



**Australian Government**  
**Inspector-General of Taxation**

INSPECTOR-GENERAL OF TAXATION

STATEMENT OF INTENT

BACKGROUND

The Minister for Revenue and Assistant Treasurer has issued a Statement of Expectations for the Inspector-General of Taxation and has requested a Statement of Intent from the Inspector-General in response.

These Statements are part of the implementation of the Government's response to the *Review of the Corporate Governance of Statutory Authorities and Office Holders* authored by Mr John Uhrig (the Uhrig Report).

STATEMENT

*Commitment*

The Inspector-General of Taxation formally commits to meeting the expectations of the Minister.

*Roles and responsibilities of the Inspector-General of Taxation*

The Inspector-General intends to achieve the overall objective of the *Inspector-General of Taxation Act 2003 (the Act)* of improving the administration of tax laws for the benefit of all taxpayers by reviewing systems established by the Australian Taxation Office (ATO) to administer the tax laws; reviewing systems established by tax laws to the extent those systems deal with administrative matters; and to report on those reviews to Treasury ministers.

The Inspector-General will not be subject to external direction as to the contents of, or any conclusions reached in, review reports.

*Relationships with the Minister and Treasury*

The Inspector-General will provide Treasury Ministers and the Secretary to the Treasury, with accurate and timely information on the conduct of reviews and related activities, including briefings on any significant issues as necessary.

The working arrangements with Treasury will be reflected in a formal protocol agreed by the Inspector-General and Treasury.

*Inspector-General of Taxation priorities, transparency and accountability*

The Inspector-General will accept any directions and will consider requests from Treasury Ministers to undertake reviews. The Inspector-General will initiate reviews of his own volition; and will consider initiating reviews that others may request or suggest may be appropriate.

As required by *the Act*, the Inspector-General will consult with the Commonwealth Ombudsman and the Commonwealth Auditor-General, at least once a year, to assist in setting a programme of reviews. The Inspector-General will also consult regularly with community stakeholders to gather

input to the programme of reviews, and may seek submissions from the community in relation to particular reviews.

The Inspector-General will seek to establish and maintain a professional and co-operative working relationship with the ATO. This relationship will be supported by a protocol agreed between the Inspector-General and the Commissioner of Taxation. This protocol will also cover how the Inspector-General will fulfil obligations under *the Act* to give the Commissioner the opportunity to respond to any actual or implied criticisms of the ATO contained in reports of reviews or annual reports.

The Inspector-General will periodically report to the Minister on ATO progress with implementing agreed recommendations from reviews.

The Inspector-General will prepare annual reports to Parliament and will co-operate fully with any reviews by Parliamentary Committees, the Commonwealth Ombudsman, the Australian National Audit Office and the Privacy Commissioner to the extent of their legislative authority.

The Inspector-General will make the protocols agreed with the Treasury and the ATO publicly available. Following release of review reports by the Minister the Inspector-General will make them publicly available on the Inspector-General's website.

#### *Operational issues*

The Inspector-General is an operationally independent agency operating under the *Financial Management and Accountability Act 1997*. The Inspector-General's staff are engaged under the *Public Service Act 1999*.

The Inspector-General will meet obligations under the *Public Service Act 1999* and will uphold and promote the Australian Public Service values.

The Inspector-General will operate within the executive management governance template and the provisions of *Financial Management and Accountability Act 1997*.

The Inspector-General will continue to improve operational efficiency and to demonstrate value for money, and will continue to seek opportunities to achieve outcomes in a cost-effective manner

#### *Conclusion*

The Inspector-General of Taxation intends that the agency will be high-performing and responsive in meeting the Minister's expectations. It will review and enhance the above arrangements as necessary to maintain the highest standards of corporate governance, accountability and transparency.

Date: 8 March 2007



Inspector-General of Taxation