

## **PUBLIC RULINGS CUSTOMER FEEDBACK SURVEY 2009**

Earlier this year, we ran an online customer survey. The aim was to explore ways of improving our public items and our consultation and publication processes, so we can assist in improving compliance for taxpayers and their agents.

Thank you to all those who took part in the survey – your comments have been very useful. 86% of you thought that, generally, we are doing a good job (see “Overall rating of Public Rulings service”, below). However, there is plenty of room for improvement, so below is a list of actions we will take based on the feedback and suggestions you have made.

### **Improvements to our service as a result of the survey**

Most of your comments and suggestions for improvement concerned timeliness, communication (including the Public Rulings work programme), and brevity/clarity of items. Our planned improvements are shown below under those headings. These improvements will be implemented as soon as possible during the year to 30 June 2010 and are the focus of the Public Rulings 2009/10 business plan.

#### **Timeliness**

We will:

- Publish the Public Rulings annual work programme on the Inland Revenue website, with an indication of timeframes, current status of projects and contact details.
- Investigate the development and implementation of standard timelines for different types of public items and by complexity (low, medium, high). Initially, standard time lines will be trialled and refined internally; we plan to convert these into external performance standards for the 2010/11 financial year.
- Continue to improve our project planning with a focus on improving processes to speed up delivery. The new Programme Coordinator role (in place since late 2008) will assist with this: the position is dedicated to running the work programme, assisting in project planning and monitoring, and ensuring deadlines are met.
- Trial and then adopt different ways of completing technical projects in a more timely way, while maintaining a high level of technical quality.
- As a matter of best practice, strive to ensure that expiring public rulings are reviewed, and where appropriate, reissued before the expiry date (and if possible for an indefinite period, where the law is now quite settled and no substantial changes are required).

#### **Communication**

We will:

- Seek more opportunities to inform people about who we are and what we do (suggestions include NZICA branch meetings/SMART Tax groups).

- As part of the consultation process, phone commentators to see if they wish to discuss their submissions, and offer them the opportunity to be updated on progress.
- Explore improving communication with medium-sized firms/tax agents to ensure that we are working on issues relevant to them/their clients and that they are aware of draft and issued items.
- Routinely identify and communicate early with industry groups whose members may be affected by, or have an interest in, a particular item.
- Work to improve the presentation and availability of Public Rulings information and public items on the Inland Revenue website.

### Work programme

We will:

- Build on existing networks, including with NZICA and NZLS, to ensure interested external parties are involved with the selection of issues for public items.
- Communicate our draft annual work programme more widely for consultation.
- Make it easier for people to submit issues for consideration through our website and rulings email address.
- Test the relevance of items with possible users (Is the item commercially relevant? Does it assist with compliance?).

### Brevity / clarity

We will:

- Wherever possible, include in, or accompany with an item a simple statement of the issue and why it is of concern/interest.
- Wherever possible, state the answer or the key conclusions in an item as succinctly as possible at the beginning.
- Use a standard layout for items, including cross references, case and legislation lists (more like Australian Tax Office rulings).
- Issue more public rulings, where possible.
- Issue more short "Questions We've Been Asked" items, where appropriate.
- Insert a diagram of the arrangement where this would be helpful.
- Include more examples and illustrations of the issues being addressed, including on "grey areas", where possible.
- Wherever possible, use a clearer and less legalistic style of writing.

## Response highlights

### Access to public items

"Email is the most efficient option - easy to forward to others if needed, delete if not relevant, save for future ref without having to print."

"IRD website – easy to access."

"It is essential to carry on the TIB in its current printed format."

The most popular forms of access were electronically by way of emailed attachments and the Inland Revenue website. However, a preference was also expressed for the convenience of hard copies, particularly the printed TIB.

### The best things about Public Rulings service

"Its high commitment to quality and thorough research."

"...quick and easy source of good legal help in sometimes complex areas."

Recurring themes in the responses were: authoritative, indepth research and analysis, certainty, clarity, up to date.

### Areas that Public Rulings service needs to improve on

"Timeliness - we need to know IR's views on important issues in a more timely fashion."  
 "Length - it takes a long time to read the long winded items. Can you find a way to put the answer up front."  
 "Simplicity; better & more relevant examples – particularly ones that cover grey areas."

Many respondents are dissatisfied with our timeliness, especially in finalising drafts that have been out for consultation. Other comments raised questions of brevity, simplicity, and relevance.

### Overall rating of Public Rulings service

	Poor		Good		Excellent
	1	2	3	4	5
Number	3	15	51	47	9
Percentage	2%	12%	41%	38%	7%

### Inland Revenue should issue more public rulings and statements

"The more guidance the Dept can provide the taxpaying community, the better."

	Yes	No	Don't know
Number	64	14	44
Percentage	52.5%	11.5%	36%

### Further comments to help Public Rulings improve its products and processes

"Would be useful to know (and contribute to) the work programme for rulings."  
 "Be proactive and open in planning and let us know what and when issues as part of a big picture will be dealt with and at each step what effect this has on the overall picture...."  
 "Keep it short, practical and timely!"

### Suggestions for topics/issues for new public items

Suggestions included: Non Resident contractors; finalise BG 1 statement; more items directed to small business issues; GST and relationship property; tainted capital gains; clarification of GST exempt and zero-rated supplies; income splitting; associated persons rules.

### Respondents' details

Small to medium sized tax agent/advisor	36.7%
Large tax agent/advisor – employee	12.5%
Large tax agent/advisor – principal	4.2%
Small to medium taxpayer	7.5%
Large corporate taxpayer	9.2%
Inland Revenue staff member	17.5%
Other	12.5%

Statement	Responses	1 Never	2	3 Sometimes	4	5 Always	Total
Your published items are relevant and useful for me and my clients	Number	2	7	60	60	18	147
	%	1	5	41	41	12	100
If you were to ask me how frequently I use your published items my response would be	Number	5	12	73	42	14	146
	%	3	8	50	29	10	100
The quality of your products demonstrates sound technical thinking, research and analysis	Number	1	6	30	91	15	143
	%	1	4	21	64	10	100
Your published items reflect impartial decision making, consideration of all arguments and viewpoints	Number	0	13	50	65	10	138
	%	0	9	36	47	7	100
Your published items are easy to understand and apply	Number	0	17	59	60	4	140
	%	0	12	42	43	3	100
Your published items are relevant to my or my clients' tax situations	Number	1	6	74	52	7	140
	%	1	4	53	37	5	100
Your published items assist in removing uncertainty and in improving compliance	Number	1	17	52	57	7	134
	%	1	13	39	43	5	100
The presentation and format of your public items is very good	Number	2	16	35	69	12	134
	%	1	12	26	51	9	100
Your timeliness in completing public items is very good	Number	7	39	52	33	3	134
	%	5	29	39	25	2	100
If you were to ask me how frequently I provide comments on your exposure drafts, my response would be	Number	46	29	44	14	2	135
	%	34	21	33	10	1	100
It is desirable to have the opportunity to comment on your exposure drafts	Number	0	3	30	31	67	131
	%	0	2	23	24	51	100
Your usual consultation period of 4-6 weeks is adequate to think about the issues and provide comment	Number	4	7	41	54	25	131
	%	3	5	31	41	19	100
When I provide comments, you communicate well with me during and after the consultation process	Number	12	16	31	41	8	108
	%	11	15	29	38	7	100
I feel that my feedback on drafts has been appreciated and fairly considered	Number	14	18	35	37	6	110
	%	13	16	32	34	5	100