



Government
of South Australia

TRS21D0813

Treasurer

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Hon Stephen Mullighan MP
Member for Lee
Unit 1, 62 Semaphore Road
SEMAPHORE SA 5019

lee@parliament.sa.gov.au

A handwritten signature in blue ink, appearing to read 'Stephen'.

Dear Mr Mullighan

APPLICATION UNDER THE *FREEDOM OF INFORMATION ACT 1991*

I refer to your application made under the *Freedom of Information Act 1991* (the Act), dated 9 April, 2021.

Your application seeks access to:

"All minutes, briefings and correspondence titled 'Land tax - Billing update, trust surcharge and data matching issues' as described on the Objective document management system." From 26 October 2020 to 9 April 2021.

The purpose of this letter is to advise you of my determination. An extensive search was conducted within this office. A total of 2 documents were identified as answering the terms of your application.

I grant you access in full to 1 document; a copy of which is enclosed.

I grant you access in part to 1 document; a copy of which is enclosed.

Document Released in Full

Document 2

Document Released in Part

Document 1

Clause 12(1) of Schedule 1 to the Act states that a document is exempt from release if 'it contains matter the disclosure of which would constitute an offence against an Act'. Section 80 of the *Taxation Administration Act 1996* (TAA) provides that tax officers may not disclose information obtained under or in relation to a taxation law unless permitted.

Sections 78 and 79 of the TAA Act consider permitted disclosures, such as information of a general nature. Whilst the majority of Document 1 concerns information of a general nature, there is information which identifies taxpayers. It would be an offence under the TAA to release this information.

I therefore determine this information exempt pursuant to clause 12(1).

Document 1 also contains information which was provided by a third party to RevenueSA. If disclosed, this could potentially affect the relationship with that third party, with the future supply of information to RevenueSA necessary to undertake its functions.

I therefore determine this information exempt pursuant to clause 7(1)(c).

Exemptions

Clause 7 – Documents affecting business affairs concerning

(1) *A document is an exempt document—*

(c) *if it contains matter—*

- (i) *consisting of information (other than trade secrets or information referred to in paragraph (b)) concerning the business, professional, commercial or financial affairs of any agency or any other person; and*
- (ii) *the disclosure of which—*
 - (A) *could reasonably be expected to have an adverse effect on those affairs or to prejudice the future supply of such information to the Government or to an agency; and*
 - (B) *would, on balance, be contrary to the public interest.*

Clause 12 – Secrecy Provisions

(1) *A document is an exempt document if it contains matter the disclosure of which would constitute an offence against an Act.*

Please note, in compliance with Premier and Cabinet Circular PC045 - *Disclosure Logs for Non-Personal Information Released through Freedom of Information* (PC045), the Department of Treasury and Finance is now required to publish a log of all non-personal information released under the Act.

In accordance with this Circular, any non-personal information determined for release as part of this application, may be published on the DTF website. A copy of PC045 can be found at the following address: <https://dpc.sa.gov.au/resources-and-publications/premier-and-cabinet-circulars>. Please visit the website for further information.

As I am determining this application as Principal Officer, section 29(6) of the Act does not provide for an internal review. If you are dissatisfied with my determination you are entitled to exercise your rights of external review with the Ombudsman.

Alternatively, you can apply to the South Australian Civil and Administrative Tribunal. If you wish to seek a review, section 39(3) of the Act states you must do so within 30 calendar days of receiving the determination.

If you require any further information, please contact Vicky Cathro on (08) 8226 9769.

Yours sincerely



Hon Rob Lucas MLC
Principal Officer

16 May 2021

Att.

Schedule of Documents

TRS21D0813 - Land Tax - Billing Update, Trust Surcharge and Data Matching Issues

Doc. No.	Date	Description of Document	# of pages	Determination Recommendation	Exemption Clause	Reason
1	14/01/2021	Briefing to Treasurer from Commissioner of State Taxation	3	Released in part	12(1) - Disclosure would constitute an offence against an Act	
					7(1)(c)(i)(ii)(A)(B) - Contains information concerning the business, professional, commercial or financial affairs of any agency or person & contrary to public interest	
2		Attachment to Document 1	1	Released in full		

RELEASE IN PART

OFFICIAL: Sensitive

MINUTE

14/01/2021
File No: T21/055
Physic: T21/00084



MINUTES forming ENCLOSURE

File REV16/1386

Doc No A1681975

To The Treasurer

LAND TAX – BILLING UPDATE, TRUST SURCHARGE AND DATA MATCHING ISSUES

Timing: ROUTINE — For information only

Recommendations/Issues: It is recommended that you:

- Note the land tax billing update and delay in billing large ownerships, and
- Note the trust surcharge and data matching issues and treatment of similar issues in the future.

Noted

Rob Lucas

Hon Rob Lucas MLC
Treasurer

21 / 1 / 21

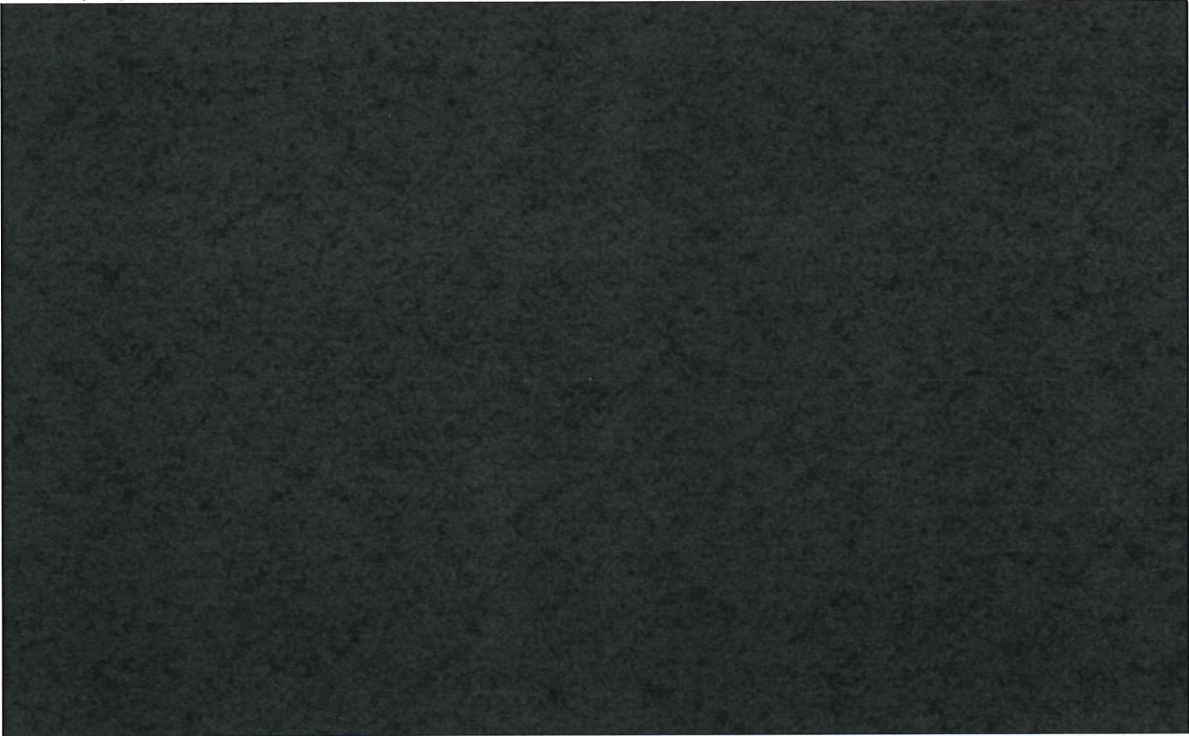
Key Points:

Land Tax Billing

- Mass land tax billing has been completed and approximately 30,800 land tax Notices have been issued.
- Due to the volume of trust notifications received, all requiring review and processing by a taxation officer (approximately 16,000), and the complexity of system development required to process the range of trust types, there are a large number of trusts that have not yet been billed (received their Notice of Assessment). To address this RevenueSA will run weekly billing runs commencing 11 January 2021 capturing the ownerships where land is held on Trusts that have been processed in the prior week.
- The introduction of the corporate grouping provisions within the *Land Tax Act 1936* has created ownerships larger than was originally anticipated resulting in further complexity and IT system development across both RevenueSA Online and RIO. This work is under development and I anticipate issuing Notices of Assessments for these large corporate groups by the end of January 2021.



Trust Surcharge Issue

- On 11 December 2020, during the billing run the RIO team identified a small number of errors when trust data was electronically transferred into RIO. To address the issue and enable the batch of Notices to be created a workaround by RevenueSA was put in place which resulted in a small number of incorrect assessments.
 - On 12 and 13 December 2020, the first land tax Notices for land held on trust were generated with 318 Notices issued. Taxpayers that elected to receive their Notice via email received their Notice over the weekend whilst taxpayers that elected to receive their Notice via post will start receiving them from 18 December 2020.
 - On 14 December 2020, during RevenueSA's usual post billing checks, it was identified that the RIO trust indicator, and therefore the trust surcharge, had not been applied to some trust parcels in newly created trust ownerships. The source of this error was traced to the workaround manual transfer function that had taken place. This meant that the parcel was not subject to the trust rate as part of the tax calculation. As a result, the liability calculated on the Notice is less than it should be.
 - RevenueSA has confirmed that the manual transfer function should not be used for this purpose and will cease this practice for trust parcels.
- 

- The four incorrect Notices have been re-issued with a letter included (Attachment A).

Data Matching Issue

- On 23 December 2020, whilst investigating a potential share portion discrepancy, it was identified that a small number of incorrect Notices had been generated, the source of the issue was data matching rather than a system issue.

- Further investigation confirmed that the data issues have arisen as a result of:

o

[REDACTED]

clause 7(1)(c)

o

[REDACTED]

- o Incorrect natural person aggregations as a result of erroneous data entry by either the taxpayer or tax officer in RevenueSA Online.
- o Incorrect natural persons being aggregated based on a taxation officer review where either similar/same names are present, or 2 of 3 names are common and there is an exact address match, when in fact they are separate individuals (e.g. father and son with the same name and living at the same address).

The incorrect Notices will be reassessed and re-issued with a covering letter.


[REDACTED]

Julie Holmes

Julie Holmes
COMMISSIONER OF STATE TAXATION

14 / 01 / 2021

Contact Officer:	Julie Holmes
Telephone:	63676
Email address:	Julie.holmes@sa.gov.au

Supported / Not Supported

David Reynolds
<u>CHIEF EXECUTIVE</u>
Department of Treasury and Finance
Date: 14 / 1 / 21

RELEASE

OFFICIAL: Sensitive

Attachment A

Our Ref:

Xxxxx

Xxxxxx

xxxxxx

Property Services

Ground Floor
State Administration Centre
200 Victoria Square East
Adelaide SA 5000

GPO Box 1647
Adelaide SA 5001
DX 179

Enquiries: Land Tax
Telephone: (08) 8204 9870
Email: landtax@sa.gov.au

Dear Sir/Madam

LAND TAX ACT 1936

Ownership No: xxxxxxxx
Assessment No: xxxxxxxxx

I refer to your 2020-2021 Land Tax Assessment issued on xxxxx.

It has been identified that the land tax liability the above ownership was incorrectly calculated, resulting in an incorrect amount payable.

This has now been fixed and a new Land Tax Assessment is enclosed.

RevenueSA apologise for any inconvenience that this has caused.

Please contact this Office on (08) 8204 9870 if you have any further queries.

Yours faithfully

for COMMISSIONER OF STATE TAXATION

OFFICIAL: Sensitive

