




Australian Government
Australian Taxation Office

 Reinventing the ATO

Blueprint Addendum July 2017



INSOLVENCY & TURNAROUND PRACTITIONERS

These are the key features that will improve and transform the experience of the tax and super systems for insolvency and turnaround practitioners, making it easier for them to run their practice, and for their clients to get things right and hard not to.

“ I work closely with the ATO in their dual roles as a creditor and administrator, ensuring the best outcomes possible for business, creditors, debtors, and the Australian community as a whole. ”

Behaviours and values from a segment perspective:

We understand our key role in assisting the business community with turnaround support through tough times, and protecting the interests of creditors and debtors, while working with the ATO to protect revenue and ensure the ongoing health of the Australian economy.

Make it easy:



Integrated digital services

I can easily fulfil my clients' tax and super obligations with access to enhanced online services..

This means:

- Insolvency and turnaround practitioners have increased opportunities to employ integrated software and digital record keeping that suits their business model and enables seamless interaction with the ATO.
- Practitioners are provided with a more complete picture of relevant client data, including all income streams, assets, bank data, and interactions and correspondence with government.
- Interactions between the ATO and practitioners are streamlined, and provide real-time indicators of processes, progress and outcomes, e.g. day one notifications and requests for documents.
- Pre-filled government data is used to improve interactions and increase efficiencies between practitioners, government agencies, and clients.
- There is a two-way flow of data between government and practitioners to improve the experience and outcomes of both parties.

One place to interact:



Single entry point

I can engage with government and my appointments are linked to my practice through a single and secure digital entry point.

This means:

- A Whole of Government strategy is used to facilitate data and intelligence sharing to improve the way practitioners work.
- A single point of registration allows practitioners to register for all government obligations; federal and state.
- Data is provided once. The ATO leverages data from Australian Securities and Investments Commission (ASIC) and Australian Financial Security Authority (AFSA) to streamline and automate processes and accesses, allowing for faster assessments, improved information sharing, increased data integrity and reduced manual handling.
- Authentication and access permissions are tailored and streamlined to allow practitioners and their staff quicker access to client data.

Getting what I need when I need it:



Right service, right time

I can access tax and super information across a range of channels at a time that suits me. I have access to expert ATO staff when the ATO is acting as a creditor or as a regulator.

This means:

- The ATO offers an integrated suite of services that enables insolvency and turnaround practitioners to readily participate in the tax and super system.
- ATO service standards are aligned with insolvency legislation and industry expectations.
- When practitioners interact with the ATO in their role as an administrator, staff have an appropriate level of capability to understand and address issues.
- Practitioners understand where to go to access specialised knowledge and support.
- When interacting with the ATO in their role as a creditor, practitioners have access to specialised services to address complex issues.
- As a creditor, the ATO considers practitioners' professional assessment of significant risk.
- The ATO is recognised as an active creditor by playing a visible and engaged role in the process; ensuring the greatest possible dividend for the community.

My circumstances are understood:



Tailored Engagement

Service offerings and communications are easy to understand, timely and tailored to my circumstances and preferences.

This means:

- The ATO uses its analytic capability and data to understand and identify businesses and individuals at risk (using outstanding lodgment and payment obligations as the primary indicators) and works with practitioners to achieve better outcomes, and improve the health of the Australian economy.
- The ATO includes in its strategy for managing payment obligations, a robust risk assessment process and practitioners understand the ATO's assessment of a taxpayer's risk to achieve a better outcome for creditors.
- The ATO recognises trusted professionals, and provides them with access to tailored services based on the type of administration, and relevant interactions (e.g. voluntary administration or DOCA), to streamline their interactions.
- The ATO uses specialist expertise to undertake risk assessment where appropriate.
- The ATO leverages off other partners in the system (e.g. tax professionals) to positively influence factors that cause insolvency.
- The ATO recognises community health and well being issues associated with turnaround and insolvency.

The value of conversation:



Excellent working relationships

I have an excellent working relationship with the ATO and we work together in supporting the tax and super systems, and influencing compliant behaviour.

This means:

- The ATO understands the diversity of the turnaround and insolvency industry, and works collaboratively with practitioners to achieve better outcomes.
- Two-way communication is built on trust and acknowledgement of a practitioner's professional integrity.
- The ATO maintains productive relationships with key government stakeholders (ASIC, AFSA, DoE) and professional associations (Australian Restructuring Insolvency and Turnaround Association (ARITA), Personal Insolvency Professionals Association (PIPA)) to ensure changes to the practitioner experience are managed cohesively. The relationship is transparent and the industry is kept well informed of any future impacts.
- Issues which have the ability to reduce confidence in the industry (e.g. pre-insolvency advice) are considered and addressed.
- New entrants to the profession are given adequate support and education to set up their practices.
- The ATO provides support and assistance to practitioners to help them transition to new digital services.
- The ATO engages early with insolvency and turnaround practitioners to understand and develop strategies to manage impacts of law reform on their interaction with the ATO.



I work with debtors and creditors, aiming to achieve the best outcome for everyone. I want to see creditors paid, and debtors treated fairly.

JANE STEVENS

Registered Insolvency Practitioner, Stevens & Smart Advisory

I recently started up a partnership with another insolvency practitioner. As a new business, we are trying to grow our business and increase our profile in the insolvency and turnaround industry. I focus on corporate insolvencies, while my partner focuses on personal insolvencies, and we aim to provide holistic services for all of our clients.

I worked for seven years in a larger insolvency firm, before deciding to strike out with a colleague and start our own business. I wanted more flexibility with how I did my work, as well as the challenge of running my own business, and the opportunity to diversify and grow my skills as an insolvency practitioner.

Starting out was hard. We were only able to take a handful of appointments to the new business, and found it difficult to get off the ground. Getting set up as a practitioner with government agencies was easy and we were able to spend a lot of time increasing our profile. Our registration information held with ASIC and AFSA was used by all government agencies to set up accesses and registrations, allowing us quick access to online systems.

We were also offered a face-to-face meeting with an ATO staff member, Kate, to work through the processes and procedures we need to deal with when the ATO is a creditor and/or a source of information that we need. We found this service really helpful. Kate has offered us ongoing support when we need it, and is a friendly face that we can bounce ideas off.

Digital interactions are important to us, and setting up our online access was easy. We just notify of our appointment, the type of appointment it is, and

verify our credentials. Once we did that, we were provided with all the information and functionality we need, including the ability to lodge on behalf of our clients, lodgement dates and history, progress of requests, and a running balance of account. We can also access a business viability tool to run a 'business health check', to help us work with clients to explore their options during the insolvency and turnaround process.

When I need additional information that the ATO holds, I simply lodge a request and the information is provided quickly and efficiently, allowing me to meet the deadlines for my appointments on time. Being able to act promptly allows me to help debtors and creditors achieve the best outcomes for them and the Australian community.

When there are changes to the insolvency landscape, I am kept well informed through industry associations, who have a close relationship with the ATO and other government agencies. They work collaboratively to ensure they fully understand the impacts to my business, and to help me to manage the change.

Starting my own business was daunting, but I'm glad I did it. The services and support provided by government helped me get off to a good start, and gave me time to focus on my business.

What the ATO does

- We work with software developers, professional and industry associations and insolvency and turnaround practitioners to design and implement practice software that provides:
 - Better integration with their clients and the ATO
 - Proactive and pre-emptive compliance (by sharing our risk indicators, profiles and business viability tools)
 - Functionality to complete routine tasks, such as information requests and lodgements.
- The services we provide are tailored; based on the behaviours and needs of insolvency and turnaround practitioners and their clients.
- We keep insolvency and turnaround practitioners informed on legislative changes, and connect and collaborate with practitioners to co-design solutions.

How the ATO behaves

- We have a service focus.
- We build trusted relationships.
- We get things done promptly and with purpose.
- We willingly share information, insights and experience and proactively raise issues with clients and their representatives.
- We collaborate with government and industry to work towards mutually beneficial outcomes.



CONSULTATION AND CO-DESIGN

INSIGHTS ON THE CURRENT EXPERIENCE FROM CLIENTS AND STAFF

INSOLVENCY & TURNAROUND PRACTITIONERS

- > I want an integrated suite of services that enables me to readily participate in the tax and super system.
- > I want the ATO to align its service standard with industry timeframes, to allow me to meet statutory requirements.
- > I want to be able to notify the ATO of my appointment and gain access to relevant client information, quickly and in the one place.
- > I want to be able to communicate with the ATO digitally for all interactions.
- > I want tailored services based on the type of administration I am conducting.
- > I want access to the right service at the right time, including access to specialised knowledge and support when I need it for complex issues.
- > When using online services, like the business portal, or my own software if I choose, I want more functionality, e.g. tracking interactions and viewing all account information.
- > I want to see the ATO as an active creditor in the administration process.