QTON No. 8

Legislative Assembly for the **Australian Capital Territory**

Standing Committee on the Integrity Commission and Statutory Office Holders

Inquiry into Annual and Financial Reports 2023–24

Answer to question taken on notice

Asked by: Mr Andrew Braddock MLA

Addressed to: Mr Iain Anderson, ACT Ombudsman

In relation to: Historic debts

Hearing: 20 February 2025
Uncorrected Proof Transcript pp 15–16
Transcript provided: 24 February 2025
Answer Due: 3 March 2025

Mr Iain Anderson took on notice the following question(s):

MR BRADDOCK: Sorry, for ...(indistinct)...[1.57.08] In your annual report you referred to Better Practice Guides and how you contributed to one about how to tell people they owe the government money. I can imagine that is always a positive message. I have had one instance where an old debt was raised which was more than seven years in the past. And hence, the complaint was basically along the lines of, the tax office does not require records to be kept for this long, why is the government able to ask me for money when I have no records that apply to it?

Have you had any instances of complaints made to your office about that? And what is the best practice for that sort of situation?

Mr Anderson: We have had complaints about that, in the context of historic land tax assessments. And we are now engaging with the Revenue Office about that.

We – as commonwealth ombudsman, we did a report back in 2009 about the Australian Tax Office's practice of recovering historic debts. And the reason we did the more recent publication was because the Tax Office had started doing that again. And so we joined both – there was the ACT Ombudsman, the Commonwealth Ombudsman and with the Inspector-General of Taxation, the Taxation Ombudsman, to cover all three different areas of the public service. Because we saw that it is a practice that can occur in many ways, where agencies act in a way that makes sense, it is efficient of them, but it is not at all effective for the people subject to a debt.

And so the key principles are, communicate very clearly. Tell people the reasons for the debt, because people may not have any documentation still. Tell people how they can challenge the debt as well. Those are the key things. Communicate very clearly and make sure people have the ability to challenge that debt.

MR BRADDOCK: So is the ACT Revenue Office also signed up to this best practice guide?

Mr Anderson: Well we are having discussions with them about their practice with respect to issuing historical - well issuing assessments for historic land tax. We have not resolved that engagement. We have not finalised that.

THE CHAIR: And supplementary to that, are there any considerations beyond land tax or have you had any inquiries around historic debts that are not land tax?

Mr Anderson: In the ACT, I am not sure that we have had any.

Ms Ramsay: We have in relation to stamp duty as well.

THE CHAIR: Are you able to provide, maybe on notice, how many have related to those historic debts?

Ms Ramsay: Yes.

THE CHAIR: Thank you. Okay.

Mr Iain Anderson: The answer to the Member's question is as follows:

For the period of 1 July 2023 to 30 June 2024, the ACT Ombudsman received 35 complaints about the ACT Revenue Office. Twenty-four of those complaints related to debt collection, including:

- 12 to Land Tax debt collection (11 of which appear to be historical debts)
- 4 to Conveyance Duty (stamp duty) debt collection (3 of which appear to be historical debts)
- 8 to other debts (4 of which appear to be historical debts).

From 1 July 2024 to 25 February 2025, we received a further 17 complaints about the ACT Revenue Office. Nine related to debt collection, including:

- 2 to historical Land Tax debt collection, and
- 7 related to historical Conveyance Duty (stamp duty) debt collection.

The ACT Ombudsman has categorised the debts as 'historical debts' where the complainant has alleged they were unaware of a long standing debt until receiving notice from the ACT Revenue Office.

Approved for circulation to the Standing Committee on the Integrity Commission and Statutory Office Holders

Signature: Date: 28/2/25

By the ACT Ombudsman, Mr Iain Anderson