



MEDIA RELEASE

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More problems at ATO Royal Commission urgently required

The Australian Taxation Office ("ATO") appears to have some very serious structural issues within their taxation, particularly with their lodgement and superannuation systems at present. That is the position that's been reported to me by many Australians.

Upon investigation, my office has been advised that there have been failures in ATO systems, and these failures have been systemic and caused many problems for Accountants and Registered Tax Agents that use Xero's Practice Management software. Xero specifically advised today:

- *"We are slowly trying to get through the volume of cases we have received;*
- *Problems are at the ATO's end, quite possibly related to the plethora of lodgement issues and bugs that have been evident the last couple of weeks;*
- *The ATO are absolutely inundated with escalations on lodgements, which in turn delay them getting back to software providers such as Xero;*
- *We will escalate with the ATO and our product team; and*
- *We will endeavor to get back as soon as possible."*

My office has further received reports across Australia of problems in the ATO's clearing house for superannuation payments. We were advised that payments sent to the ATO have still not been processed and paid to the respective employee's superfunds, and in some cases, payments have now been outstanding for two consecutive quarters.

The ATO provides Australian businesses a free clearing house, and in one case, the business affected advised they had been "battling the ATO machine" to no avail, and no payment made. Other businesses report that since making complaints, the ATO confirmed payments were outstanding but further added "they could not say when payments will occur." Businesses report they are frustrated at trying to get this resolved, with others questioning why this has been kept quiet and believe there are many others involved who probably are unaware that payments have not yet been made to super funds.

In discussing this issue with Accountants, Registered Tax Agents and insolvency practitioners, I understand the problem has been ongoing and whilst the ATO advised everyone has been paid (except for some with errors in their data), many businesses and employees refute this position as payments are still to be transferred to the respective employee's superfunds. With many now questioning the ATO and their practices, other Australians are left to wonder at how much they have personally lost by the payments not being invested in their super funds, and are now demanding compensation from the ATO for failures within their systems.

These are yet further examples of serious problems within the ATO, and combined with their debt collection techniques, and how Australian businesses, taxpayers and employees are treated, enough is enough and its time for change, and for all Australians to be treated with the courtesy, dignity and respect they deserve.

Thank you to all that has contacted my office, and whilst we have not been able to respond to everyone, we will do so soon. My office and I look forward to receiving all stories/ problems regarding your dealings with the ATO as it's very clear the problems are systemic, possibly entrenched and a complete change in culture is now required

at the ATO. Regarding Commissioner Chris Jordan AO, the times come for Chris to be held accountable for the ATO's actions, and for him to move on from the role. Only a Royal Commission with broad terms of reference will be able to get to the bottom of the issues within the ATO, and its dealings with Australian taxpayers.

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-ENDS-

Were Australian and we look after one another - It's time for change Australia and together we can do it.

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