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Lifestyle assets data-matching program protocol

Information on our lifestyle assets data-matching program for the period of 2015–16 to 2025–26.

Last updated 26 August 2024

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Lifestyle assets data-matching program overview

Objectives and purpose of our lifestyle assets data-matching program.

Last updated 26 August 2024

Program overview

Under the lifestyle assets data-matching program, we collect data on insurance policies for certain classes of assets, including:

- caravans and motorhomes
- motor vehicles
- thoroughbred horses
- fine art

- marine vessels
- aircraft.

We acquire data from insurance providers to improve our compliance risk profiling of taxpayers and provide a holistic view of their assets and accumulated wealth.

Program objectives

Our data-matching programs help us fulfil our responsibility to protect public revenue and maintain community confidence in the integrity of the tax and super systems.

The objectives of the lifestyle assets data-matching program are to:

- promote voluntary compliance and increase community confidence in the integrity of the tax and super systems
- assist with profiling to provide compliance staff with a holistic view of a taxpayer's wealth
- identify possible compliance issues with income tax, capital gains tax (CGT), fringe benefits tax (FBT), goods and services tax (GST) and super obligations
- determine avenues available to assist in debt management activities
- gain insights from the data to help develop and implement treatment strategies to improve voluntary compliance, which may include educational or compliance activities as appropriate
- identify and educate those individuals and businesses who may be failing to meet their registration or lodgment obligations and assist them to comply
- help ensure that individuals and businesses are fulfilling their tax and super reporting obligations.

Why we look at lifestyle assets data

The lifestyle assets data-matching program will allow us to identify and address a number of taxation risks, including:

- omitted or incorrect reporting of income – taxpayers accumulating or improving assets with insufficient income reported in their tax

returns to show the financial means to pay for them

- omitted or incorrect reporting of income and/or capital gains – taxpayers disposing of assets and not declaring the income and/or capital receipts on those disposals, or declaring them incorrectly
- incorrect claiming of GST credits – taxpayers may be purchasing assets for personal use through their business or related entities and claiming GST credits they are not entitled to
- omitted or incorrect reporting of FBT – taxpayers may be purchasing assets through their business entities and applying those assets to the personal enjoyment of an associate or employee giving rise to a fringe benefits tax liability
- use of assets by self-managed super funds (SMSFs) in breach of the law – SMSFs may be acquiring assets but applying them for the present-day benefit of the fund's members or other related parties.

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Lifestyle assets data

Data we collect under our lifestyle assets data-matching program.

Last updated 26 August 2024

How we use lifestyle assets data

The data collected under this program will be used for data analytics and insights purposes.

Data analytics and insights

The data helps us understand a taxpayer’s financial position and may be used in conjunction with other data to identify relevant cases for administrative action, including compliance activities.

Having information about assets prior to compliance activities commencing, helps improve our understanding of a taxpayer's wealth and assists us to apply relevant tax laws to their situation. It also helps

us, identify higher risk instances where the financial information returned by a taxpayer does not reflect their accumulated assets.

Previous related programs

The lifestyle assets data-matching program commenced in February 2016 with data collection dating back to the 2013–14 financial year. The ongoing collection of this data has proven useful in enhancing our interactions with taxpayers by providing us with a more comprehensive view of a taxpayer's wealth.

Data providers

We are the matching agency and in most cases, the sole user of the data obtained during this data-matching program.

Data will be provided in relation to general insurance products underwritten, issued, distributed or promoted by the following:

List of insurance providers

• 360	• Let's Go Caravan Insurance
• 1st For Women	• Lumley Special Vehicles
• AAMI	• Mansions of Australia
• AFG	• Marine Bind
• Allianz	• MB Prestige Motor Vehicle Insurance
• Anchorage	• Mercedes-Benz
• Ansvar Insurance	• Millennium
• ANZ	• Mortgage Choice
• Apia	• NAB
• Astute Financial	• National Mortgage Brokers

• ATL Insurance Group	• National Motorcycle Insurance
• Australia Post	• National Seniors
• Australian Caravan Insurance	• Nautilus Marine
• Australian Seniors Insurance Agency	• New Wave Marine
• Australian Unity	• NRMA
• Auswide	• Oceania Insurance
• Bank Australia	• Open Insurance
• Bendigo Bank	• Orange Credit Union
• Best Buy	• Outsource
• Best Deal Insurance	• Ozicare
• Beyond Bank	• PANTAENIUS Australia
• Bingle	• Plan
• Blue Zebra	• Police Bank
• Budget Direct	• Police Credit Union
• Central Murray Credit Union	• Qantas Insurance
• CGU Insurance	• QRI Lifestyle
• Chubb Insurance Australia	• Qudos Bank
• CIL Insurance	• RAA Insurance
• Club 4×4	• RAC Insurance
• Club Marine	• RACQ

• Coles Insurance	• RACV
• Commonwealth Bank of Australia	• Real Insurance
• Concierge	• Retirease Insurance
• Connective	• ROLLiN Insurance
• Coronis	• SGIC
• Credit Union SA	• SGIO
• Defence Service Homes Insurance scheme	• Shannons
• Everyday Insurance from Woolworths	• Smartline
• FAST	• Southern Cross Credit Union
• Fire Services Credit Union	• Specialist Finance Group
• G&C Mutual Bank	• Stella
• GIO	• Suncorp
• GMCU	• Suzuki Motorcycle Insurance
• Greater Bank	• Swann Insurance
• Harley Davidson	• Teachers Mutual Bank
• Hollard Commercial Insurance	• The Hollard Insurance Company
• Honda Motorcycle Insurance	• Union Shopper
• Honey Insurance	• Vero
• HSBC	• View insurance

• Hume Bank	• Virgin Insurance
• IMB	• Vow Financial
• ING Insurance	• Westpac
• Insuret	• WFI
• Jayco Platinum Caravan Insurance	• Youi
• Kawasaki Motorcycle Insurance	• Zobel
• Kogan Insurance	• Zurich Australian Insurance
• KT Insurance	

Eligibility as a data provider

We adopt a principles-based approach to ensure that our selection of data providers is fair and transparent.

Inclusion of a data provider is based on the following principles:

- the data owner or its subsidiary operates a business in Australia that is governed by Australian law
- the data owner provides insurance services
- the data owner provided insurance services for the years in focus.

If the client base of a data provider does not present a risk, or the administrative or financial cost of collecting the data exceeds the benefit the data may provide, the data owner may be excluded from the program.

The data providers for this program will be reviewed annually against the eligibility principles.

Our formal information gathering powers

To ensure statutory requirements are met, we obtain data under our formal information gathering powers. These are contained in section 353-10 of Schedule 1 to the Taxation Administration Act 1953.

This is a coercive power, and data providers are obligated to provide the information requested.

We will use the data for tax and super compliance purposes.

Privacy Act

Data will only be used within the limits prescribed by Australian Privacy Principle 6 (APP6) contained in Schedule 1 of the Privacy Act and in particular:

- APP6.2(b) – the use of the information is required or authorised by an Australian law
- APP6.2(e) – the ATO reasonably believes that the use of the information is reasonably necessary for our enforcement-related activities.

Data elements we collect

Data will be collected for the following classes of assets, where the asset value is equal to or exceeds the nominated thresholds.

Asset value thresholds

Asset class	Minimum asset value threshold
Caravans and motorhomes	$65,000
Motor vehicles including*: - cars and trucks - motorcycles	$65,000
Thoroughbred horses	$65,000
Fine art	$100,000 per item
Marine vessels	$100,000

Aircraft	$150,000

*Due to how some data providers classify assets they insure, we may receive data about other types of motor vehicles and assets that are not listed in the motor vehicle asset class above.

We negotiate with the selected data providers individually to obtain data held within their systems. The collected data may contain all or a selection of the fields listed below.

Client identification details – individuals

- given and surname(s) (if more than one name on the policy)
- date(s) of birth
- addresses (residential, postal, other)
- Australian business number (if applicable)
- email address
- contact phone number.

Client identification details – non-individuals

- business name
- addresses (business, postal, registered, other)
- Australian business number
- contact name
- contact phone number
- email address.

Policy details

- insurance brand name
- policy number
- policy inception date
- start date of current policy
- end date of current policy

- last date policy was updated
- total value insured
- purchase price of the property insured
- registration number or identification number of the property
- vehicle details (year, make, model)
- finance or other conditions
- policy cost
- description of the property insured
- primary use type.

Number of records

It is estimated that the total number of policy records obtained will be approximately 650,000 to 800,000 each financial year. We expect 250,000 to 350,000 matched records will relate to individuals. These estimates are based on what we have learnt from previous years' data.

Data retention

We collect data under this program for all financial years from 2015-16 to 2025-26. We collect this data annually following the end of each financial year.

Due to the number of data providers, we collect data periodically. We work with the data providers and aim to balance our requests against peaks and troughs of demand in a data provider's own business.

The ATO was granted exemption by the Privacy Commissioner to retain the data for 3 years in 2016 and a further 2 years in 2019. The total retention period was for 5 years from the receipt of all verified data files from the data providers. The exemption request was required to satisfy the National Archives of Australia's General Disposal Authority 24 (GDA24) – *Records relating to data-matching exercises*. GDA24 has now been revoked.

We destroy data that is no longer required in accordance with the *Archives Act 1983,* and the records authorities issued by the National Archives of Australia, for both general and ATO-specific data.

We will retain each financial year's data for 5 years from receipt of the final instalment of verified data files from the data providers.

The data is required for this period for the protection of public revenue as:

- retaining data for 5 years enables us to conduct long-term trend analysis and risk profiling of the asset management and disposal practices. This data improved a holistic view of a taxpayer's assets and accumulated wealth.
- It enables us to produce taxpayer profiles of the assets they hold as the data becomes available. This enhances our risk assessment and compliance capability.
- the data enhances our ability to identify taxpayers who may not be complying with their tax and super obligations, which is integral to protecting the integrity of the tax and super systems.
- retaining data for 5 years supports our general compliance approach of reviewing an assessment within the standard period of review, and aligns with the requirements for taxpayers to keep their records.
- the data is also used in multiple risk models, including models that establish retrospective profiles over multiple years aligned with period of review.

While increased data-retention periods may increase the risk to privacy, we have a range of safeguards to manage and minimise this. Our systems and controls are designed to ensure the privacy and security of the data we manage.

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Notifying the public of the data-matching program

How we notify the public about our lifestyle assets data-matching program.

Last updated 26 August 2024

How we notify the public

We notify the public of our intention to collect 2023–24 to 2025–26 lifestyle assets data by:

- publishing a notice in the Federal Register of Legislation gazette in the week starting 26 August 2024
- publishing this data-matching program protocol on our website at Data-matching protocols
- advising the data providers that they
  - can notify their clients of their participation in this program
  - should update their privacy policies to note that personal information is disclosed to the ATO for data-matching purposes.

Gazette notice

The following information about the data-matching program appears as a gazette notice in the Federal Register of Legislation.

Gazette notice: Commissioner of Taxation - Notice of a lifestyle assets data-matching program 26 August 2024

The Australian Taxation Office (ATO) will acquire lifestyle assets data from insurance providers for 2023–24 through to 2025–26. Insurance policy data will be collected for the following classes of assets, where the asset value is equal to or exceeds the nominated thresholds.

Asset class	Minimum asset value threshold
Caravans and motorhomes	$65,000
Motor vehicles including*: - cars & trucks - motorcycles	$65,000

Thoroughbred horses	$65,000
Fine art	$100,000 per item
Marine vessels	$100,000
Aircraft	$150,000

*Due to how some data providers classify assets they insure, we may receive data about other types of motor vehicles and assets that are not listed in the motor vehicle asset class above.

The data items include:

- Client identification details (names, addresses, phone numbers, dates of birth, Australian business number, email address).
- Policy details (insurance brand name, policy number, policy inception date, start date of current policy, end date of current policy, last date policy was updated, total value insured, purchase price of the property insured, registration or identification number of the property, vehicle details (year, make, model), finance, policy cost, description of the property insured, primary use type).

It is estimated that the total number of policy records obtained will be approximately 650,000 to 800,000 each financial year. We expect 250,000 to 350,000 matched records will relate to individuals. These estimates are based on what we have learnt from previous years' data.

The data will be acquired and matched to improve our compliance risk profiling of taxpayers and provide a holistic view of their assets and accumulated wealth.

The objectives of this program are to:

- promote voluntary compliance and increase community confidence in the integrity of the tax and super systems
- assist with profiling to provide compliance staff with a holistic view of a taxpayer's wealth
- identify possible compliance issues with income tax, capital gains tax (CGT), fringe benefits tax (FBT), goods and services tax (GST) and super obligations
- determine avenues available to assist in debt management activities

- gain insights from the data to help develop and implement treatment strategies to improve voluntary compliance, which may include educational or compliance activities as appropriate
- identify and educate those individuals and businesses who may be failing to meet their registration or lodgment obligations and assist them to comply
- help ensure that individuals and businesses are fulfilling their tax and super reporting obligations.

The lifestyle assets data-matching program will allow us to identify and address a number of taxation risks, including:

- omitted or incorrect reporting of income – taxpayers accumulating or improving assets with insufficient income reported in their tax returns to show the financial means to pay for them
- omitted or incorrect reporting of income and/or capital gains – taxpayers disposing of assets and not declaring the income and/or capital receipts on those disposals, or declaring them incorrectly
- incorrect claiming of GST credits – taxpayers may be purchasing assets for personal use through their business or related entities and claiming GST credits they are not entitled to
- omitted or incorrect reporting of FBT – taxpayers may be purchasing assets through their business entities and applying those assets to the personal enjoyment of an associate or employee giving rise to a fringe benefits tax liability
- use of assets by self-managed super funds (SMSFs) in breach of the law – SMSFs may be acquiring assets but applying them for the present-day benefit of the fund's members or other related parties.

A document describing this program is available at ato.gov.au/dmprotocols.

This program follows the Office of the Australian Information Commissioner's (OAIC) (2014) *Guidelines on data matching in Australian Government administration* (the guidelines). The guidelines include standards for the use data-matching as an administrative tool in a way that:

- complies with the Australian Privacy Principles (APPs) and the *Privacy Act 1988* (Privacy Act)

- is consistent with good privacy practice.

A full copy of the ATO's privacy policy can be accessed at ato.gov.au/privacy.

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Our lawful role

Our legislative functions and the policies and procedures we follow for a data-matching program.

Last updated 26 August 2024

Our powers of administration

The ATO is the Australian Government's principal revenue collection agency. The Commissioner of Taxation has responsibility for ensuring taxpayers meet their tax and super obligations.

We follow the Office of the Australian Information Commissioner's (OAIC) (2014) *Guidelines on data matching in Australian Government administration (the guidelines)* in our data-matching activities.

Our data-matching programs help to ensure that Australians are fulfilling their tax and super obligations.

This information forms part of all data-matching program protocols.

We take our obligations seriously. Failure to address non-compliant behaviour has the potential to undermine community confidence in the integrity of the tax and super systems and our capability to administer those systems.

We carry out our legislated functions through general powers of administration contained in but not limited to:

- section 3A of the Taxation Administration Act 1953
- section 8 of the Income Tax Assessment Act 1936
- section 1-7 of the Income Tax Assessment Act 1997

- section 43 of the Superannuation Guarantee (Administration) Act 1992
- section 356-5 in Schedule 1 of the *Taxation Administration Act 1953*.

Data matching is one of the strategies used to provide assurance that taxpayers are meeting their obligations. It helps us to identify and deal with non-compliant behaviour.

Data-matching guidelines we follow

Our data-matching programs follow the Office of the Australian Information Commissioner's (OAIC) (2014) Guidelines on data matching in Australian Government administration (the guidelines).

These guidelines help us and other government agencies use data matching as an administrative tool in a way that:

- complies with the Australian Privacy Principles (APPs)
- complies with the Privacy Act 1988 (Privacy Act)
- is consistent with good privacy practice.

The Privacy Act

The Privacy Act 1988 (Privacy Act) regulates how personal information is handled by certain entities, such as companies and government agencies.

Schedule 1 of the Privacy Act lists the 13 Australian Privacy Principles (APPs). The principles cover the collection, use, disclosure, storage and management of personal information.

Data will only be used within the limits prescribed by the APPs and the Privacy Act.

The Australian Government Agencies Privacy Code, embeds privacy in all government agency processes and procedures. It ensures that privacy compliance is a priority in the design of our systems, practices and culture.

We comply with the code's requirements, and we are transparent and open about what information we collect, hold and disclose. We train

our staff to keep personal information safe, and all our systems and offices are protected and secure.

Our data stewardship model upholds our data governance practices and embeds 6 ethical standards that guide how we collect, manage, share and use your data:

1. Act in the public interest, be mindful of the individual.
2. Uphold privacy, security and legality.
3. Explain clearly and be transparent.
4. Engage in purposeful data activities.
5. Exercise human supervision.
6. Maintain data stewardship.

Find out more about how we protect your privacy.

How we protect your personal information

Our staff are subject to the strict confidentiality and disclosure provisions contained in Division 355 of Schedule 1 to the *Taxation Administration Act 1953*. Penalties include terms of imprisonment in cases of serious contravention of these provisions.

Keeping data safe

Data-matching programs are conducted on our secure systems that comply with the requirements of:

- Australian Government Information Security Manual produced by the Australian Cyber Security Centre, which governs the security of government information and communication technology (ICT) systems
- Australian Government Protective Security Policy Framework, which provides guidance on security governance, personnel security, physical security and information security.

All ATO computer systems are strictly controlled according to Australian Government security standards for government ICT systems, with features including:

- system access controls and security groupings

- login identification codes and password protection
- full audit trails of data files and system accesses.

For more information see Online security.

Data destruction

All information and records are managed in accordance with the provisions of the Archives Act 1983.

The requirement to retain data is reviewed on an ongoing basis in accordance with the timeframes and requirements of the OAIC guidelines. We destroy data that is no longer required, in accordance with the *Archives Act 1983* and the records authorities issued by the National Archives of Australia, both general and ATO-specific.

Under section 24 of the Act, records can be disposed of where it is approved by the National Archives; required by another law, or a normal administrative practice that the Archives approves of.

Approval from National Archives is normally provided through records authorities, which are used in the process of sentencing to make decisions about keeping, destroying or transferring particular information and records.

General or ATO-specific records authorities issued by National Archives apply to our processes of verifying and assuring taxpayer compliance with tax, super and other laws administered by the ATO.

Our record management practices allow us to satisfy the OAIC guidelines and Australian Privacy Principle 11 (APP 11) contained in Schedule 1 of the *Privacy Act 1988* and in particular:

- APP11.1 – An APP entity must take reasonable steps to protect information from
  - misuse, interference and loss
  - unauthorised access, modification or disclosure
- APP11.2 – APP entity must take reasonable steps to destroy or de-identify information it no longer needs.

Our on-disclosure provisions

In very limited and specific circumstances, we may be permitted by law to disclose individual records to other government agencies.

Division 355 of Schedule 1 to the *Taxation Administration Act 1953* sets out the government agencies we can disclose taxpayer information to, and the circumstances in which we are permitted to make those disclosures.

These include agencies responsible for:

- state and territory revenue laws
- payments of social welfare and health and safety programs for determining eligibility for certain types of benefits and rebates
- overseeing super funds, corporations and financial market operators to ensure compliance with prudential regulations
- determining entitlement to rehabilitation and compensation payments
- law enforcement activities to assist with specific types of investigations
- domestic and international partners under tax disclosure and tax treaty arrangements
- policy analysis, costing and effectiveness measurement.

Each request for information by other agencies will be assessed on its merits and must be for an admissible purpose allowed for by taxation laws. In specific permissible circumstances, on-disclosures may include de-identified datasets for statistical analysis.

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Why we undertake data matching

Why we conduct data-matching programs and the costs and benefits of data matching.

Last updated 26 August 2024

Meeting our accountability

To effectively administer the tax and super systems, we are required in accordance with the law to collect and analyse information concerning the financial affairs of taxpayers and other participants in the Australian economy.

In addition to our administrator responsibilities, the Public Service Act 1999 (PS Act) requires each agency head to ensure their agency complies with legislative and whole-of-government requirements.

Agency heads are required to ensure proper use and management of public resources as per the Public Governance, Performance and Accountability Act 2013 (PGPA Act).

We consider and undertake a range of alternatives to data matching to ensure entities are complying with their tax and super obligations. Relying only on data that we already hold is of limited value for the following reasons:

- The tax system operates on willing participation, so our data is derived from taxpayers that are correctly registered and meeting their lodgment obligations.
- The only other way of ensuring that taxpayers are reporting their obligations correctly would be to contact every taxpayer directly.

Uses of data matching

Data matching allows us to cross-reference suitable external data to identify taxpayers who may not be in full compliance with their obligations, as well as those that may be operating outside the tax and super systems. It also reduces the likelihood of unnecessarily contacting taxpayers who are complying with their tax obligations.

Data matching is an effective method of examining the records of thousands of taxpayers. We do this to ensure compliance with lodgment and reporting obligations. This would otherwise be a resource-intensive exercise.

Data matching also assists us in effectively promote voluntary compliance by notifying the public of risk areas and activities under scrutiny.

Costs and benefits analysis

The costs of our data-matching activities are more than offset by the benefits.

Costs

There are some incidental costs to us in the conduct of data-matching programs, but these are more than offset by the total revenue protected. These costs include:

- data analyst resources to identify potential instances of non-compliance
- compliance resources to manage casework and educational activities
- governance resources to ensure compliance with the guidelines and Privacy Act
- quality assurance processes to ensure the rigour of the work undertaken by analysts and compliance staff
- storage of the data.

Benefits

The use of data is increasingly common across government agencies and the private sector. Data, data usage, computer power and storage continue to grow, which increases the benefits from data matching.

Data matching and the insights it provides help us:

- deliver tailored products and services, which underpins our culture of service
- make it easier for taxpayers and agents by providing tailored messages in our online services
- enable early intervention activities, as our goal is prevention rather than correction
- maintain community confidence in our ability to administer the tax and super systems, because we can
  - make better, faster and holistically smarter decisions with measurable results to deliver a level playing field for all
  - solve problems and shape what we do for the community
  - advise government and deliver outcomes with agility

- maintain the integrity of the tax and super systems by
  - providing education to assist taxpayers to do the right thing
  - deterring behaviours so taxpayers adhere to their obligations
  - detecting taxpayers who are not complying with their obligations, targeting those that continue to deliberately abuse the tax and super systems
  - enabling enforcement activity and recovery of tax revenue
  - directing compliance activities to assure that wider risks to revenue do not exist.

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How we undertake data matching

Systems and processes we use in data-matching activities.

Last updated 26 August 2024

Data matching process

When required, our data-matching process uses both mainframe-based and mid-range applications that comply with an ATO-designed software solution (technical standard). The technical standard supports all our data-matching programs and aligns with OAIC guideline 4.7.

We use over 60 sophisticated identity-matching techniques to ensure we identify the correct taxpayer when we obtain data from third parties. This technique uses multiple identifiers to obtain an identity match. The identity-matching process appends matching information to the original reported transaction to include an ATO identifier number and a 3-character outcome code that indicates to the user the level of matching confidence for the transaction. For example, where a name, address and date of birth are available, all items are used in the identity-matching process. Very high confidence matches will occur where all fields are matched.

Additional manual processes may be undertaken where high confidence identity matches do not occur, or a decision taken to destroy data no longer required. Our manual identity-matching process involves an ATO officer reviewing and comparing third-party data identity elements against ATO information on a one-on-one basis, seeking enough common indicators to allow confirmation (or not) of an individual's identity. We commonly call this process manual uplifting.

Data analysts use various models and techniques to detect potential discrepancies, such as under-reported income or over-reported deductions. Higher risk discrepancy matches will be loaded to our case management system and allocated to compliance staff for actioning. Lower risk discrepancy matches will be further analysed, and a decision made to take some form of compliance or educational activity, or to destroy the data.

To maintain integrity of the administration of the tax and super systems, only staff with a direct and genuine ‘need to know’ can access the technical standards for our identity and discrepancy-matching solutions.

Where administrative action is proposed, additional checks will take place to ensure the correct taxpayer has been identified. The taxpayers will be provided with the opportunity to verify the accuracy of the information before any administrative action is taken.

How we amend a return

We may use data to provide tailored messages for individual taxpayers in our online services. This will prompt taxpayers to check they are correctly meeting their reporting obligations.

In limited circumstances where we identify inadvertent mistakes, we may amend a tax return with the correct data that is available to us.

If you disagree with the decision we made about your information, you can request a review by lodging an objection.

After a return is lodged, where we identify a discrepancy that requires verification, we will contact the taxpayer usually by phone, letter or email. Taxpayers will have up to 28 days to verify the accuracy of the information and respond before we take administrative action.

For example, where discrepancy matching identifies that a taxpayer may not be reporting all their income, but it appears they're reporting

the income in another taxpayer's return, they will be given the opportunity to clarify the situation.

The data may also be used to ensure taxpayers are complying with their other tax and super obligations, including registration requirements, lodgment obligations and payment responsibilities.

In cases where taxpayers fail to comply with these obligations, after being reminded of them, we may instigate prosecution action in appropriate circumstances.

Where a taxpayer has correctly met their obligations, the use of the data will reduce the likelihood of contact from us.

In limited circumstances we may use data from a data-matching program to correct mistakes without notifying individuals in advance. When we do so, we will seek an exemption from the Australian Information Commissioner.

Making a privacy complaint

Our privacy policy outlines how we collect, hold and disclose data and explains what you can do if you're not satisfied with the way your information has been treated.

If you're not satisfied with how we have collected, held, used or disclosed your personal information, you can make a formal complaint.

If you're not satisfied with the outcome of the privacy complaint, you can contact the Office of the Australian Information Commissioner.

For more information, see how we protect your privacy.

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Data quality

How we assure data is fit for use and quality assurance processes we undertake.

Published 26 August 2024

Quality assurance processes

Quality assurance is integrated into our processes and computer systems and applied throughout the data-matching cycle.

These assurance processes include:

- registering the intention to undertake a data-matching program on an internal register
- risk assessment and approval from the data steward and relevant senior executive service (SES) officers prior to any data-matching program being undertaken
- conducting program pilots or obtaining sample data to ensure the data-matching program will achieve its objectives prior to full datasets being obtained
- notifying the OAIC of our intention to undertake the data-matching program and seek permission to vary from the data-matching guidelines (where applicable)
- restricting access to the data to approved users and access management logs record details of who has accessed the data
- quality assurance processes embedded into compliance activities, including
  - review of risk assessments, taxpayer profiles and case plans by senior officers prior to client contact
  - ongoing reviews of cases by subject matter technical experts at key points during the life cycle of a case
  - regular independent panel reviews of samples of case work to ensure our case work is accurate and consistent.

These processes ensure data is collected and used in accordance with our data-management policies and principles and complies with the OAIC's Guidelines on data matching in Australian Government administration.

How we ensure data quality

Data quality is a measure to determine how fit-for-purpose data is for its intended use. It is valuable because it helps us to understand the

data asset and what it can be used for.

Data quality management allows us to use data with greater confidence and assists in meeting data governance requirements and ensures a greater understanding of the data we hold.

The ATO Enterprise Data Quality (DQ) framework provides clarity and structure to our management of data quality and may be applied in determining how business areas can make effective and sound use of data.

This framework outlines 6 core DQ dimensions:

- Accuracy – the degree to which the data correctly represents the actual value.
- Completeness – if all expected data in a data set is present.
- Consistency – whether data values in a data set are consistent with values elsewhere within the data set or in another data set.
- Validity – data values are presented in the correct format and fall within a predefined set of values.
- Uniqueness – if duplicated files or records are in the data set.
- Timeliness – how quickly the data is available for use from the time of collection.

To assure specific data is fit for consumption and the intended use throughout our data-matching programs, the following data quality elements may also be applied.

- Currency – how recent the time period is that the data set covers.
- Precision – the level of detail of a data element.
- Privacy – access control and usage monitoring.
- Reasonableness – reasonable data is within the bounds of common sense or specific operational context.
- Referential integrity – when all intended references within a data set, or with other data sets, are valid.

Data is sourced from providers' systems and may not be available in a format that can be readily processed by our own systems. We apply additional levels of scrutiny and analytics to verify the quality of these datasets.

This includes but is not limited to:

- meeting with data providers to understand their data holdings, including their data use, data currency, formats, compatibility and natural systems
- sampling data to ensure it is fit for purpose before fully engaging providers on task
- verification practices at receipt of data to check against confirming documentation; we then use algorithms and other analytical methods to refine the data
- transforming data into a standardised format and validating to ensure that it contains the required data elements prior to loading to our computer systems; our data quality practices may also be applied during this transformation process
- undertaking program evaluations to measure effectiveness before determining whether to continue to collect future years of the data or to discontinue the program.

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Our commitment to you

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

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