



21 March 2024

[Redacted]
[Redacted]
[Redacted]

Dear [Redacted]

Thank you for your request made under the Official Information Act 1982 (OIA), received on 22 February 2024. You requested the following:

The original question was whether you can advise if specific debts imposed through the courts had been paid. Thank you for clarifying that you cannot provide information on specific cases. I have a subsequent question, which is whether it is possible for you to provide a more generic response that would not identify a particular taxpayer? For example, could you provide an aggregate figure of how much of the top 10 or 20 debts (imposed through the courts as a result of criminal tax activity) had been paid.

As a separate query, can you advise how many staff worked on tax crime investigations over the period from 2016/17 to 2022/23 please? I note that an OECD report has this separately identified from FTE staff numbers (page 52 of Fighting Tax Crime: The ten global principles)

Inland Revenue can provide generic data in response to requests under the OIA if the data cannot be used to identify an individual taxpayer. Each request must be individually considered to ensure the information provided is useful while remaining anonymous.

The following table outlines the aggregate totals awarded and amounts paid for the current top 20 reparation orders recorded since October 2021, when Inland Revenue began tracking payments through our new computer system.

	Total reparation awarded	Total payments received
Top 20 cases	\$1,788,283.98	\$512,318.62

In response to the second part of your request, it may help if I provide some background.

Right from the start compliance approach

Taking a 'right from the start' approach means supporting customers before issues arise. Due to Business Transformation, Inland Revenue gained new analytical tools and capabilities that enabled smarter decisions about where to focus resources and to take a more proactive approach to helping people get it right. Compliance activities are now better targeted through cost-effective early interventions such as advice and information, and by giving customers the

opportunity to review their tax affairs to either confirm they are in order or to submit a voluntary disclosure.

Since 2018, Inland Revenue has progressively made changes to its operating model. These changes have included establishing new business groups, moving people to broad-based roles, and devolving decision-making to empower our front-line people to resolve issues for customers as quickly as possible. As a result of these changes, the people previously working in investigations or prosecution roles in the Service Delivery group have moved to broad-based capability roles in our Customer and Compliance Services (CCS) business groups.

As such, Inland Revenue does not have a separate investigative team, or specific 'investigator' role descriptions. Investigation is one part of our compliance activity. Compliance activity can include contacting customers; seeking more information; supporting customers to do the right thing; talking to third parties; negotiating repayment options; audit activity; and legal action when necessary.

Therefore, your request for the number of staff undertaking work related to tax crimes is refused under section 18(g) of the OIA – the information requested is not held by the department and I have no grounds for believing the information is held by or more closely connected with the functions of another department.

In the spirit of the OIA, as the best approximation, Inland Revenue can provide, outlined in the table below, the audit hours for the years requested.

Financial Year	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Audit hours	543,870	586,571	401,869	231,427	201,924	67,095	112,795

Audit hours have fluctuated significantly as Inland Revenue has introduced new systems, managed COVID responses, and is returning to a more balanced compliance work-programme.

The decrease in audit hours from the 2019/20 year is a result of Inland Revenue implementing the 'get it right from the start' compliance approach and short-term shift in priorities.

Right of review

If you disagree with my decision on your OIA request, you can ask an Inland Revenue review officer to review my decision. To ask for an internal review, please email the Commissioner of Inland Revenue at: CommissionersCorrespondence@ird.govt.nz.

Alternatively, under section 28(3) of the OIA, you have the right to ask the Ombudsman to investigate and review my decision. You can contact the office of the Ombudsman by email at: info@ombudsman.parliament.nz.

If you choose to have an internal review, you can still ask the Ombudsman for a review.

Publishing of OIA response

We intend to publish our response to your request on Inland Revenue's website (www.ird.govt.nz) as this information may be of interest to other members of the public. This letter, with your personal details removed, will be published in its entirety. Publishing responses increases the availability of information to the public and is consistent with the OIA's purpose of enabling more effective participation in the making and administration of laws and policies and promoting the accountability of officials.

Thank you for your request.

Yours sincerely



Tony Morris

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