

QUEENSLAND TREASURY

Regulator Performance Framework Report

2023–24

QUEENSLAND
REVENUE OFFICE



Queensland
Government

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1.0 Ensure regulatory activity is proportionate to risk and minimises unnecessary burden

Supporting principles

- A proportionate approach is applied to compliance activities, engagement, and regulatory enforcement actions.
- Regulations do not unnecessarily impose on regulated entities.
- Regulatory approaches are updated and informed by intelligence gathering so that effort is focused on risk.

Queensland Revenue Office (QRO) uses a risk-based revenue management (RBRM) approach to guide decisions, allocate resources, optimise revenue, fine and debt collections, and achieve compliance outcomes.

QRO's RBRM framework incorporates best practices developed by the Organisation for Economic Co-operation and Development. This framework helps manage risks associated with client non-compliance and maintain the integrity of, and public confidence in, the revenue system.

QRO's compliance model and programs adopt a graduated response approach designed to make it easy for those who want to comply and to apply credible enforcement to those who don't. The risk treatment strategies QRO employs depend on the factors that drive specific compliance behaviours. QRO balances treatments from compliance and enforcement activities to targeted education and engagement activities that align with the compliance model. QRO publishes information online about its compliance approach.

In 2023–24, land tax processes were updated to simplify land tax administration for landowners. Where QRO has sufficient information available and is satisfied that a property is being used as a home, QRO now applies land tax home exemptions without the landowner needing to lodge an application and informs landowners once this is done. This process benefits taxpayers by minimising the action they need to take after the land value of their home exceeds the land tax threshold for the first time.

2.0 Consult and engage meaningfully with stakeholders

Supporting principles

- Formal and informal consultation and engagement mechanisms are in place to allow for the full range of stakeholder input and government decision making circumstances.
- Engagement is undertaken in ways that helps regulators develop a genuine understanding of the operating environment of regulated entities.
- Cooperative and collaborative relationships are established with stakeholders, including other regulators, to promote trust and improve the efficiency and effectiveness of the regulatory framework.

QRO has established collaborative relationships with industry bodies, interjurisdictional revenue offices, and where appropriate and possible, individual taxpayers.

The Commissioner of State Revenue has established committees to maintain cooperative and collaborative relationships. These include:

- Taxation Consultative Committee – the main consultative body assisting QRO to improve revenue administration. Membership comprises senior QRO staff and representatives of major tax, law, and accounting professional firms and industry associations.
- Resource Consultative Committee – the main consultative body assisting QRO to improve revenue administration as it applies to the resource industry. Membership comprises senior QRO staff and representatives of industry associations.
- Property Consultative Committee – the main consultative body assisting QRO to improve revenue administration as it applies to the property industry. Membership comprises senior QRO staff and representatives of industry associations.

QRO is represented on several interjurisdictional committees, providing a valuable network to collaborate and share information on revenue administration constructively and in a timely manner.

QRO is committed to client and stakeholder engagement to help improve the administration of Queensland's revenue system. In March 2024, QRO launched its refreshed Client Centric Strategy, reinforcing a commitment to putting clients at the centre of everything it does and fostering a positive client experience. The strategy establishes QRO's client centric objectives and identifies sources to help inform progress in meeting these.

Client engagement activities in 2023–24 included:

- educating clients on their obligations and entitlements through a range of tools including proactive media engagement, email and SMS campaigns, and social media
- approving 56 new community organisations to join the Hardship Partner Program; bringing it to 284 partners that can deliver Work and Development Orders with SPER debtors experiencing genuine hardship and unable to pay their debt; leading to the discharge of \$5.35M of penalty debt in 2023–24
- holding 24 payroll tax seminars attended by more than 900 in-person participants
- hosting 6 payroll tax webinars attended by more than 2,400 online participants
- managing 43 right to information / information privacy applications
- generating statewide media coverage through five proactive media campaigns for SPER enforcement activities, educating clients on their obligations and the consequences of not paying their debt
- raising the profile of SPER by increasing presence in the community and targeting early, proactive engagement and collection activities.

The annual QRO Client Satisfaction Survey is a key performance indicator used to gauge the experience and satisfaction of QRO clients in relation to the services provided. The survey reflects client satisfaction regarding quality, timeliness, fairness, information, staff knowledge, courtesy, accessibility and outcome. QRO achieved an overall satisfaction rate of 56% in 2023–24. Although this is a decline from the previous year's results, it is partly attributed to a change to QRO's client survey methodology, which has allowed for better representation across QRO's eligible client groups and QRO's capacity to administer effective revenue administration. There will be an increase to QRO's revenue administration capacity from 2024–25 following recruitment of additional frontline resources allocated under the 2024-25 State Budget.

3.0 Provide appropriate information and support to assist compliance

Supporting principles

- Clear and timely guidance and support is accessible to stakeholders and tailored to meet the needs of the target audience.
- Advice is consistent and, where appropriate, decisions are communicated in a manner that clearly articulates what is required to achieve compliance.
- Where appropriate, regulatory approaches are tailored to ensure compliance activities do not disproportionately burden particular stakeholders (e.g. small business) or require specialist advice.

QRO publishes step-by-step guides and tutorials for the online self-service and payment portal, QRO Online, and provides interactive tools that:

- assist clients to determine eligibility for a home concession, first home owner grant and land tax home exemption
- help payroll tax self-assessors to determine liability
- help to enter online transactions for vehicle registration duty and for transfer duty self-assessors
- help people estimate transfer duty and vehicle registration duty.

QRO publishes public rulings and practice directions. These evidence the Commissioner of State Revenue's legal interpretations and assessment practices which provides consistency and certainty for taxpayers. In 2023–24, 23 public rulings were published.

In 2023–24, as part of QRO's risk-based revenue management approach, a new compliance campaign was commenced in relation to the land tax foreign surcharge. A proactive engagement strategy was used to raise awareness of compliance obligations and support taxpayers to disclose any unpaid land tax liabilities, minimising their liability for interest and penalties.

QRO has an online chatbot called 'Sam' that provides a digital channel for clients to engage with QRO 24/7 on routine enquiries. QRO also uses social media to provide targeted education that supports clients in meeting their obligations, including LinkedIn and YouTube. The news board in QRO Online offers timely alerts in relation to key dates and changes that affect client obligations.

Various additions were made to the QRO website in order to make compliance effortless for its clients in the reporting period. A new section was added to assist those who have received camera detected fines or overdue toll notices find the information they need. An 'announcements' feature was also added, highlighting recent developments and activities across QRO's revenue, fine and penalty debt administration.

4.0 Commit to continuous improvement

Supporting principles

- Regular review of the approach to regulatory activities, collaboration with stakeholders and other regulators to ensure it is appropriately risk based, leverages technological innovation and remains the best approach to achieving outcomes

- To the extent possible, reform of regulatory activities is prioritised based on impact on stakeholders and the community.
- Staff have the necessary training and support to effectively, efficiently and consistently perform their duties.

As part of its legislative program, QRO continually reviews the legislation it administers with a view to progressing amendments necessary to maintain the legislation's currency and ensure its ongoing proper operation. A range of factors will be considered in prioritising amendments including, for example, the need to clarify the intended operation of the legislation to provide certainty for stakeholders, and government priorities.

In 2023-24, QRO continued progressing the Fine Modernisation Program (FMP), with the aim of streamlining fine administration and improving debt collection in Queensland.

QRO's Chief Revenue Counsel group provides advice to staff to assist with the administration of taxation, royalty and penalty debt legislation, as well as advising government on new revenue policy and legislation.

QRO provides comprehensive training to all staff on the legislation it administers, including online modules, and in-person and work-based learning. Training is delivered at induction for new staff and ongoing for existing staff to further develop and refresh their skills.

Training needs analysis is undertaken annually to identify opportunities for skill and capability uplift across QRO and to guide continuous improvement of training programs. QRO's annual Learning and Development Plan sets out the internal and external training and development programs that will be made available to staff.

5.0 Be transparent and accountable in actions

Supporting principles

- Where appropriate, regulatory frameworks and timeframes for making regulatory decisions are published to provide certainty to stakeholders.
- Decisions are provided in a timely manner, clearly articulating expectations and the underlying reasons for decisions.
- Indicators of regulator performance are publicly available.

The QRO Client Charter promotes an open and fair relationship with clients in accordance with the law. It outlines our commitment to clients, client obligations and service standards and applies to all compliance activities that we conduct. It is available on the QRO website.

Information about QRO's objectives, functions, activities and performance is available in Queensland Treasury's Annual Report and Service Delivery Statements. These provide budgeted financial and non-financial information and act as key tools to ensure QRO is accountable for its activities.

Certain decisions made by the Commissioner of State Revenue can be reviewed through a range of avenues. This includes formal objection to an assessment of tax or notice requiring repayment of a grant, then seeking further review by tribunals or courts if dissatisfied with a decision to an objection. Clients can also seek assistance from the Queensland Ombudsman.

For reviews under part 6 of the *Taxation Administration Act 2001*, the Commissioner must give written notice on deciding an objection. The notice must set out the reasons for the decision, rights to appeal and review, and the period in which an appeal or review must be filed.

Online forms are available for clients to submit a complaint or compliment about QRO's administration or quality of service. QRO's goal is to resolve complaints within 30 days. If clients are not satisfied with the resolution of the

complaint, they can ask for an internal review. Information about customer complaints for Queensland Treasury, which includes complaints for QRO, can be found in Queensland Treasury's Annual Report.



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