The **Australian Taxation Office** (ATO) is the Australian Government's principal revenue collection agency, administering Australia's tax system and significant aspects of the superannuation system. We administer legislation governing tax, superannuation and the Australian Business Register (ABR), and support the delivery of government benefits to the community.

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August 2018
Working towards 2024

Each year, we present the ATO Corporate plan that outlines our priorities for the year ahead. This year, we are taking a longer term view, with strategic objectives that reflect our ambition over the long term, through to 2024.

Building on the gains of our reinvention program, we have developed two aspirations for our journey to 2024 – to build trust and confidence in the tax and superannuation systems and to create a streamlined, integrated and data-driven future. Our Corporate plan 2018–19 is the first step in that journey. We will regularly review the steps we are taking to get to 2024 and continually adapt to the broader environment.

Our direction at the highest level remains the same. We remain firmly committed to our vision, mission and values which are the same as when we set out more than five years ago. We are maintaining our focus on improving the client and staff experience and fostering a culture of service, favouring early intervention and prevention over correction.

This plan will build on our achievements so far and focus our resources on what matters most. We will make every interaction matter, meet the highest standards of professionalism and integrity, and do the basics brilliantly. We will continue to declutter our processes and take action when we see something that isn’t right.
We will engage and work constructively with those who help us deliver reliable and contemporary technology and digital services, ensuring that our IT providers, outsourced functions, digital service providers and other suppliers are all working with us to achieve operational excellence and efficiency.

I am proud of the work we do. We have built a strong foundation for the next stage of our transformation, and are well placed to deliver on our vision of being a leading tax and superannuation administration known for our contemporary service, expertise and integrity.

Chris Jordan
Commissioner of Taxation and Registrar of the Australian Business Register

This ATO Corporate plan 2018–19, covering the period 2018–19 to 2021–22, has been prepared as required under paragraph 35(1) (b) of the Public Governance, Performance and Accountability Act 2013. The Australian Business Register plan is included as part of this plan.

Due to their operational independence, the Tax Practitioners Board and the Australian Charities and Not-for-profits Commission have produced their own corporate plans.
Contents

Commissioner’s foreword

01 Purpose

02 Strategic objectives

03 Enterprise risk management

04 Performance

05 Capability

06 Environment

07 Australian Business Register

08 Tax Practitioners Board

09 Australian Charities and Not-for-profits Commission

Appendixes

Acronyms and initialisms
Strategic objectives

We have nine strategic objectives, grouped into five perspectives:

<table>
<thead>
<tr>
<th>Government</th>
<th>Client</th>
<th>Workforce</th>
<th>Operational</th>
<th>Financial</th>
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<tbody>
<tr>
<td><strong>G1</strong></td>
<td><strong>C1</strong></td>
<td><strong>W1</strong></td>
<td><strong>O1</strong></td>
<td><strong>F1</strong></td>
</tr>
<tr>
<td>We build community confidence by sustainably reducing the tax gap and providing assurance across the tax and superannuation systems.</td>
<td>Our client experience and interactions are well designed, tailored, fair and transparent.</td>
<td>We are a high-performing, responsive and professional workforce with the right culture to deliver now and for the future.</td>
<td>We use data and insights to deliver value for our clients and inform decision making across everything we do.</td>
<td>We strive for operational excellence to achieve efficiency and quality outcomes.</td>
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<td><strong>G2</strong></td>
<td><strong>C2</strong></td>
<td><strong>W2</strong></td>
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<tr>
<td>We design for a better tax and superannuation system to make it easy to comply and hard not to.</td>
<td>We work with and through others to deliver efficient and effective tax and superannuation systems.</td>
<td>We provide the right tools and workplace so staff can deliver the best client experience.</td>
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</table>

Purpose

The ATO’s purpose is to contribute to the economic and social wellbeing of Australians by fostering willing participation in the tax and superannuation systems.

We have two aspirations for 2024:

- Building trust and confidence
- Streamlined, integrated and data-driven

Vision

We are a leading tax and superannuation administration known for our contemporary service, expertise and integrity.
How the elements of our plan interrelate

**Purpose**
The reason why the ATO exists

**Vision**
What we aspire to be

**Strategic objectives**
Our areas of focus to achieve our purpose and vision

**Future state**
These narratives describe our optimum future state at the end of 2024

**Strategic initiatives**
The significant pieces of work we will undertake to deliver our objectives

**Performance**
How we will measure and assess the success of our objectives

**Environment**
The external and internal factors we need to consider to deliver on our objectives

**Capability**
The capabilities required by the ATO today and into the future

**Strategic risk focus**
The areas of uncertainty that may impact on the success of our objectives
Strategic objectives

G1 Government

We build community confidence by sustainably reducing the tax gap and providing assurance across the tax and superannuation systems.

Future state

The community is confident that our administration of the tax and superannuation systems supports collection of the right tax, at the right time for the wellbeing of all Australians.
Strategic initiatives

- **Taskforces** – support the integrity of the tax and superannuation system through our funded taskforces on tax avoidance, the black economy and financial crime
- **Individuals tax gap** – reduce the individuals not-in-business tax gap and design a contemporary approach for taxpayers to substantiate their claims
- **Justified trust** – through proactive engagement, provide the community with assurance large and wealthy group clients are paying the right amount of tax
- **Community culture** – foster a positive culture towards tax and superannuation to encourage people to willingly pay the right amount of tax and contribute to their superannuation
- **Expansion of pre-fill** – increase the number of returns completely pre-filled using data, technology and law shifts
- **Support the superannuation system** – increase willing participation and drive transparency in member information and superannuation guarantee by ensuring the system is seen, valued and owned
- **Payment thinking – debt** – design processes, systems and approaches that make payment an easy and natural part of activities across all stages of tax and superannuation
- **Integrated compliance approach** – implement a whole-of-system approach in how we manage non-compliant, but not criminal, taxpayers and that changes staff behaviour and practices across the ATO
- **Strategic litigation** – litigate the right cases using the right expertise at the right time
- **Intermediaries** – address risks arising from tax intermediaries who engage in risky and inappropriate behaviours

Performance measures

By measuring revenue-based performance criteria, we can assess trends in our prevention-before-correction activities, as well as changes in the extent of system assurance.

- **Confidence** – community confidence in the ATO*
- **Registration** – proportion of companies and individuals registered in the system
- **Lodgment** – proportion of activity statements and income tax returns lodged on time
- **Payment** – proportion of liabilities paid on time by value
- **Correct reporting** – tax gap as a proportion of revenue
- **Debt** – ratio of collectable debt to net tax collections
- **Total revenue effects** – tax revenue from all compliance activities
- **Tax assured** – proportion of the tax base where the ATO has justified trust that tax paid is correct based on the proportion of income, deductions and tax offsets assured*

* Under development
G2 Government

We design for a better tax and superannuation system to make it easy to comply and hard not to.

Future state
The tax and superannuation systems are designed to make it easy for our clients to comply.

Strategic initiatives
- Shaping the tax and superannuation system – build strong relationships with key stakeholders to advocate for more effective and simple tax and superannuation policy and administration
- Tax and superannuation system insights and response – share evidence-based insights and data to promote more effective and simpler tax policy and administration
- Shifts in work and income – position the tax and superannuation system to respond to shifts and trends in the nature of work and income

Performance measures
Our ability to influence the design of tax and superannuation policy is dependent on the trust that Government and Treasury have in the quality of our insights and advice.
- Influence – Government and Treasury perceptions of the ATO and the quality of our advice*

* Under development
C1 Client

Our client experience and interactions are well designed, tailored, fair and transparent

Future state
Dealing with the ATO is seamless and easy and much of it happens automatically through natural systems.

Strategic initiatives
- Dispute resolution – embed fair, efficient and timely dispute resolution approaches in our interactions with clients
- Independent assurance – use independent advice to demonstrate that our decisions are fair and reasonable
- Single Touch Payroll – support the ongoing transition to Single Touch Payroll and monitor and evaluate its implementation
- Proactive advice and guidance – use a data-driven and forward-looking approach to develop accessible public advice and guidance
- Channel experience – use digital interactions wherever possible and limit or close some services in some channels
- Support for small business – right from the start, tailor and integrate support for small businesses, including through digital service solutions

Performance measures
A well designed, fair, tailored and transparent experience makes it easier for clients to access the services and support they need, gives them increased confidence in the ATO and reduces the costs they face to manage their tax affairs. A focus on digital transactions is one way we make things easier for clients.
- Compliance cost – adjusted median cost to individual taxpayers of managing their tax affairs
- Digital – proportion of inbound transactions received digitally for key services
C2 Client

We work with and through others to deliver efficient and effective tax and superannuation systems

Future state
The ATO maximises the contribution of others in the system to help us achieve effective administration and delivery of the tax and superannuation systems.

Strategic initiatives
- Tax and BAS agent services – support the ongoing transition to digital services, including new functionality for practice management software and the new ATO Online platform
- International collaboration – work with international counterparts to take a coordinated approach to cross-border policy issues
- Digital service providers – continue to work with digital services providers to facilitate a digital ecosystem that supports the streamlining and integrity of tax and superannuation systems

Performance measures
Empowering and including our third parties requires that we work together, leveraging each other’s work as appropriate, to achieve better outcomes.
- Working together – partner perceptions of how the ATO is working together with them to administer the tax and superannuation system

* Under development
W1 Workforce

We are a high-performing, responsive and professional workforce with the right culture to deliver now and for the future.

Future state
Our culture supports an engaged and empowered workforce that is vibrant, flexible and client-focused.

Strategic initiatives
- **Culture** – embed our cultural traits to foster a collaborative and contemporary way of working
- **Integrity** – identify, prevent and respond to integrity threats in our workplace, through our integrity framework
- **Future workforce** – develop the workforce strategy to deliver the capability required now and into the future

Performance measures
Highly engaged employees feel empowered and trusted to deliver the best possible client experience. By measuring the level of engagement of our employees, we will better understand the impact of our Culture strategy. Diverse workforces hold a key to fostering new ways of thinking, thereby enhancing productivity.
- **Culture** – level of employee engagement
- **Gender equality** – female representation in the senior executive service (SES) and executive level (EL) classifications
- **Indigenous representation** – proportion of ATO staff who identify as Indigenous
**W2 Workforce**

We provide the right tools and workplace so staff can deliver the best client experience.

**Future state**
Staff feel supported in the workplace with the right tools to deliver the best client experience.

**Strategic initiative**
- **Staff experience** – provide staff with contemporary technology, tools and integrated processes to deliver ATO priorities and foster a client-focused culture.

**Performance measures**
While highly engaged employees feel empowered and trusted to deliver the best possible client experience, we also need to equip them with the right tools and workplace to complement their skill sets.
- **Staff experience** – employee perceptions around whether they have access to the tools and resources needed to perform well*

* Under development
Future state
Our decisions are evidence-based, drawing on data and insights.

Strategic initiatives
- **Data acquisition and quality program** – optimise our governance, infrastructure and technology to best manage and reuse data to drive actionable outcomes for the ATO
- **Enterprise client profile** – use the enterprise client profile platform and insights from analytics models, to deliver client-risk scoring and analytics value realisation
- **Automation and artificial intelligence** – make use of data, analytics and tools to extend automation and analytics use cases, and enhance our realised artificial intelligence capabilities
- **Nearest neighbour for tax agents** – comparing returns prepared by tax agents to similar client bases to see if claims are comparable and highlighting differences

Performance measures
Making better use of our data allows for early engagement with our clients to help them get things right from the start. It also enables us to identify those who are not doing the right thing. Measuring the proportion of items pre-filled in tax returns will drive changes that make it easier for our clients to do the right thing. It also provides us with increased assurance of the right outcomes.

- **Tax returns** – proportion of items that are pre-filled*

* Under development

We use data and insights to deliver value for our clients and inform decision making across everything we do.
O2 Operational

Our technology and digital services deliver a reliable and contemporary client experience

Future state
Client experience is reliable and is delivered through contemporary digital services comparable with any other client-focused organisation.

Strategic initiatives
- **Single client account** – consolidate our accounting systems to deliver a single client account
- **Digital identity** – deliver key components and facilitate the integration of GovPass into the broader digital ecosystem
- **Cyber security** – continue to strengthen our ability to monitor, detect and respond to cyber threats
- **ATO systems resilience and improvements** – continue to modernise and redesign our key systems and services to improve their resilience and availability

Performance measures
Measuring availability of our digital systems ensures we understand the reliability of services for clients interacting digitally. Our systems must comply with whole-of-government standards and give the community confidence in the privacy and security of information they share with us. By measuring our compliance with the Protective Security Policy Framework we understand the level of safeguards and integrity of our systems.
- **Security policy** – level of compliance with Protective Security Policy Framework mandatory requirements*
- **Availability** – key digital systems availability*

* Under development
**F1 Financial**

We strive for operational excellence to achieve efficiency and quality outcomes

**Future state**

Our strong efficiency and high quality outcomes demonstrate our commitment to operational excellence.

**Strategic initiatives**

- **Outbound communications** – transform our digital communications, with an increase in real-time information and a significant reduction in paper
- **Business improvements** – drive process redesign to increase efficiency and operational productivity
- **Government business transformation** – co-design and implement the ATO’s commitments to the Government’s Shared Services Program
- **Strategic outsourcing, benchmarking and procurement** – maximise vendor engagement, and their service delivery to the ATO, to drive operational excellence
- **Benefits framework** – reliable and consistent measurement of the achievements through benefits and value

**Performance measures**

Measuring our budget and cost of collection will allow us to actively manage and reduce our operating costs relative to the services we provide to the community. Our focus is on enhancing the client experience while remaining within our budget.

- **Budget** – ATO manages its operating budget to balance
- **Cost of collection** – cost to collect $100
Enterprise risk management

Actively identifying and managing risk is inherent to the achievement of our objectives as an organisation.

We have well-established systems of risk oversight and management that align with the Commonwealth Risk Management Policy, and support our compliance with section 16 of the Public Governance, Performance and Accountability Act 2013.

ATO risk appetite

As an organisation, we recognise that positive engagement with risk is necessary to make the most of opportunities, deal with threats, foster innovation, and to build a strong risk culture throughout the ATO. This means:

- Where there is a clear opportunity to realise benefits, and risks can be controlled to acceptable levels, we are willing to accept a higher level of risk.
- Where we are less certain the benefits will be realised, or risks are unable to be controlled to acceptable levels, we have a lower appetite for risk.

Our strategic risk focus is aligned to our objectives and guide risk management activity across the organisation:

<table>
<thead>
<tr>
<th>Government</th>
<th>Client</th>
<th>Workforce</th>
<th>Operational</th>
<th>Financial</th>
</tr>
</thead>
<tbody>
<tr>
<td>G1</td>
<td>C1</td>
<td>W1</td>
<td>O1</td>
<td>F1</td>
</tr>
<tr>
<td>Ensuring that people pay the right amount and that our administration of the system is fair and effective.</td>
<td>Ensuring our products, services and systems support a consistent client experience end-to-end.</td>
<td>Ensuring we build our future-ready workforce, while still meeting our current needs.</td>
<td>Ensuring we develop a targeted and effective data analytics and insights capability.</td>
<td>Ensuring we develop a more agile, integrated and consistent approach to what we prioritise and where we invest.</td>
</tr>
<tr>
<td>G2</td>
<td>C2</td>
<td>W2</td>
<td>O2</td>
<td></td>
</tr>
<tr>
<td>Ensuring our approach is streamlined, integrated, future focused and considers a whole-of-system view.</td>
<td>Ensuring we maintain productive and future focused stakeholder relationships to deliver on common objectives.</td>
<td>Ensuring the experience we give our staff complements the client experience, and can be delivered within the context of our budget and employment framework.</td>
<td>Ensuring our systems and services are reliable, and clearly aligned with business needs, while innovating with the changing environment.</td>
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</table>
Our measures align with our strategic objectives and, by extension, with our purpose – to contribute to the economic and social wellbeing of Australians by fostering willing participation.

A variety of measurement methods are used to assess different elements of our performance. These include analysis of:

- trends in how our clients interact with the tax and superannuation systems
- survey data used to capture client, partner and staff perceptions
- our internal activities, including information technology systems and internal budgeting.

Many of our performance measures are outcome-focused, and all are assessed annually. Our performance for these will be assessed against trends of results, both in absolute terms and against the performance target for the relevant year.

Details of the performance criteria and targets for the life of the corporate plan – including those for the ATO, the ABR and our administered programs – are provided in Appendixes A, B and C (see page 22).
Capability

Our organisational capability is the combination of our people, culture, governance principles, processes, systems and knowledge.

By having strong organisational capabilities, we ensure we can deliver on priorities for the government and the community, and are prepared for the challenges and opportunities in our environment. Our capability will be enhanced to deliver on our strategic objectives for the period 2018–19 to 2021–22.

Table 1: Capability

<table>
<thead>
<tr>
<th>Capability factors and our approach</th>
<th>Relevant strategic objective</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Workforce: We are a diverse, innovative and professional workforce delivering contemporary services to our clients</strong>&lt;br&gt;The ATO position is to achieve this through deliberate investment in a workforce that is diverse in people, skills, knowledge and capabilities. Our culture and capability support an innovation mindset that underpins client-centric thinking, leadership values and professional growth. New client services will be delivered through enhanced organisational capability, supported by new ways of working, modernised work practices and workspaces. Our employees exhibit high levels of integrity in their work, acting fairly and impartially to provide trust and confidence in the tax and superannuation systems.</td>
<td>W1 &amp; W2 We are a high-performing, responsive and professional workforce with the right culture to deliver now and for the future. We provide the right tools and workplace so staff can deliver the best client experience.</td>
</tr>
<tr>
<td><strong>ICT: Our technology platforms and ICT environment keep pace with community expectations</strong>&lt;br&gt;The ATO position is that we are a leading digital business known for driving technology enabled innovation, integrity and insight across the revenue ecosystem. As the ATO positions for the future, we will focus on stabilising and optimising our current technology solutions, while building the foundation for future capabilities. Our technology delivers optimal, reliable, intuitive and contemporary business solutions that foster trust and confidence in the tax and superannuation systems; provides exceptional client and staff experiences; and enables a highly effective and efficient organisation.</td>
<td>O2 Our technology and digital services deliver a reliable and contemporary client experience.</td>
</tr>
<tr>
<td><strong>Investment: Our resources are dynamically matched to our priorities</strong>&lt;br&gt;The ATO position is that our investments are managed strategically and systematically to ensure that we deliver on our objectives and benefits and value is realised. Our resourcing decisions reflect our contribution to government and we ensure effective investment in key government priorities by:</td>
<td>F1 We strive for operational excellence to achieve efficiency and quality outcomes.</td>
</tr>
<tr>
<td>■ ensuring agility in the ATO workforce&lt;br&gt;■ embedding robust, risk-appropriate investment practices&lt;br&gt;■ strategically managing our vendor engagement and their service delivery to the ATO.</td>
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</tbody>
</table>
Environment

The tax and superannuation environment is complex, globally connected and disrupted by geo-political shifts and emerging technologies.

Our environment impacts on the risks to our success and the capabilities required by the ATO into the future. The contemporary environment requires us to anticipate and respond to future shifts and changes and also to balance our commitments to the community and government. Through our clear and shared understanding of our environment, we can harness the opportunities presented and build the capability to allow us to deliver our strategic intent.

Table 2: Environment

<table>
<thead>
<tr>
<th>Environmental factors and our approach</th>
<th>Relevant strategic objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>The complexity of the tax and superannuation environment influences client perceptions</td>
<td>C1 Our client experience and interactions are well designed, tailored, fair and transparent.</td>
</tr>
<tr>
<td>Taxation complexity influences client experience. The perceptions created by experiences affect our ability to provide effective services. By co-designing intentional, enterprise-wide engagement strategies we ensure clients experience an uncomplicated service that encourages ongoing engagement and participation now and into the future.</td>
<td></td>
</tr>
<tr>
<td>Equity and fairness in the tax and superannuation systems</td>
<td>G1 We build community confidence by sustainably reducing the tax gap and providing assurance across the tax and superannuation systems.</td>
</tr>
<tr>
<td>Understanding community perceptions in relation to equity and fairness in the tax system is critical to our ability to provide a service that is transparent and fair. We will continue to harness opportunities and integrate strategies to encourage willing participation, leverage data and relationships, and ensure transparency of our operations. By showing how we create a level playing field, we will encourage positive community perceptions of fairness in the tax system and willing participation.</td>
<td></td>
</tr>
<tr>
<td>Meeting community expectations</td>
<td>C2 We work with and through others to deliver efficient and effective tax and superannuation systems.</td>
</tr>
<tr>
<td>There are increasing expectations that government is more inclusive and open to working and collaborating with external and international organisations. Our services need to be increasingly joined up and integrated, making use of existing data. Opportunities exist for an innovative delivery model to enable the ATO to partner with others to deliver products and services. Innovative solutions for priority business outcomes and client needs will be co-designed, working collaboratively with our partners.</td>
<td></td>
</tr>
<tr>
<td>Data is a strategic asset</td>
<td>O1 We use data and insights to deliver value for our clients and inform decision making across everything we do.</td>
</tr>
<tr>
<td>New technologies, greater portability and mobility of data, and access to digital communities, present new opportunities for data sharing. With increasingly sophisticated cyber attacks, it is important to find the right balance between openness and control. The rapid growth of unstructured data requires investment in new systems, skills and data literacy. Predictive analytics enable agile responses to client needs and expectations, therefore allowing us to deliver results more efficiently.</td>
<td></td>
</tr>
<tr>
<td>Digital disruption is a global phenomenon – transforming traditional views on how we do things</td>
<td>C1 Our client experience and interactions are well designed, tailored, fair and transparent.</td>
</tr>
<tr>
<td>The impacts of emerging technologies can materialise quickly, impacting economies, reshaping industries and removing the need for trusted intermediaries. Digital disruption is transforming the way we do things and has the power to drive productivity. Computing power combined with human decision-making can slash times for low complexity / high volume work.</td>
<td></td>
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</tbody>
</table>
The Commissioner of Taxation is also the Registrar of the Australian Business Register (ABR). While the program is delivered by ATO staff, the Registrar has separate and distinct responsibilities as outlined in section 28 of the *A New Tax System (Australian Business Number) Act 1999*, and the ABR program receives separate funding.

**Future state**

Our business registry services and digital standards instil confidence, and are relied on to support a fairer business environment.

**Purpose**

The ABR program contributes to improving national productivity by:

- delivering effective and efficient business registry services that provide trusted and accessible national business data
- encouraging trust and confidence in the broader use of national business data by the community, businesses and government – to promote the development of new and better services for businesses, using the ABN as a key identifier
- reducing the administrative cost to businesses in their dealings with other businesses and government.

The ABR program encompasses:

- the Register, which is a trusted national business dataset and business registry services
- Standard Business Reporting (SBR), which defines a common language for business information and standards for digital information exchange and sharing with businesses and government
- secure authentication options, giving business easy access to a range of services.

**Strategic risk focus**

Through our business registry services and digital standards we need to maintain the integrity of the tax system and reduce administrative burden.

We understand that trusted business registry services and digital standards will support a fairer business environment that fosters greater economic growth and job creation. Accepting and managing risk associated with achieving the ABR strategic objective is vital to delivering on our purpose as an organisation.

We have well-established systems of risk oversight and management that align with the Commonwealth Risk Management Policy, to support compliance with section 16 of the *Public Governance, Performance and Accountability Act 2013*.
Strategic initiatives

- **ABR program commitments** – deliver on commitments, including maintaining trust and confidence in the ABR, and the digital exchange standards
- **Modernise business registry services** – co-design modern business registry services, including a Director Identification Number, that are trusted to support informed decision making and outcomes
- **ABN regulatory reform** – consult on a new regulatory framework for Australian Business Numbers, to support the integrity of the tax system

Performance measures

The ABR program works with government, digital service providers, the business community and other key stakeholders to support a fairer business environment that fosters greater economic growth and job creation. This will be achieved through increased use of a trusted national business dataset and use of consistent information exchange standards.

- Increased use of the ABR as the national business dataset
- Reduction in the administrative cost to businesses and government in dealing with each other

Environment

The ABR will focus on modernising business registers across government to reduce the complexity of regulation for business and make dealing with government easier. This will support the earlier identification of risk in the business environment and enhancing education and compliance activity, in areas such as the black economy and ‘phoenixing’, by making it easy to get things right and hard not to.

SBR will be evolved to provide more flexible technology options and make it easier to implement. This will include a focus on building on the SBR’s growth and continuing to meet the future demands of business and government digital engagement.

Capability

ABR’s capability requirements are included in ATO capability (see page 16).
Tax Practitioners Board

The Tax Practitioners Board (TPB) has general administration of the *Tax Agent Services Act 2009* (TASA), and is responsible for the registration and regulation of tax practitioners. These include tax agents, business activity statement (BAS) agents, and tax (financial) advisers.

While the ATO Commissioner is the Accountable Authority for the TPB, the TPB has operational independence. Its establishment, functions and powers are defined in the TASA. The TPB’s role is to ensure that tax practitioner services are provided to the public in accordance with appropriate standards of professional and ethical conduct.

The TPB’s strategic objectives include:

- protecting all consumers of tax practitioner services
- maintaining, protecting and enhancing the integrity of the registered tax practitioner profession
- promoting the TPB as an independent, efficient and effective regulator.

Further details about the TPB, including its activities and intended results, are provided in its 2018–19 corporate plan, available at [tpb.gov.au](http://tpb.gov.au)
While the ATO Commissioner is the Accountable Authority for the ACNC, the ACNC has operational independence.

The *Australian Charities and Not-for-profits Commission Act 2012* sets out the ACNC’s objects:

- to maintain, protect and enhance public trust and confidence in the Australian not-for-profit sector
- to support and sustain a robust, vibrant, independent and innovative Australian not-for-profit sector
- to promote the reduction of unnecessary regulatory obligations on the Australian not-for-profit sector.

Further details about the ACNC, including its activities and intended results, are provided in its 2018–19 corporate plan, available at [acnc.gov.au](http://acnc.gov.au)
Appendix A – ATO performance

We measure the extent to which we are achieving our purpose as an organisation, through a range of performance indicators that align with our strategic objectives.

### Table 3: ATO performance

<table>
<thead>
<tr>
<th>Strategic objective</th>
<th>Performance criteria</th>
<th>Latest result (2016–17)</th>
<th>Performance target</th>
</tr>
</thead>
<tbody>
<tr>
<td>G1</td>
<td>Confidence – community confidence in the ATO</td>
<td>New measure for 2018–19</td>
<td>Under development</td>
</tr>
<tr>
<td>Registration</td>
<td>proportion of companies and individuals registered in the system</td>
<td>Companies registered in the system: 66.62% Individuals registered in the system: 101.2%</td>
<td></td>
</tr>
<tr>
<td>Lodgment</td>
<td>proportion of activity statements and income tax returns lodged on time</td>
<td>77.0% activity statements, 82.6% income tax returns (2015–16 returns)</td>
<td>78% of activity statements lodged on time; 83% of income tax returns lodged on time</td>
</tr>
<tr>
<td>Payment</td>
<td>proportion of liabilities paid on time by value</td>
<td>88.2%</td>
<td>88%</td>
</tr>
<tr>
<td>Correct reporting</td>
<td>tax gap as a proportion of revenue</td>
<td>Refer to the Commissioner of Taxation annual report 2016–17 (page 87) for detailed information and trends.</td>
<td>Reduce the gap to a level as low as practicable given the nature and complexity of the law and the resources available.</td>
</tr>
<tr>
<td>Debt</td>
<td>ratio of collectable debt to net tax collections</td>
<td>5.6%</td>
<td>Below 5.5%</td>
</tr>
<tr>
<td>Total revenue effects</td>
<td>tax revenue from all compliance activities</td>
<td>$15 billion</td>
<td>$15 billion</td>
</tr>
<tr>
<td>Tax assured</td>
<td>proportion of the tax base where the ATO has justified trust that tax paid is correct based on the proportion of income, deductions and tax offsets assured*</td>
<td>Under development</td>
<td>Under development</td>
</tr>
<tr>
<td>Strategic objective</td>
<td>Performance criteria</td>
<td>Latest result (2016–17)</td>
<td>Performance target</td>
</tr>
<tr>
<td>---------------------</td>
<td>----------------------</td>
<td>-------------------------</td>
<td>--------------------</td>
</tr>
<tr>
<td></td>
<td>Compliance cost – adjusted median cost to individual taxpayers of managing their tax affairs</td>
<td>1.0% reduction (2015–16 returns)</td>
<td>Remain steady</td>
</tr>
<tr>
<td></td>
<td>Digital – proportion of inbound transactions received digitally for key services</td>
<td>88%</td>
<td>90%</td>
</tr>
<tr>
<td><strong>C1</strong></td>
<td>Compliance cost – adjusted median cost to individual taxpayers of managing their tax affairs</td>
<td>1.0% reduction (2015–16 returns)</td>
<td>Remain steady</td>
</tr>
<tr>
<td></td>
<td>Digital – proportion of inbound transactions received digitally for key services</td>
<td>88%</td>
<td>90%</td>
</tr>
<tr>
<td><strong>C2</strong></td>
<td>Working together – partner perceptions of how the ATO is working together with them to administer the tax and superannuation system*</td>
<td>New measure for 2017–18</td>
<td>Under development</td>
</tr>
<tr>
<td></td>
<td>Gender equality – female representation in the senior executive service (SES) and executive level (EL) classifications</td>
<td>New measure for 2017–18</td>
<td>Approx. 45% of SES and approx. 50% of EL staff</td>
</tr>
<tr>
<td></td>
<td>Indigenous representation – proportion of ATO staff who identify as Indigenous</td>
<td>New measure for 2017–18</td>
<td>2.5%</td>
</tr>
<tr>
<td><strong>W1</strong></td>
<td>Culture – level of employee engagement</td>
<td>6.8 / 10</td>
<td>Equal or better than the average result for large agencies</td>
</tr>
<tr>
<td></td>
<td>Gender equality – female representation in the senior executive service (SES) and executive level (EL) classifications</td>
<td>New measure for 2017–18</td>
<td>Approx. 45% of SES and approx. 50% of EL staff</td>
</tr>
<tr>
<td></td>
<td>Indigenous representation – proportion of ATO staff who identify as Indigenous</td>
<td>New measure for 2017–18</td>
<td>2.5%</td>
</tr>
<tr>
<td><strong>W2</strong></td>
<td>Staff experience – employee perceptions around whether they have access to the tools and resources needed to perform well</td>
<td>New measure for 2018–19</td>
<td>Under development</td>
</tr>
<tr>
<td><strong>O1</strong></td>
<td>Tax returns – proportion of items that are pre-filled</td>
<td>New measure for 2017–18</td>
<td>Under development</td>
</tr>
<tr>
<td><strong>F1</strong></td>
<td>Budget – ATO manages its operating budget to balance</td>
<td>0.13% surplus</td>
<td>+/- 0.6% of budget allocation</td>
</tr>
<tr>
<td></td>
<td>Cost of collection – cost to collect $100*</td>
<td>$0.74 (gross), $0.81 (net)</td>
<td>Consistent with trend</td>
</tr>
</tbody>
</table>

* Description updated for 2018–19
# Appendix B – ABR performance

## Table 4: ABR performance

<table>
<thead>
<tr>
<th>Strategic objective</th>
<th>Performance criteria</th>
<th>Latest result (2016–17)</th>
<th>Performance target</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABR</td>
<td>Increased use of the ABR as the national business dataset*</td>
<td>Government agencies 232 using ABR Explorer (66% increase) 32.5% increase in ABN Lookup searches</td>
<td>Government agencies 340 ABR Explorer; 12 ABR Connect; 1.1 billion ABN Lookup searches</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reduction in the administrative cost to businesses and government in dealing with each other</td>
<td>$1.39 billion</td>
<td>$1.55 billion</td>
</tr>
</tbody>
</table>

* Description updated for 2018–19
Appendix C – Administered programs

The ATO contributes to the economic and social wellbeing of Australians, through governing a range of programs that result in transfers and benefits back to the community.

We administer a range of payments and transfers on behalf of the Australian Government, including incentives and rebates delivered through the tax and superannuation systems. Administered programs may be managed by the ATO with policy and delivery assistance from other Commonwealth agencies, or directly through the tax and superannuation systems. In many instances, annual fluctuations in the number and value of benefits are beyond our span of control and, therefore, not an accurate measure of our performance. Accordingly, performance criteria for our administered programs have been divided into two groups:

- those with specific performance targets
- those where our performance target is to administer the program in accordance with the law.

Table 5: Administered programs with specific performance targets

<table>
<thead>
<tr>
<th>Administered program</th>
<th>Performance criteria</th>
<th>Latest result (2016–17)</th>
<th>Performance target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Junior Minerals Exploration Incentive</td>
<td>All applications received are processed and taxpayers notified of their exploration credit allocation within 28 calendar days of the application period closing</td>
<td>Not yet reported. New measure effective from 1 April 2018</td>
<td>Within 28 calendar days of the application period closing</td>
</tr>
<tr>
<td></td>
<td>Public reporting data uploaded on data.gov.au (and linked to the ato.gov.au website) after determination letters are issued</td>
<td>Not yet reported. New measure effective from 1 April 2018</td>
<td>Within 56 calendar days of the application period closing</td>
</tr>
<tr>
<td>Superannuation Guarantee Scheme</td>
<td>Value of super guarantee charge: ■ raised (including penalties and interest) ■ collected</td>
<td>$603.5 million raised; $282.9 million collected</td>
<td>$841 million raised; $311 million collected</td>
</tr>
<tr>
<td></td>
<td>Value of super guarantee entitlements distributed to individuals or superannuation funds</td>
<td>$281.1 million</td>
<td>$285 million</td>
</tr>
<tr>
<td></td>
<td>Value of super guarantee debt on hand and the amount of super guarantee debt irrecoverable at law or uneconomical to pursue</td>
<td>$1.5 billion debt on hand; $167.0 million not pursued</td>
<td>$3.4 billion debt on hand; $178 million not pursued</td>
</tr>
<tr>
<td>Seafarer Tax Offset</td>
<td>Provision for bad and doubtful debts as a proportion of total tax receivables</td>
<td>36%</td>
<td>Below 35%</td>
</tr>
<tr>
<td></td>
<td>Eligible taxpayers are aware of how to claim the offset</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>
# Appendix C – Administered programs continued

## Table 6: Administered programs with a performance target of administering the program in accordance with the law

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian Screen Production Incentive</td>
<td>Value of tax offsets processed</td>
<td>$279.7 million</td>
<td>Performance target 2018–19 to 2021–22</td>
</tr>
<tr>
<td>Fuel Tax Credits Scheme</td>
<td>Value of claims</td>
<td>$6.2 billion</td>
<td>Performance target 2018–19 to 2021–22</td>
</tr>
<tr>
<td>National Rental Affordability Scheme</td>
<td>Value of tax offsets processed</td>
<td>$166.2 million</td>
<td>Performance target 2018–19 to 2021–22</td>
</tr>
<tr>
<td>Product Stewardship for Oil</td>
<td>Value of revenue collected</td>
<td>$33.9 million</td>
<td>Performance target 2018–19 to 2021–22</td>
</tr>
<tr>
<td></td>
<td>Value of payments processed</td>
<td>$71.9 million</td>
<td>Performance target 2018–19 to 2021–22</td>
</tr>
<tr>
<td>Research and Development Tax Incentive</td>
<td>Value of claims processed for 38.5% non-refundable research and development tax offset claimants</td>
<td>$3.6 billion tax offset paid</td>
<td>Performance target 2018–19 to 2021–22</td>
</tr>
<tr>
<td></td>
<td>Value of claims processed for 43.5% refundable research and development tax offset claimants</td>
<td>$2.5 billion tax offset paid</td>
<td>Performance target 2018–19 to 2021–22</td>
</tr>
<tr>
<td></td>
<td>Number of claims processed for 38.5% non-refundable research and development tax offset claimants</td>
<td>1,812 claims</td>
<td>Performance target 2018–19 to 2021–22</td>
</tr>
<tr>
<td></td>
<td>Number of claims processed for 43.5% refundable research and development tax offset claimants</td>
<td>11,262 claims</td>
<td>Performance target 2018–19 to 2021–22</td>
</tr>
<tr>
<td></td>
<td>Proportion of offsets processed within service standard timeframes</td>
<td>42.4%</td>
<td>Performance target 2018–19 to 2021–22</td>
</tr>
<tr>
<td>Low Income Superannuation Tax Offset</td>
<td>Value of entitlements paid</td>
<td>$793.5 million</td>
<td>Performance target 2018–19 to 2021–22</td>
</tr>
<tr>
<td>Private Health Insurance Rebate</td>
<td>Value of rebates processed</td>
<td>$249.2 million</td>
<td>Performance target 2018–19 to 2021–22</td>
</tr>
<tr>
<td>Superannuation Co-Contribution Scheme</td>
<td>Value of entitlements paid</td>
<td>$147.8 million</td>
<td>Performance target 2018–19 to 2021–22</td>
</tr>
<tr>
<td>Superannuation Guarantee Scheme</td>
<td>Number of superannuation guarantee complaints leading to a superannuation liability being raised, and those leading to no result</td>
<td>5,598 liability raised; 7,060 no result</td>
<td>Performance target 2018–19 to 2021–22</td>
</tr>
<tr>
<td></td>
<td>Number of employees who have had superannuation guarantee entitlements raised as a result of ATO compliance activities and voluntary disclosures</td>
<td>69,705 compliance activities; 77,344 voluntary disclosures</td>
<td>Performance target 2018–19 to 2021–22</td>
</tr>
<tr>
<td></td>
<td>Number of employers whose records are checked, and the number leading to a superannuation liability being raised</td>
<td>16,874 checked; 7,700 liability raised</td>
<td>Performance target 2018–19 to 2021–22</td>
</tr>
<tr>
<td></td>
<td>Proportion of employers for whom superannuation guarantee liabilities were raised by the ATO</td>
<td>0.9%</td>
<td>Performance target 2018–19 to 2021–22</td>
</tr>
<tr>
<td>Targeted Assistance Through the Taxation System</td>
<td>Value of interest payments processed</td>
<td>$14.2 million</td>
<td>Performance target 2018–19 to 2021–22</td>
</tr>
<tr>
<td>Interest on Overpayment and Early Payments of Tax</td>
<td>Value of credit interest applied to client accounts due to processing performance</td>
<td>$29.8 million</td>
<td>Performance target 2018–19 to 2021–22</td>
</tr>
</tbody>
</table>

The ATO aims to administer the program in accordance with the law.
### Acronyms and initialisms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABN</td>
<td>Australian business number</td>
</tr>
<tr>
<td>ABR</td>
<td>Australian Business Register</td>
</tr>
<tr>
<td>ACNC</td>
<td>Australian Charities and Not-for-profits Commission</td>
</tr>
<tr>
<td>ATO</td>
<td>Australian Taxation Office</td>
</tr>
<tr>
<td>BAS</td>
<td>Business activity statement</td>
</tr>
<tr>
<td>EL</td>
<td>Executive level</td>
</tr>
<tr>
<td>ICT</td>
<td>Information and communications technology</td>
</tr>
<tr>
<td>SBR</td>
<td>Standard Business Reporting</td>
</tr>
<tr>
<td>SES</td>
<td>Senior executive service</td>
</tr>
<tr>
<td>TASA</td>
<td>Tax Agent Services Act 2009</td>
</tr>
<tr>
<td>TPB</td>
<td>Tax Practitioners Board</td>
</tr>
</tbody>
</table>
Contact

Phone  (02) 6216 1111
Email   corporateplanning@ato.gov.au
Website ato.gov.au

Mail

Director, Planning and Reporting
Enterprise Strategy and Design
Australian Taxation Office
PO Box 900
Civic Square ACT 2608

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