Submission Cover Sheet

Inquiry into Home Buyer Concession Scheme Administration

Submission number: 008

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Date authorised for publication: 13 August 2025

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Submission to the ACT Legislative Assembly Inquiry on ACT Revenue Office practices

Background

I owned a property at [redacted], from 2005 until I sold it in 2011 during a divorce. The property was in my sole name. Since then, I have moved several times, and during each move, I discarded old documents to reduce clutter.

In late 2022 more than a decade after selling the house I received an unsigned email from the ACT Revenue Office (ACTRO) stating that I "**may**" owe land tax on the property. The email lacked official branding and linked to a generic web form, making it appear like a phishing attempt.

A month later, I received a second email requesting evidence that I had lived at the property and giving me only seven days to respond. It warned that failure to comply could result in penalty tax of up to 90%. I was working full-time and did not have access to records from over a decade earlier.

ACTRO eventually issued a land tax assessment covering the entire ownership period despite the fact that I lived at the property for most of that time and only rented it out during my divorce. The assessment totaled over $11,000. Shocked, I called ACTRO to ask how this decision had been made. I was told it was based on data matching with the ATO and ACTEWAGL. They also claimed to have no record of my car registration or license being tied to the address.

I consulted my accountant, who confirmed that rental income reported in [redacted] tax returns related to a jointly owned property in Victoria not the [redacted], which was not in her name. Despite this, ACTRO used that data to justify the assessment.

I then began a time-consuming process to recover evidence. I found old photos showing car registration at the address, obtained confirmation from Access Canberra of my license and vehicle registration records, and located Amazon delivery dockets in my name. When I contacted ACTEWAGL, they advised that they do not retain records older than seven years and were unsure how ACTRO accessed such data and whether it is legal and complies with the privacy act to keep those records for such a long time.

I returned to ACTRO with this evidence but was told the matter was no longer with them and that I would need to file a formal objection.

I lodged the objection and submitted all the supporting documents. In late 2024, the objections officer acknowledged that the ATO data contained errors and agreed to reduce the assessed period to cover only December 2008 to mid 2011. However, they upheld the associated penalty tax and interest. I was told my only option to dispute that further was to appeal to the ACT Civil and Administrative Tribunal. The tax was then reduced to $6751

Key concerns

This process raised several key concerns as follows:

- **Unreasonable delay** – ACTRO sought to recover tax more than 13 years after the alleged liability. It is unreasonable to expect people to keep utility bills and other records for that long.

- **Ambiguous and intimidating correspondence** – The first notifications used tentative language ("you may have a liability") and lacked a named contact, while follow-up notices threatened very high penalties and allowed only a few days to respond. Queries were met with instructions to lodge formal objections rather than direct answers.

- **Reliance on flawed data** – ACTRO based its assessment on cross-agency data that contained clear mistakes. Rental income declared by a non-owner was applied to my property, and official records showing my residence were not retrieved until I provided them myself. Only through objection was the start date corrected.

- **Opaque calculations and harsh penalties** – The assessment did not explain how the figures were calculated, making it impossible to check their accuracy. Penalty rates of up to 90 % and retrospective interest were applied even though delays were due to ACTRO's own review program.

- **Erosion of trust** – Being required to dispute data gathered by the government itself particularly after receiving delayed and threatening notices has seriously undermined confidence in the fairness of the ACT Revenue Office. While ACTRO claims to serve citizens by offering streamlined digital services that "give us our time back," my experience reflects the opposite: a burdensome, opaque process that contradicts their stated values.

Recommendations

1. Introduce a clear limitation period for land-tax reassessments so liabilities are not pursued many years later.
2. Improve communications by clearly identifying correspondence as official ACT Government, providing a contact person, using plain language and avoiding threats in initial notices.
3. Verify data before assessing and resolve anomalies internally. The burden of correcting errors should not fall on taxpayers.
4. Explain calculations and moderate penalties. Assessments should include a simple breakdown of tax, interest and penalties, and interest should not accrue during long compliance reviews.

Conclusion

My experience highlights how delayed, ambiguous, and data-driven reassessments can place an unreasonable burden on ordinary citizens. I urge the inquiry to recommend reforms that ensure tax administration is timely, transparent, and proportionate so that public confidence in the system can be restored.

Additionally, this issue appears to extend beyond my case. A friend shared that he was recently required to pay a parking fine dating back over ten years. Despite being diligent about paying bills, he had no documentation to dispute it. He, like many others, believes the ACT Revenue Office is relying on the passage of time and lack of records to increase revenue placing the burden on citizens who are unable to defend themselves against outdated claims.

My details
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