

Applying for compensation

To apply for compensation, complete the attached application form and attach all relevant documentation to support your claim.

Send your claim to the Australian Taxation Office (ATO) address listed at the end of the form.

ASSESSING A CLAIM

There are two ways we assess a claim for compensation.

They are:

- compensation for legal liability (for example, negligence), or
- compensation for detriment caused by defective administration.

If compensation is not payable in either of these circumstances, you can apply for an act of grace payment. Act of grace payments are administered by the Department of Finance and Deregulation, not the ATO.

Service standards

Your claim will be processed in line with our internal service standards. We aim to acknowledge receipt of your compensation claim in writing within five business days of receiving it.

We aim to finalise claims as quickly as possible and within 56 days of receipt by the ATO General Counsel unless:

- in light of the nature of the issues raised and the complexity of the claim, more time is required, or
- you have requested more time to submit material in support of your claim.

In both of these cases, we will provide to you in writing a timeframe for the conclusion of your claim.

If you have not provided us with all the information we need to make a decision on your claim, we will tell you what further information is required.

If the problem with the ATO that has led you to claim for compensation has not been resolved, your claim will not be considered until the problem has been resolved.

➤ MORE INFORMATION

If you require further information to complete this form:

- refer to the instructions on the next page
- visit ato.gov.au
- email compensation.application@ato.gov.au
- phone our toll-free compensation assistance line on **1800 005 172**.



Reviewing the decision

There is no automatic right of internal review of compensation decisions. Internal review of compensation decisions is offered in limited circumstances where claimants can provide new and relevant information in support of their claim.

If you are dissatisfied with our compensation decision, you can request the Commonwealth Ombudsman to review the matter. The Ombudsman may investigate complaints related to tax administration, including the handling of compensation claims. The Ombudsman can make recommendations about compensation decisions, but has no power to overturn or vary an agency's decision.

You can contact the Ombudsman for the cost of a local call on **1300 362 072**.

GUIDE FOR COMPLETING THE COMPENSATION APPLICATION FORM

Question 1 Applicant

Any individual, company or other organisation can submit an application for compensation under the Compensation for Detriment caused by Defective Administration (CDDA) scheme. The application can be submitted either directly or through a third party, such as a legal or tax professional. If you are a legal or tax professional claiming on behalf of a taxpayer, you should provide your details and your client's details in this section – for example, ABC Accounting on behalf of John Smith.

Question 2 Tax file number (TFN)

Where your claim relates to the ATO's management of your tax affairs, we recommend that you provide your tax file number (TFN). This will assist in processing your claim with minimum chance of error or delay. If appropriate, you may quote your Australian business number (ABN) or your Tax Agent Number (TAN) instead. You should make clear what identifier you are quoting. If you are claiming on behalf of another individual or entity, you should provide the TFN or ABN of the individual or entity on whose behalf the claim is being made, rather than your own.

Question 3 Postal address

You should provide full details of your postal address.

Question 4 Residential address

You should provide full details of the residential or registered address of the individual or entity who is seeking compensation if different from the postal address.

Question 5 Contact details

You should provide a contact number during business hours. You may request the ATO to deal directly with your professional adviser – if this is the case, make it clear in this section who you would like the ATO to contact or write to.

Question 6 Account details

If your claim is successful, compensation will be made by way of electronic funds transfer (EFT) to your nominated financial institution – this is the preferred method of payment. Alternatively, if you require a cheque, you should indicate the name of the payee. Note that cheques take longer to process.

Question 7 Why do you think you are entitled to compensation from the ATO?

You should provide clear and concise details of the actions of the ATO that you consider have caused your loss and specify the nature and type of evidence you consider supports your claims. If you need more space for this information, please attach a separate sheet to your claim.

You should note that:

- a claim or allegation that is expressed too generally or broadly is difficult to assess
- a claim or allegation should be supported by evidence – a claim or allegation, no matter how serious it is, or how strongly or genuinely it is expressed, is not evidence of itself, and
- if a document is relied on as evidence, the document or the material part of the document should be provided and the relevant parts clearly identified.

Visit our website ato.gov.au for more information on how your claim will be assessed.

Question 8

List and attach copies of any relevant documentation (such as invoices or statement) in support of your claim.

Compensation will be calculated on the basis of what is fair and reasonable in the circumstances (the ATO's assessment of what is fair and reasonable may differ to yours).

Generally, you should:

- detail the financial losses you consider the actions of the ATO have caused you
- explain how you consider those losses were directly caused by the acts of the ATO
- specify what steps or action you have taken to reduce or minimise this loss, and
- specify the nature and type of evidence you consider supports the claim for this loss.

It is important to note that professional fees and any other costs incurred in the preparation and pursuit of a claim are generally not compensable.

Visit our website ato.gov.au for more information on losses for which compensation can be considered. If you need more space for this information, attach a separate sheet.

Question 9

Have you commenced legal proceedings in relation to this compensation claim?

If you have commenced legal proceedings in relation to **tax issues** which are also the subject of your claim, provide details in this section. If you have commenced **other proceedings** in relation to this claim, provide details, including the name of the court and the plaint number. In either of these cases, if your matter is ongoing we may not be able to consider your claim for compensation until the matter is finalised.

Question 10

If you are not seeking monetary compensation, explain how you would like your claim to be addressed?

For example, you may be seeking a written apology and a full explanation of the circumstances of your case.

OUR COMMITMENT TO YOU

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information in this publication and it turns out to be incorrect or misleading, and you fail to comply with the law as a result, we must still apply the law correctly. However, we will take the fact that you followed our information into account when deciding what action, if any, we should take.

If you make an honest mistake in trying to follow our information in this publication and you fail to comply with the law as a result, we will take the reason for the mistake into account in deciding what action to take.

If you feel that this publication does not fully cover your circumstances, or you are unsure how it applies to you, you can seek further assistance from us.

We regularly revise our publications to take account of any changes to the law, so make sure that you have the latest information. If you are unsure, you can check for more recent information on our website at ato.gov.au or contact us.

This publication was current at **January 2015**.

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Canberra
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JS 33414



Compensation application

WHEN COMPLETING THIS APPLICATION

- Print clearly in BLOCK LETTERS using a black pen.
- Place in all applicable boxes.

Applicant details

1 Applicant

Company or entity name

Individual name

Title: Mr Mrs Miss Ms Other

Family name

First given name

Other given name/s

2 Australian tax file number (TFN)

OR

Australian business number (ABN)

OR

Tax agent number

i Where your claim relates to your taxation affairs the ATO is authorised by law to request your TFN. You are not obliged to quote your TFN, but not quoting it could increase the chance of delay or error in the processing of your application.

3 Postal address

Suburb/town/locality

State/territory

Postcode

4 Residential address (if different from your postal address)

Suburb/town/locality

State/territory

Postcode

5 Contact details

Business hours phone number

Mobile phone number

Fax number

Email address

Bank account details Only complete this section if you are seeking financial compensation.

6 Financial institution account details for compensation

Funds will only be paid directly into a recognised financial institution account located in Australia. The account details provided must be held by you (solely or jointly) or your registered tax agent or a legal practitioner acting as trustee or executor for you.

BSB code (must be 6 digits)

Account number

Account name

Compensation claim details

7 Why do you think you are entitled to compensation from the ATO?

Please set out the circumstances of any alleged ATO wrongdoing that resulted in your claim. Include dates, details, State or Territory and ATO business area involved. If you need more space for this information, attach a separate sheet.

8 List and attach copies of any relevant documentation in support of your claim, such as invoices or statements.

In dollar terms, state how much compensation you are claiming \$ €

9 Have you commenced any legal proceedings in relation to this compensation claim?

No Yes Provide details below.

10 If you are not seeking monetary compensation, explain how you would like your claim to be addressed? (for example, a written apology)

Privacy information

The ATO needs this information to help us process your claim. Where authorised by law to do so, we may give this information to other government agencies. These agencies could include the Department of Finance and Deregulation (eg if you also make an Act of Grace claim) and the Commonwealth Ombudsman (eg if you seek a review of our decision).

For information about your privacy go to ato.gov.au/privacy.

Name of signatory

Signature

Date

Day	Month	Year
□□	/ □□	/ □□□□

Lodging your application

You can mail or fax this application to the following address:

- Mail
ATO General Counsel
Australian Taxation Office
GPO Box 4889
Sydney NSW 2001
- Fax
1800 005 173
- Email
compensation.application@ato.gov.au