effective.

The notion of joined-up or whole-of-government services means that government agencies can no longer work in isolation and are expected to work together to improve the delivery of services to all Australians.

Increasing the productivity of our economy is a key challenge for Australia. The government is committed to reduce red and green tape by $1 billion a year. The government’s drive for productivity, efficiency and de-regulation requires us to contribute by improving our organisational efficiency and how we administer the tax and superannuation systems.

In 2014 Australia is chairing the G20 and we will have a crucial role in leading closer international cooperation to ensure multinational corporations pay a fair share of tax. Tax administrations around the globe need to adapt to address increasingly complex and dynamic cross border issues. Greater leadership internationally is essential for Australia to combat corporate tax base erosion and profit shifting.

The capability review identified five priority areas for improvement: developing a forward looking enterprise-wide strategy; developing information communication technology efficiency and agility; building the future workforce; streamlining governance arrangements and structures; and improving our external connectedness.

We are facing these challenges in a tight fiscal environment, where all government agencies are under pressure to do business differently and achieve more with less.
Supporting a modern and dynamic Australia
Our goals

Easy for people to participate

We will design and operate the tax and superannuation systems for the majority of taxpayers who do the right thing, rather than for the few who don’t.

To make life easier for taxpayers we will communicate in ways that people do every day. We will write in plain English and provide clear guidance and advice.

We will manage our compliance activities based on risk, transparency and behaviour, knowing that most participants in the tax and superannuation systems are doing so willingly. Where people are transparent about their tax and superannuation affairs and participate willingly, we will offer a lighter touch experience that should result in less effort for them in meeting their obligations. For those who are not transparent or willing to do the right thing, we will target and tailor compliance activities accordingly.

We want the community to have confidence in our ability to address non-compliance and maintain a level playing field for all.

We will also have an increased focus on reasonable and fair compliance outcomes — letting go and recognising when diminishing returns are not worth pursuing.

We will better use technology and data analytics to identify and deal with those seeking not to comply. For most non-compliant taxpayers, it will be a matter of ‘when’ we catch up with them, not ‘if’.

The costs businesses incur in dealing with government, including the ATO, impact on their ability to run and grow their business. We will work with small businesses to identify irritants, unnecessary compliance costs and to deliver relevant and personalised support. We will also focus on small business debt management with more than 60% of total collectable debt attributable to small business.

Large businesses want us to level the playing field by ensuring no business has commercial advantage as a result of non-compliance or inconsistent tax outcomes. We also know from feedback that they want us to be more commercially aware, provide more timely advice and dispute resolution and demonstrate impartiality and consistent decision making.
Contemporary and tailored service

People expect convenient and accessible service in their dealings with a contemporary service organisation.

To meet these expectations we will offer convenient and accessible 24/7 self-service solutions. Online will be our preferred channel to interact, and when escalation or direct contact is necessary we will offer different kinds of personalised services (for example call-backs, click to chat, personal appointments or case conferencing). This will allow us to improve our operational efficiency and ensure that our resources are directed to the highest value services.

We will simplify most clients’ interactions with us; individuals will benefit from a streamlined income tax experience as we move from ‘high touch’ to ‘low’ or ‘no touch’ for those who have simple, transparent low risk tax affairs. We will source information to pre-fill tax returns and provide them to the taxpayer for review.

We have become part of myGov, which provides a single entry point for key government services. Registered users will be able to update tax and bank account details, see their current superannuation accounts and in the future be provided with a complete view of their relationship with us.

We will support businesses who voluntarily comply by streamlining reporting arrangements. In the future, by using a standard chart of accounts, businesses will be able to keep records, deal with their bank and meet their tax obligations electronically. If they choose to, their software will automatically interact with us — essentially, the records needed to run the business will automatically generate the data needed to meet business tax obligations.

These services are designed to bring significant productivity improvements for the community and business, with associated reductions in compliance costs for all.
Purposeful and respectful relationships

To succeed in the future, we must have a greater connection with, and understanding of, the community, government and stakeholders and their needs and expectations.

While a major player, we do not control all aspects of the tax and superannuation systems. Working well with others and understanding different perspectives is critical to fulfilling an effective stewardship role and ensuring that both the systems and administration are fit for purpose for Australia now and into the future.

We have established and are bedding down new external consultation arrangements that are intended to be flexible and responsive mechanisms for consulting with the right people at the right time on the right issues.

Our intention is to be more open. Open to hearing different views, open to change and open to working with others to devise solutions to problems and make the most of opportunities.

Our advocacy role and input into law design is dependent on us working this way. Our consultations and relationships with key stakeholders are vital to providing the right advice to Treasury and Government.

We are committed to working cooperatively to find solutions to broad challenges faced by the international system as a result of globalisation and the increasingly digitalised economy. In our own Asia-Pacific region, we will drive improvements to the coordination and leadership of tax issues by strengthening ties through the Study Group on Asian Tax Administration and Research and supporting G20 activities.

Taking a holistic approach to base erosion and profit shifting, we are working with Treasury to identify where the law works and where it requires change. We are also working with the Organisation for Economic Co-operation and Development, foreign jurisdictions and domestically, to inform policy through the operational information we have gained in our role as tax administrator.

As we embrace new business models for delivering our services, we will work with a variety of stakeholders. Our intent is to have services delivered by the most efficient and effective means.
Professional and productive organisation

Delivering our change agenda and business improvements is about backing our words with actions. This is about leading and managing well, and mobilising and motivating our people.

We are changing the way we do business, with changes to our culture, processes and technology. Our leaders will generate a clear sense of purpose and drive the change by helping our workforce understand the part they play in reinventing the ATO.

Our approach to driving a productive and professional organisation has a number of facets. We will continue to deliver on our day-to-day business and look for opportunities to make continuous improvements, improve the client experience and reduce costs.

We will leverage the new senior leadership team. This will help us particularly with driving cultural change from protector to facilitator — dealing with the inhibitors to realising our vision, such as risk aversion, silo identity and mentality, and bureaucracy.

We will respond to the capability review by:

- developing a forward looking enterprise-wide strategy
- developing information communication technology efficiency and agility
- building the future workforce
- streamlining governance arrangements and structures
- improving our external connectedness.

We will also investigate options and develop and implement corporatised business models for delivery of services internally. We believe that we should be consistent with our internal services and external service offers, i.e. if our services to the community are to be contemporary, the internal ones should be too.

We recognise that we need a mix of professions to do our job well. We will use industry benchmarks, practices and standards to guide our performance expectations and career development approaches.

For our performance measurement, we will emphasise measurement of effectiveness and the views of others.
Measuring our success

The ATO’s outcome to deliver to government is:
Confidence in the administration of aspects of Australia’s taxation and superannuation systems through helping people understand their rights and obligations, improving ease of compliance and access to benefits, and managing non-compliance with the law.
The way we measure our performance against this outcome includes the following measures:

- Community and key stakeholders engagement and satisfaction with ATO performance
- Number of customer service interactions delivered through our multi-channel environment
- Proportion of businesses and individuals registered in the system
- Proportion of businesses and individuals that lodge on time
- Proportion of liabilities paid on time by value for each of the major tax revenue types
- Adjusted average cost to individual taxpayers of managing their tax affairs
- Net cost to collect $100
- Earlier resolution of disputed cases
- Ratio of collectable debt to net tax collections
- GST gap as a proportion of GST revenue
- Operating within budget
- Employee engagement compared to APSC state of service
Performance and accountability
Reinventing the ATO

We have a program to transform the ATO and to realise our strategic intent. This program is called reinventing the ATO and is primarily focused on the transformation of the client experience and changing our culture.

The 2020 Program Office has been set up to support and govern reinventing the ATO program. This office brings discipline, coordination and alignment to major initiatives.

Transforming the client experience includes designing a client experience for different kinds of taxpayers at different stages of life or business.

Changing the culture includes benchmarking current state and implementing strategies that reduce undesirable traits and promote positive traits consistent with being a service oriented organisation.

As we move forward, our focus is on how to best serve our clients by delivering a transformed client experience.

Our priorities for 2014–15 are:

- Co-designing with the community and stakeholders a transformed client experience
- Identifying the foundation programs to continue our reinvention journey, ensuring we continue to demonstrate visible progress as we implement this program of work
- Engaging and communicating on our reinvention journey
Working across government and internationally

Each year we work with government and other agencies, domestically and internationally, to ensure we administer fair, efficient and sustainable systems.

We want to be more open, work well with others and understand different perspectives particularly across our advocacy role and input into law design.

Ongoing economic globalisation, together with the expansion in e-commerce, international trade and cross-border flows within multinational enterprises, will require our continued focus on ensuring Australia receives its fair share of global revenue. We will lead joint compliance work with other tax agencies to address profit-shifting risks, including in the digital economy.

Our priorities for 2014-15 are:
Supporting government priorities

We keep the government informed of issues relating to the administration of the tax and superannuation systems, both directly and through our relationship with Treasury. We also work with business and the broader community, to ensure that policies are effective and pragmatic.

We are strengthening our integrated tax design capability to bring together policy, law and administrative design expertise to help give us a credible voice to shape and implement government policy and system-wide improvements.

Over the planning period, we will be:
> contributing to the government’s deregulation agenda by identifying opportunities to reduce compliance costs for business and the community
> working with Treasury and other government agencies to advocate change, analyse policy issues, develop improvements and design the best possible legislation
> collecting revenue and governing programs which result in transfers and benefits back to the community.

Working across government

We will work with other Australian government agencies to deliver government services; share data, intelligence and expertise; and participate in multi-agency task forces.

Improved partnerships with other agencies will enable us to more effectively gather and use information and provide end-to-end digital services to support increased self-service. Cross-government platforms, such as myGov, will maximise client options for dealing with us through a secure one-stop shop.

Over the planning period, we will be:
> implementing the Public Governance, Performance and Accountability Act 2013 by working with the Department of Finance
> providing a tax-compliance focus to Commonwealth serious and organised crime risks by working with the Australian Crime Commission, the Australian Federal Police, the National Anti-Gang Taskforce, and the Australian Gang Intelligence Centre
> working with federal, state and international agencies, on information exchange and data matching and delivering on commitments specified in our current agreements and memorandums of understanding.
Consulting with stakeholders

Working with others and understanding different perspectives is critical to the effectiveness of our stewardship role and ensuring that our systems and administration are fit-for-purpose now and into the future.

Our stewardship committees will focus on engaging with representatives across various sectors of the community, industry and the tax profession. Through these committees, we will facilitate co-design and consultation, and provide valuable intelligence on clients’ experiences.

Over the planning period, we will be:

➢ co-designing with the community on transforming their tax and superannuation experience
➢ ensuring the right people are engaged early and their views are represented in the policy, law and administration design processes
➢ working with the software industry and superannuation providers to employ natural accounting and business systems to make e-commerce interactions easier and more real-time.

Cooperating internationally

With over 100 treaties and agreements, we will promote international transparency to tackle profit shifting and offshore tax evasion.

This involves sharing data, intelligence, risks and opportunities, sharing capabilities and strategies, and joint compliance action.

Over the planning period, we will be:

➢ supporting the leadership and consensus building of the G20 in implementing global reforms, including automatic information exchange
➢ supporting international tax law/policy analysis with Treasury and focusing on the Organisation for Economic Co-operation and Development Base Erosion and Profit Shifting Action Plan
➢ chairing the Study Group on Asian Tax Administration to build on the community and capability of tax agencies in the Asia Pacific region
➢ working with financial institutions to minimise compliance costs associated with international reporting requirements
➢ tackling offshore tax evasion while supporting financial institutions’ compliance with reporting under US laws and automatic information-exchange proposals.

It’s about influencing policy and law design for more certain outcomes
Measures for working across government and internationally:

Supporting government priorities

- Treasury perception of ATO advice
- Proportion of draft legislation which is assured before introduction to Parliament
- Number of advice products provided to government

Collecting revenue and delivering benefits

- Net cost to collect $100
- Variation of actual administered expenses to budgeted administered expenses
- Value of net tax collected
- Value of refunds paid

Working across government

- Number of disclosures made to law enforcement agencies, both ATO-initiated and law enforcement agency-initiated
- Number of issues referred to the Tax Practitioners Board
- Number of memorandums of understanding

Consulting with stakeholders

- Communication of our decision to consult on matters submitted (by 20 working days)
- Number of significant matters we have consulted on

Cooperating internationally

- Number of international information exchanges
- Number of jurisdictions we work collaboratively with (increase)
It’s about **building** a culture that embodies our values and transforms the client experience.
Fostering willing participation

People participate by registering in the system, lodging returns, reporting correctly and paying on time. People often require assistance from us, or may ask a third party to help them meet their obligations.

We want to make it as easy as possible for people to participate in the tax and superannuation systems, and more difficult not to.

We will transform our services to make it easier for people to comply with their obligations. Our services are being designed to reduce red tape and the compliance burden by using natural systems, so meeting tax obligations becomes a by-product of day-to-day activities.

We will work with the community and the tax profession to identify irritants and unnecessary compliance costs to deliver relevant, personalised support.

Our priorities for 2014–15 are:

- Improving and extending our data matching and our pre-filling service
- Providing an integrated online experience focusing on myGov, myTax and building on our contemporary services
- Working with software developers and tax professionals to drive innovation in tax services
- Improving our online services to small businesses and reducing paper products
- Using analytics to develop better-targeted services based on a deeper understanding of taxpayers’ needs and behaviours
Delivering customer service

We offer services and support to the community through a multi-channel environment, including digital, self-service, social media, telephony and face-to-face channels.

As we move to a digital service offering people will be able to access our services any time, from any location and on a range of platforms and devices. We will provide transitional support and ongoing assistance for people who are unable to interact online.

**Over the planning period, we will be:**

- enhancing our ATO app by providing access to ATO online services and adding support tools for trustees of self-managed super funds
- offering new online services, including the ability to submit a non-lodgment advice and view higher education loan account details
- introducing voice authentication to simplify proof of identity procedures and provide access to self-help phone services
- extending standard business reporting to allow software developers to deliver enhanced tax reporting functionality in their products, including a common chart of accounts.

Providing guidance and advice

Willing participation depends on people being able to easily find and understand information about their tax and superannuation obligations.

Our primary channel for providing information is through our website ato.gov.au, supported by webinars, fact sheets, and awareness campaigns. People, or their representatives, who choose to access more specific services can contact us.

We will support tax professionals by providing telephone services, including a premium phone service, new agent-induction program, and regional forums.

We will provide reliable advice on technical matters, through public and private rulings, at no charge to the client.

**Over the planning period, we will be:**

- providing advice and guidance that is easy to understand, can be reasonably complied with, and observes commercial realities
- streamlining processes for managing requests for guidance and advice by developing interactive forms, updating support material and providing more information on common areas of interest on our website
- providing advice through rulings, pre-lodgment compliance reviews, and, in suitable cases, annual compliance arrangements and advance pricing arrangements for large businesses and multi-national enterprises
- expanding our use of social media to provide support and guidance through platforms such as YouTube and Twitter.

It’s about **simplifying** interaction, maximising automation and reducing costs
Supporting participation

We are committed to provide quality, timely and contemporary services, reducing the cost of compliance and making it easy for people to deal with us.

We want to deliver an integrated digital experience so transactions can be completed electronically, at taxpayers’ convenience and while providing taxpayers with certainty.

We are introducing new tailored products and services for different client segments, particularly for small businesses where we need to help them to comply with their tax obligations and reduce their current debt levels.

Over the planning period, we will be:

> supporting the use of myGov to access e-tax and/or myTax in 2014 and the Notice of Assessment via the myGov inbox in 2015
> enabling income tax return lodgments online via a range of platforms and devices
> using email and SMS reminders when taxpayers fall behind on their lodgment
> increasing the use of electronic funds transfer to pay refunds to taxpayers
> continuing to fast-track refunds for individuals experiencing serious financial hardship.

Debt management

The impact of the economic environment on taxpayers’ capacity and willingness to pay continues to make the collection of tax and superannuation debt challenging.

We are focusing on taxpayers who are having difficulty in meeting their obligations. Our strategies are targeted at debt prevention, identifying events triggering debt, and efficient and effective debt collection methods.

We are working towards increasing the self-finalisation of debts by making it easier for taxpayers to self-manage their debts through our expanding digital service offerings.

Our approach is informed by behavioural insights which have been demonstrated to positively influence payment compliance, together with enhanced analytics applied to better tailor our approach.

Over the planning period, we will be:

> using analytics, in partnership with a major Australian university, to develop better targeted debt collection strategies
> using early intervention strategies, including the use of email and SMS payment arrangements confirmations
> extending our online payment arrangement system
> using ‘nudge’ communications to influence taxpayers to engage with us or pay in full
> adding the online business viability assessment tool on the ATO app.
Measures for fostering willing participation

Customer service

- Community and key stakeholder engagement and satisfaction with ATO performance
- Number of customer service interactions delivered through our multi-channel environment
- Proportion of self-service interactions
- Number of complaints received
- Number of complaints on hand
- People surveyed agreed that the ATO makes it easy to access services and information
- People surveyed agreed that the ATO was easy to do business with
- People surveyed agreed that the time taken was acceptable
- Percentage of complaints received resolved in 15 business days (85%)
- People surveyed agreed that the ATO lets them know of status or delays
- Adjusted average cost to individual taxpayers of managing their tax affairs
- Time-cost index for business and superannuation funds to prepare and complete key tax forms
- Percentage of tax practitioner calls answered within 2 minutes (90%)
- Percentage of general calls answered within 5 minutes during our peak period of July to October (80%)

Providing guidance and advice

- Number of Twitter and Facebook followers
- Number of visits to the ATO website
- Government commitments under Agency Multicultural Plan met
- Number of interpretive guidance products, objections and rulings provided
- Number of Annual Compliance Arrangements
- Number of Advance Pricing Arrangements
- People surveyed agreed that the ATO provides information that can be relied on and understood
- People surveyed agreed that the ATO provides information sufficient to meet their needs
- People surveyed agreed that the ATO informs them of what they need to do
- Percentage of taxpayer requests finalised in 28 calendar days (85%)
- Percentage of private rulings finalised in 28 calendar days of receiving all necessary information (80%)
- Percentage of objections finalised in 56 calendar days of receiving all necessary information (70%)
- Objections — if we find that the request raises particularly complex matters that will take more than 56 calendar days to resolve after receiving all the required information, we will aim to contact you within 14 calendar days to negotiate an extended reply
- Private rulings — if we find that your request raises particularly complex matters that will take more than 28 calendar days to resolve after receiving all the necessary information, we will aim to contact you within 14 calendar days to negotiate a due date

ATO corporate plan 2014–18
Managing debt

- Ratio of collectable debt to net tax collections
- Proportion of debt collections compared to debt holdings
- Value of debt holdings
- Value of debt collected
- Value of debt not pursued because it is uneconomical to do so

Supporting participation

- Proportion of company tax file number registrations compared to the ASIC registered population
- Proportion of individual tax file number registrations compared to the ABS estimated resident population
- Proportion of tax returns lodged electronically
- Proportion of taxpayers who lodge their activity statements on time
- Proportion of taxpayers who lodge their income tax returns on time
- Proportion of liabilities paid on time by value for each of the major tax revenue types
- Proportion of payments made and received through electronic channels
- Number of customers who linked ATO to their myGov account
- Number of registrations processed
- Number of taxpayers who meet their lodgment obligations
- Number of returns, statements and forms processed
- Number of pre-fill download [by client group]
- Number of data-matching transactions
- Number of payments processed
- Number of refunds issued
- Value of penalties and interest collected
- Percentage of Commissioner of Taxation registrations finalised in 28 calendar days (93%)
- Percentage of individual and non-individual electronic tax returns finalised in 12 business days (94%)—applies to current year returns only
  If we are unable to finalise your individual electronic tax return within 30 calendar days of receipt we will inform you
- Percentage of electronic activity statements finalised in 12 business days (94%)
- Percentage of electronic amendments finalised in 20 business days (90%)
- Percentage of individual and non-individual paper tax returns finalised in 50 business days (80%)
- Percentage of paper activity statements finalised in 50 business days (80%)
- Percentage of paper amendments finalised in 50 business days (80%)
Addressing non-compliance

We are committed to maximising voluntary compliance with a balanced and targeted compliance program based on transparency, risk and behaviour.

For the majority of taxpayers who meet their tax and superannuation obligations, we aim to intervene as little as possible. At the same time, we will identify and address the small section of the community that does not comply with their obligations, and deter others from non-compliance.

We will have an increased focus on reasonable and fair compliance outcomes. Where we identify potential non-compliance, we will give taxpayers reasonable time to rectify errors or omissions. Where a taxpayer does not comply, we will take action and, when necessary, use all avenues available to us under the law.

Our priorities for 2014–15 are:

- Establishing a holistic view of taxpayer risk to improve our service and enforcement approaches
- Enhancing our data mining and analytics capabilities to enable the real-time identification of potential risk and appropriate responses
- Working with taxpayers to resolve issues early so that returns lodged are correct
- Working with the community to develop targeted compliance strategies that leverage off taxpayers’ natural business systems
- Extending our tax gap measurement to direct taxes
Encouraging compliance

Where people are transparent about their tax and superannuation affairs and participate willingly, we will offer a lighter-touch experience that should result in less effort for them in meeting their obligations.

Over the planning period, we will be:

> inviting Australia’s small business owners to apply to join our new small business consultation panel to help cut red tape and increase our small business expertise
> supporting honest businesses by minimising the unfair tax advantage taken by competitors who deal in the cash and hidden economy
> engaging in early discussions with large business to get to the core of issues faster
> using the External Compliance Assurance Program to give some taxpayers the opportunity to use their company auditors to review factual matters we have an interest in
> bringing a sensible close to unnecessarily long-running cases and audits
> encouraging taxpayers with offshore assets to declare their interests under Project DO IT, which is an offshore voluntary disclosure initiative ahead of a global crackdown on international tax havens
> extending the tax gap analysis we undertake for goods and services tax and luxury car tax to other taxes, including income tax.

Enforcing compliance

For those who are not willing to do the right thing, we will target and tailor our compliance activities using a risk-management approach, considering the relative likelihood and consequences of non-compliance.

Over the planning period, we will be:

> checking compliance through reviews and audits and using data matching to identify cases of omitted income or over-claimed deductions or offsets
> investigating tax risks in the digital economy with joint compliance approaches
> reviewing individuals and businesses registered for goods and services tax and cancelling their registration where they are not carrying on a business and are not entitled to be registered
> reviewing employers who do not meet their pay as you go withholding and superannuation guarantee obligations, as well as employers who incorrectly treat employees as contractors
> checking that wine equalisation tax rebates, fuel tax credits and other entitlements are correctly claimed
> ensuring that high wealth individuals comply with their tax obligations
> providing appropriate referrals to the Tax Practitioners Board where we identify concerns with tax professionals meeting their professional and/or personal tax obligations
> utilising enhanced analytical models to compare the work-related expenses, rental property and gifts claims of people to others in similar circumstances and investigating those who are identified with claim patterns outside of our expectations
> checking compliance by using our expanded data matching for both individuals and small businesses including partnership income, company dividends, royalties, foreign transactions and managed funds data as well as the sale of property and shares
> focusing on specific populations where our analysis has identified a high risk of obligations not being met, such as directors of deregistered companies.
It's about **using** data in a smarter way to improve decisions, services and compliance
Tax evasion and crime

A small percentage of people deliberately and dishonestly break the law to avoid paying tax, or try to claim refunds or other payments they are not entitled to. In fairness to the majority of people who meet their obligations, and to ensure that community confidence in the tax system is maintained, we are committed to deterring, detecting and dealing with tax crime.

We have a multi-layered approach to dealing with tax evasion and crime that combines sophisticated intelligence activities, criminal investigations, prosecutions, and working with national and international partner agencies. We will strengthen our information systems to protect our data. We will work to ensure that tax and superannuation laws meet the challenges of emerging technology and limit opportunities for crime.

Over the planning period, we will be:

➤ protecting and supporting honest businesses by minimising the unfair tax advantage taken by competitors who deal in the cash and hidden economy
➤ targeting taxpayers who use trusts to conceal income, mischaracterise transactions and artificially reduce income
➤ identifying and dealing with those who deliberately and dishonestly claim refunds, rebates or offsets that they are not entitled to, including people who use false or stolen identities to lodge fraudulent income tax returns and activity statements
➤ using offshore account data supplied by domestic and foreign banks, to identify and deal with offshore tax avoidance
➤ working with the Australian Securities & Investments Commission (ASIC) to detect and deal with potential and actual phoenix operators
➤ working with the community and intermediaries to stop the promotion of, and participation in, tax avoidance arrangements
➤ supporting law enforcement agencies to remove profit from organised crime by using data matching and analytics capabilities to identify and investigate unexplained wealth generated from illegal activities
➤ expanding our international structures and profit-shifting strategy covering multi-national enterprises.
Measures for addressing non-compliance

Encouraging compliance

- If you are reviewed or audited, we will aim to notify you of the outcome within 7 calendar days of making our decision
- Number of preventative activities undertaken to reduce non-compliant behaviour
- Number of compliance audits, reviews and other checks undertaken

Enforcing compliance

- Growth in salary and wages reported on income tax returns compared to growth in salary and wages estimated by the ABS
- Adjusted gross operating surplus compared to company profit and tax payable
- GST gap as a proportion of GST revenue
- Value of compliance liabilities raised and collected as a result of compliance audits, reviews and other checks

Tax evasion and crime

- Number of civil actions underway and finalised
- Number of criminal investigations underway and finalised
- Number of criminal prosecutions underway and finalised, and results

For more information on our compliance effectiveness stories, visit ato.gov.au
Securing retirement income

We help reunite people with their lost or unclaimed superannuation accounts, make co-contribution payments, follow up on unpaid superannuation guarantee, manage contribution limits and regulate self-managed super funds (SMSFs).

We want to make it easier for people to be more engaged with planning for their retirement by providing online services and making interactions easier.

Our peak consultation forum is the Superannuation Industry Advisory Group and includes industry, Treasury, Australian Prudential Regulation Authority (APRA), and Australian Securities & Investments Commission. The forum provides early input into new initiatives and develops potential solutions to policy issues, while prioritising areas for advocacy.

We are part way through a government-funded program of major reforms aimed at increasing the productivity of the superannuation system.

Our priorities for 2014–15 are:

- Improving the productivity of the superannuation system through the implementation of consistent data and payment standards
- Proactive engagement with individuals throughout their life to prevent lost superannuation and other inadvertent consequences
Super reform

In 2010, the government announced a range of reforms to improve the system and better safeguard the retirement savings of all Australians.

An important aspect of the reforms is SuperStream, a new data and payment standard which provides a consistent and reliable electronic method for making rollovers to APRA-regulated funds and superannuation contribution payments.

With SuperStream for rollovers implemented, we are now focused on simplifying the contributions process, reducing unnecessary costs and time for funds and employers, resulting in a more efficient superannuation system.

Over the planning period, we will be:

- implementing SuperStream for contributions, automating transactions, and providing greater visibility of superannuation holdings
- working with stakeholders in the superannuation industry to implement the superannuation reforms.

Lost and ATO-held superannuation

We play a key role in reuniting people with their lost and ATO-held superannuation, including payments to individuals departing Australia.

High levels of lost and ATO-held superannuation can result from individuals being unaware of, or disengaged from, their superannuation benefits.

Over the planning period, we will be:

- providing contemporary services to the community to help them locate and manage their retirement savings
- engaging proactively with individuals throughout their life to prevent lost superannuation and other inadvertent consequences — for example, informing individuals when they are approaching the contributions cap.

Self-managed superannuation funds

The compliance of SMSFs with their regulatory and income tax obligations is a significant element in the integrity of the superannuation system.

Over the planning period, we will be:

- expanding our suite of online tools and adopting new technology, including mobile device apps, to assist trustees and approved SMSF auditors
- working with industry and co-regulators to improve the knowledge of trustees and professionals through provision of web materials, publications and tools, such as the new SMSF videos and webinars
- undertaking a SMSF compliance program to review both contraventions reported by approved SMSF auditors in their annual independent audits and risks identified from our data holdings.
Superannuation guarantee

We provide information and support tools to help employers understand their obligations, including electronic eligibility tools and calculators and we administer the Small Business Superannuation Clearing House which is a free service to assist small business employers to meet their superannuation guarantee obligations.

Over the planning period, we will be:

- supporting employers through their new data standards obligations
- improving our use of data and intelligence to identify those employers and industries that are at high risk of not doing the right thing
- investigating non-compliance with superannuation guarantee obligations and making it harder not to comply.

Superannuation equity measures

We oversee the administration of a range of superannuation contributions and taxes that aim to ensure the equity and sustainability of the system.

Both the excess contributions tax and Division 293 tax are designed to limit concessions that individuals receive on their superannuation.

We are implementing changes which will see excess concessional contributions made from 1 July 2013 taxed as part of an individual income tax assessment — people will have the option to have any excess contributions refunded from their superannuation fund.

Over the planning period, we will be:

- improving our communication and education around Division 293 tax to enable people to meet this obligation
- progressing more contemporary interactions with clients for excess contributions tax and Division 293 tax assessments
- improving individuals’ understanding of the contributions caps through guidance and web material.

For more information on low-income superannuation contributions and co-contributions see pages 55–56

It’s about connecting with the community and other agencies in meaningful ways
Measures for securing retirement income

Lost and ATO-held superannuation

- Number and value of lost and ATO-held superannuation accounts
- Number and value of accounts located by successful ATO Online Individuals Portal searches
- Number and value of completed Electronic Portability Forms to consolidate superannuation accounts

Self-managed superannuation funds

- Proportion of self-managed superannuation funds contraventions compared to the number of fund lodgments
- Proportion of registered approved self-managed superannuation fund auditors identified as failing their independence standards
- Number of self-managed superannuation funds made non-complying
- Number of individuals disqualified from being a trustee of a self-managed superannuation fund
- Number of self-managed superannuation funds wound-up by trustees
- Number of self-managed superannuation funds with enforceable undertakings or rectification directions

Superannuation guarantee

- Adjusted employer superannuation contributions as a proportion of adjusted salary and wages
- Percentage of Superannuation Guarantee employee notifications finalised by review or audit within 4 months of commencement (50%)
- Percentage of Superannuation Guarantee employee notifications finalised by review or audit within 12 months of commencement (90%)
- Percentage of Superannuation Guarantee employee notifications commenced within 28 days of receipt (99%)

Superannuation equity measures

- Proportion of excess contributions determinations issued within 6 months of ATO receiving all relevant information
- Number and value of excess contributions determinations issued
- Number and value of Division 293 tax assessments issued
- Value of Division 293 tax collected
Resolving disputes

As we apply tax and superannuation law to facts, some areas of disagreement are inevitable. We will continue to engage early to ensure we arrive at sensible positions so that it is less likely for disputes to arise.

Where disputes do occur, our approach is to resolve disputes early, avoiding litigation where possible, with the aim of ensuring we treat taxpayers in similar situations fairly and consistently. We want to work collaboratively to reduce the time to resolve disputes, reduce the number of disputes, lower the costs both for taxpayers and us, and make interactions with us easier. We will review the way we do things, from assessment through to legal recovery, to look for opportunities to improve our processes, understand the drivers of disputes, encourage prevention and ensure earlier resolution of disputes, including those related to debt.

Our priorities for 2014–15 are:

- Identifying opportunities from our independent review service to improve our auditing capability
- Earlier, direct and open contact with taxpayers to avoid disputes wherever possible as early as possible
- Reducing aged cases through earlier engagement and increased use of alternative dispute resolution strategies
- Managing disputes fairly and independently in the simplest and most cost-effective manner
Early engagement

Successful dispute management begins with timely identification of emerging disputes during the original decision-making process, such as an audit or private ruling. This ensures that points of contention, which may lead to ongoing disputation, are identified and resolved, or narrowed, when and as they arise.

Over the planning period, we will be:

- exploring options for the use of facilitation/case conferencing during audit
- supporting and championing the appropriate use of settlements
- ensuring the effectiveness of the Dispute Resolution Forum
- consolidating the early assessment and resolution process for applications lodged with the Administrative Appeals Tribunal and identifying opportunities to apply it earlier in the dispute process.

Independent review

We will continue to consolidate our independent review service. In partnership with clients and other stakeholders, we will identify opportunities from our independent review service to improve our auditing capability.

Over the planning period, we will be:

- ensuring that clients are satisfied with the process and service provided, including the independence of the process
- working with clients and stakeholders to develop guidance for information and evidence requirements
- embedding independent review-like activities across our business
- identifying and developing strategies to address systemic issues through the debrief process and client feedback
- focusing on early resolution of large market objections.
Alternative dispute resolution

Our alternative dispute processes include early neutral evaluation and mediation by experts.

Over the planning period, we will be:
> building our in-house facilitation capability
> supporting the use of alternative dispute resolution approaches.

Litigation

Litigation is a component of our dispute resolution strategy, and we will litigate matters where:
> there is a contentious point of law that requires clarification, and it is in the public interest to litigate
> the behaviour is such that we need to send a strong message to the community
> the dispute is intractable.

Over the planning period, we will be:
> managing the Test Case Litigation Program
> conducting litigation in accordance with our obligations under the law.
Measures for resolving disputes

Early engagement

- Earlier resolution of disputed cases
- Average age of disputes
- Number of disputed cases resolved

Independent review

- Client satisfaction with independence of review and the service provided

Litigation

- Proportion of disputes which result in litigation
- Number of test case litigations finalised

We want to work collaboratively to reduce the time to resolve disputes, reduce the number of disputes and lower the costs both for taxpayers and us.
Australian Business Register

The Australian Business Register (ABR) is a whole-of-government initiative that provides the infrastructure and maintains authoritative information to support business and government interactions.

Our key products and services include the ABR, Standard Business Reporting (SBR), and AUSkey.

We want to make it easier for businesses to interact with government, enabling the timely exchange of accurate information.

We aim to reduce the administrative cost to business through seamlessly integrating government reporting requirements, and working to eliminate the need for business to provide the same information to a number of government agencies. Our products and services also support streamlined and improved data sharing between businesses.

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Our priorities for 2014–15 are:

- Reducing the administrative cost to business of complying with government regulation
- Influencing government policy development and implementation, through advocating the use of services, technologies and processes to minimise the administrative impact on business
- Encouraging the adoption of new practices by businesses to reduce operating costs
Single source of business information

We will drive the development of a single source of business information — the national business dataset — to improve the quality and accessibility of government data holdings across agencies. Government agencies will be encouraged to use the information to inform policy development and implementation.

Over the planning period, we will be:
- improving the quality of data on the ABR
- promoting, sharing and understanding our partners’ use of the data and providing support
- advocating the use of the ABR in policy design to support government service delivery, and providing ready access to our data.

Consistent information exchange standards

We will develop and promote a consistent set of standards for the online exchange of information between business and government, and encourage the adoption and use of these standards.

Over the planning period, we will be:
- progressing ebMS3/AS4 as the messaging standard through the National Standards Framework for Government
- leveraging whole-of-government arrangements to advocate the use of SBR standards across government
- extending the taxonomy development framework to allow agencies and industry groups to develop their own reports and extensions
- enhancing AUSkey to provide a whole-of-government authentication framework which is contemporary and adaptable to new technology.

Streamlined online interactions

We will work with government, software developers and other key stakeholders to encourage adoption of our products, standards and services.

Over the planning period, we will be:
- helping federal, state and local government agencies understand the opportunities, benefits and costs of using our whole-of-government capabilities
- working with government agencies to influence their use of our whole-of-government capabilities to provide a best opportunity benefit to business
- managing and further developing our published products and services to help business intermediaries and government understand the benefits, and encourage the use of our whole-of-government capabilities
- supporting and encouraging software developers to incorporate SBR data standards in their software.
Measures for the Australian Business Register

**Single source of business information**

- Use by business and government of a complete and single source of business information for planning and service delivery (increase)
- Use of the national business dataset by government agencies and the community (increase)
- Quality of national business dataset (improve)
- Australian residents ABR registrations are finalised in 20 business days (93%)
- Number of government agencies accessing ABR data
- Number of bulk extracts issued by the ABR

**Consistent information exchange standards**

- Broader adoption and use of consistent information exchange standards by business and government
- Adoption and use of AUSkey by business (increase)
- Use of the SBR common language and standards (increase)
- Number of active AUSkey credentials

**Streamlined online interactions**

- Facilitating more streamlined online interactions between business and government including a single business entry point
- Administrative costs to business (reduce)
- Number of reports lodged through the SBR gateway
- Number of businesses using SBR-enabled software (increase)
Community expectations, new leadership, the Public Governance, Performance and Accountability Act 2013, and the APSC capability review are driving changes to the way we manage our business.

We want to deliver corporate services which provide the ATO, government and community with professional, contemporary and client-focused practices, tools, products and systems. We need to continue to demonstrate improvements in efficiency and productivity and at the same time improve our connectedness with, and understanding of, the community we serve.

We are facing these challenges under a high-level of scrutiny and in a tight fiscal environment, where all government agencies are under pressure to do business differently and achieve more with less.

Our priorities for 2014–15 are:
Streamlining governance

Our governance arrangements and practices assist us to get the right things done in the best possible way. We are accountable to our ministers and government and subject to external scrutiny.

We are committed to ensuring we have an appropriate governance system that is fit-for-purpose and effectively manages risk.

**Over the planning period, we will be:**
- implementing the actions from the capability review by 2015, including streamlining our governance arrangements, policies and committees
- redesigning our planning, reporting and risk approaches by 2015 in line with the new *Public Governance, Performance and Accountability Act 2013* and the capability review
- putting greater emphasis on the measurement of our effectiveness and incorporating the views of others.

Optimising technology

Our strategy for IT is focused on building the right technology capabilities, operating environment and culture to support our transformation, so we can become an intelligent and agile organisation working effectively in a rapidly changing digital world.

We are evolving our approach to managing security risks, in an environment where we must detect and respond to threats in a shorter timeframe.

We aim to provide end-to-end digital services that support a tailored taxpayer experience, using data and analytics for real-time assessment of threats and compliance behaviour, and providing our workforce with the right tools and information to be productive.

**Over the planning period, we will be:**
- delivering a suite of contemporary digital end-to-end services that provide simple, secure and seamless interactions with taxpayers and partners through ‘natural’ systems
- managing data as an enterprise asset, to make better decisions based on deep understanding of taxpayer behaviour and potential vulnerabilities in the tax system
- providing contemporary tools to support a productive workforce that evolves as we transition to an environment of digital services, communications, and complex client interactions.

For more information on our IT strategy, visit [ato.gov.au](http://ato.gov.au)
Managing our workforce

Our focus is on building and sustaining a workforce that is engaged with the community and energised by working together.

We will foster a flexible and responsive workforce that is adaptable and able to meet the challenges of the future, which is led by quality leadership and proactive management.

As client expectations continue to inform our expanding service offer, we will develop our staff capability to support the community to move to digital channels.

Over the planning period, we will be:

- building a positive attendance culture where people are highly engaged and enjoy being at work
- making it easier for our people to identify learning relevant to their role and for employee mobility through quality learning and development curricula and programs
- helping our people at all levels understand and meet their leadership and management responsibilities
- refining our approach to selection, development and workforce design for leadership roles.

For more information on our Workforce strategy, visit ato.gov.au

Managing our finances

We will maintain our strong focus on budget management to ensure resources are allocated in order to optimise our performance.

Over the planning period, we will be:

- improving our capital position by advancing our planning and investment processes
- implementing changes to financial governance frameworks and clarifying responsibilities and accountabilities across the budget management process
- refining and advancing our processes to procure goods and services within Commonwealth policy while embedding risk-based approaches and methodologies.

It’s about reshaping the workforce to optimise capability and performance
Managing our property and environment

We provide our employees with professional, cost-effective, safe and sustainable office accommodation and facilities to meet business needs now and into the future.

Over the planning period, we will be:

> driving cost-effective management of the property portfolio and reducing vacant space
> refining our long-term environmental strategy
> reducing consumption and progressing towards achieving our environmental targets for 2017:
  - emission levels (25% reduction)
  - flight kilometres (25% reduction)
  - paper sent externally by the ATO (50% reduction)
  - paper used in the ATO per full-time employee (30% reduction)
  - all sites to have recycling waste storage to facilitate a minimum of recyclables, organics and landfill
  - increase staff awareness and engagement about environmental management at work.

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1 2011–12 is used as the base year to quantify performance against the targets
Measures for management and accountability

Streamlining governance

- Conformance to the Public Governance, Performance and Accountability Act 2013
- Commitments under the APSC Capability Action Plan are met
- Number of scrutineers’ recommendations [received; agreed; implemented]
- Number of freedom of information requests finalised
- Number of parliamentary committee appearances

Optimising technology

- IT contribution to the delivery of the reinventing the ATO program
- Delivery of new and refreshed IT services
- Availability and reliability of IT services (increased)
- Transparency in planned and actual spend of IT portfolio budget

Managing our workforce

- Employee engagement compared to APSC state of service
- People surveyed agreed that the ATO [is respectful and courteous; is knowledgeable in dealing with me; listens to and responds to feedback]
- Employee satisfaction with formal development programs
- Rate and severity of workplace injuries
- Proportion of diversity groups
- Employee perceptions of our leaders
- Number of employee-lodged Comcare claims [lodged; upheld]
- Level of unplanned leave
Managing our budget

- Operating within budget
- Value of capital budget expenditure
- Value of legal services expenditure

Managing our property and environment

- Department of Finance targets relating to physical workplace are met
- NABERS rating for relevant sites
- Number of reams of paper used per ATO employee as well as sent externally
- Waste recycling facilities in offices
- Total flight kilometres
- Emissions levels (against baseline year)
- Environmental management training for staff
Budgeted financials
The Portfolio Budget Statements outline the proposed allocation of resources to government outcomes. We are an agency within the Treasury portfolio.

Programme expenses

Below are the ATO and ABR expenses as outlined in the Portfolio Budget Statements 2014–15.

**Programme 1.1** Australian Taxation Office total programme expenses

**Programme 1.3** Australian Business Register total programme expenses
Budget measures impacting 2014–15

These are the funded measures announced each year by the Australian Government in its Budget that will impact our work in 2014–15.

**Portfolio Budget Statements 2014–15**
- Remove Grandfathering of Student Start-Up Scholarship Recipients
- Social Security Agreement with India
- Trade Support Loans — establishment

**Mid-Year Economic and Fiscal Outlook 2013–14**
- Reducing superannuation compliance costs for small business
- Simplified indexation of the private health insurance Government contribution

**Pre-Election Economic and Fiscal Outlook 2013–14**
- Addressing the level of unpaid tax and superannuation in the community
- Superannuation — reform of arrangements relating to transfer of lost member accounts to the ATO

**Portfolio Budget Statements 2013–14**
- HECS-HELP Discount and Voluntary HELP Repayment Bonus — ending discounting
  - Personal income tax
    - net medical expenses tax offset phase out
  - Protecting the corporate tax base from erosion and loopholes
    - improving the integrity of the foreign resident capital gains tax regime
    - increasing ATO compliance checks on offshore marketing hubs and business restructures
- Student Start-up Scholarships — conversion to Income Contingent Loans
- Superannuation reforms
  - a fairer excess contributions tax system
  - higher concessional contributions cap
  - transfer of lost member accounts to the ATO
- Tax administration — enhancing Standard Business Reporting, the Australian Business Register and Australian Business Number Administration
- Tax compliance
  - Australian Taxation Office trusts taskforce
  - improving compliance through third part data matching and reporting
Mid-Year Economic and Fiscal Outlook 2012–13

- Monthly PAYG instalments for large companies
- Private Health Insurance Rebate
  - indexing the Government’s contribution
  - removal of rebate on lifetime health cover loading
- Superannuation
  - reform of arrangements relating to transfer of lost member accounts to the ATO
  - reform of SMSF levy arrangements
- SuperStream — reduction in Superannuation Supervisory levy
- Tax compliance — maintaining the integrity of the tax and superannuation system

Portfolio Budget Statements 2012–13

- Australian Business Register — towards a better business future
- Fringe benefits tax — further reform of living-away-from-home allowances and benefits
- GST — compliance program — two year extension
- Personal Income Tax
  - better targeting of the employment termination payment tax offset
  - consolidate the dependency offsets into one
- Spreading the Benefits of the Boom — company loss carry back
- Stronger Super — self-managed superannuation funds auditor registration
- Superannuation — reduction of higher tax concession for contributions of very high income earners
- Tax compliance
  - maintaining the cross-agency approach to preventing abuse of secrecy jurisdictions (Project Wickenby)
  - managing tax debt in challenging times: a balanced and differentiated approach

Mid-Year Economic and Fiscal Outlook 2011–12

- Fringe benefits tax — reform of living-away-from-home allowances and benefits
- Stronger Super — SuperStream

Portfolio Budget Statements 2011–12

- Inspector-General of Taxation — additional funding
- Not-for-profit sector reforms
  - Australian Charities and Not-for-profits Commission — establishment
  - introducing a statutory definition of ‘charity’
- Stronger Super — self managed super funds
- Superannuation — refund of excess concessional contributions
- Tax compliance
  - countering fraudulent phoenix activities by company directors
  - enhanced refund fraud detection and management
  - reporting Government grants and payments
  - reporting taxable payments
Administered programmes performance measures

We contribute to the social and economic benefit of Australians by delivering the benefits and credits they are entitled to.

**Table 1: Administered programme key performance indicators and deliverables**

<table>
<thead>
<tr>
<th>Key performance indicators</th>
<th>Deliverables</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Programme 1.6: Australian Screen Production Incentive</strong></td>
<td></td>
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<tr>
<td>&gt; Number of tax offsets issued compared to the number of tax offset entitlements</td>
<td>&gt; Number of tax offsets processed</td>
</tr>
<tr>
<td>&gt; Value of tax offsets issued compared to the value of tax offset entitlements</td>
<td>&gt; Value of tax offsets processed</td>
</tr>
<tr>
<td><strong>Programme 1.7: Cleaner Fuels Grant Scheme</strong></td>
<td></td>
</tr>
<tr>
<td>&gt; Proportion of payments processed within service standard timeframes</td>
<td>&gt; Number of claims processed</td>
</tr>
<tr>
<td></td>
<td>&gt; Number of participants registered</td>
</tr>
<tr>
<td></td>
<td>&gt; Value of payments processed</td>
</tr>
<tr>
<td><strong>Programme 1.8: Conservation Tillage Refundable Tax Offset</strong></td>
<td></td>
</tr>
<tr>
<td>&gt; Proportion of the value of notice data relating to tillage certificates (collected by the Department of Agriculture) that the ATO is able to match with tax return data</td>
<td>&gt; Number of tax offsets processed</td>
</tr>
<tr>
<td></td>
<td>&gt; Value of tax offsets processed</td>
</tr>
<tr>
<td><strong>Programme 1.9: Exploration Development Incentive</strong></td>
<td></td>
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<tr>
<td>&gt; Modulation factor provided by the ATO in sufficient time to allow allocation of capped exploration credits to shareholders</td>
<td>&gt; Number of applications made by mining exploration companies</td>
</tr>
<tr>
<td></td>
<td>&gt; Value of exploration credits sought before ATO applies cap</td>
</tr>
<tr>
<td><strong>Programme 1.10: Fuel Tax Credits Scheme</strong></td>
<td></td>
</tr>
<tr>
<td>&gt; Proportion of payments processed within service standard timeframes</td>
<td>&gt; Number of registered participants</td>
</tr>
<tr>
<td></td>
<td>&gt; Value of claims</td>
</tr>
<tr>
<td><strong>Programme 1.11: National Rental Affordability Scheme</strong></td>
<td></td>
</tr>
<tr>
<td>&gt; Ratio of claims made through the ATO compared to the Department of Social Services</td>
<td>&gt; Number of tax offsets processed</td>
</tr>
<tr>
<td></td>
<td>&gt; Value of tax offsets processed</td>
</tr>
</tbody>
</table>
Programme 1.12: Product Stewardship for Oil Programme

- Proportion of payments processed within service standard timeframes
- Number of payments processed
- Number of participants registered
- Value of payments processed
- Value of revenue collected

Programme 1.13: Research and Development Tax Incentive

- Proportion of offsets processed within service standard timeframes
- Number of claims processed for 40 per cent non-refundable research and development tax offset claimants
- Number of claims processed for 45 per cent refundable research and development tax offset claimants
- Value of claims processed for 40 per cent non-refundable research and development tax offset claimants
- Value of claims processed for 45 per cent refundable research and development tax offset claimants

Programme 1.14: Seafarer Tax Offset

- Relevant taxpayers are aware of how to claim the offset
- Number of tax offsets processed
- Value of tax offsets processed

Programme 1.15: Baby Bonus

- The Baby Bonus Programme ceased on 30 June 2009 but claimants may lodge claims until 30 June 2014. There will be no deliverables for the Baby Bonus Programme in 2014–15.

Programme 1.16: Education Tax Refund

- The Education Tax Refund finished on 30 June 2012. There will be no deliverables for the Education Tax Refund Programme in 2014–15.

Programme 1.17: First Home Saver Accounts

- Proportion of government contributions paid to eligible account holders within 60 days
- Number of government contributions paid
- Value of government contributions paid
- Value of account balances

Programme 1.18: Low Income Superannuation Contribution

- Proportion of original contributions paid to superannuation funds within 60 days
- Number of beneficiaries of entitlements determined
- Value of entitlements determined

Programme 1.19: Private Health Insurance Rebate

- Proportion of private health insurance rebates claimed through the tax system, and liability imposed on, lodging eligible individuals
- Number of claims processed
- Value of rebates processed
Programme 1.20: Superannuation Co-contribution Scheme

- Proportion of original co-contributions paid to superannuation funds within 60 days
- Number of beneficiaries of entitlements determined
- Value of entitlements determined

Programme 1.21: Superannuation Guarantee Scheme

- Proportion of employers for whom superannuation guarantee liabilities were raised by the ATO
- Number of superannuation guarantee complaints leading to a superannuation liability being raised and those leading to no result
- Number of employees who have had superannuation guarantee entitlements raised as a result of ATO compliance activities and voluntary disclosures
- Number of employers whose records are checked
- Value of superannuation guarantee charge:
  - raised (including penalties and interest)
  - collected
- Value of superannuation guarantee entitlements distributed to individuals or superannuation funds
- Value of superannuation guarantee debt on hand and the amount of superannuation guarantee debt irrecoverable at law or uneconomical to pursue

Programme 1.22: Targeted assistance through the taxation system

- Proportion of unclaimed superannuation accounts where interest is paid to the account owner compared to total accounts transferred
- Number of interest payments processed
- Value of interest payments processed

Programme 1.23: Interest on Overpayments and Early Payments of Tax

- Proportion of credit interest paid due to processing performance compared to all credit interest paid
- Number of clients entitled to credit interest due to processing performance
- Value of credit interest applied to client accounts due to processing performance

Programme 1.24: Bad and Doubtful Debts and Remissions

- Provision for bad and doubtful debts as a proportion of total tax receivables
- Penalty remissions as a proportion of penalty imposed
- Interest remissions as a proportion of interest imposed
- Value of provision for bad and doubtful debts
- Value of remissions
Programme structure and enterprise risk

This diagram maps our enterprise risk categories to our programme structure from the Portfolio Budget Statements 2014–15. Our enterprise risk categories form the basis of risk identification, analysis, treatments and reporting at the enterprise level.

<table>
<thead>
<tr>
<th>Programme 1.1</th>
<th>Programme 1.2</th>
<th>Programme 1.3</th>
<th>Programme 1.4</th>
<th>Programme 1.5</th>
<th>Programme 16 - 1.24</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian Taxation Office**</td>
<td>Tax Practitioners Board*</td>
<td>Australian Business Register</td>
<td>Australian Valuation Office*</td>
<td>Australian Charities and Not-for-profits Commission**</td>
<td>Administered programmes</td>
</tr>
</tbody>
</table>

**The Australian Charities and Not-for-profits Commission is not covered in the corporate plan or cascading plans

* The Australian Valuation Office ceased trading on 30 June 2014

Outcome and programme structure in Portfolio Budget Statements

ATO outcome statement
Confidence in the administration of aspects of Australia’s taxation and superannuation systems through helping people understand their rights and obligations, improving ease of compliance and access to benefits, and managing non-compliance with the law.

Enterprise risk categories
- Client experience
- Community engagement
- Government engagement
- Law interpretation
- Legal support
- Policy advice and design
- Product and payment processing
- Major tax integrity threats
- Tax and super compliance
- Tax revenue

Enterprise risk category
- Business reporting services
- Transfers compliance

Management and accountability

Enterprise risk categories
- Business continuity
- Enterprise change
- Finance
- Governance
- People
- Security and privacy
- Facilities, knowledge and technology
Annual report information

In addition to our measures of performance, we have additional information which we report on:

- Elapsed time in days for private rulings
- Formal access and information-gathering powers used by the Commissioner
- General categories of offence
- Number of employers
- Number of individual clients
- Number of large domestic or international businesses
- Number of new submissions to the Tax Issues Entry System
- Number of notifiable incidents
- Number of small business clients
- Number of systems supporting ATO operations
- Number of trusts
- Performance against Access and inclusion plan
- Compensation claims completed within timeframes
- Compensation claims paid [in full and in part] and by type [received, finalised and on hand]
- Value of advertising, direct mail, media placement and market research
- Value of consultancy contracts expenditure
- Proportion of employees, by gender and work status [f/t, p/t, NOG]
- Employee retention rate
- Number of employees [by location]
- Number of employee separations