

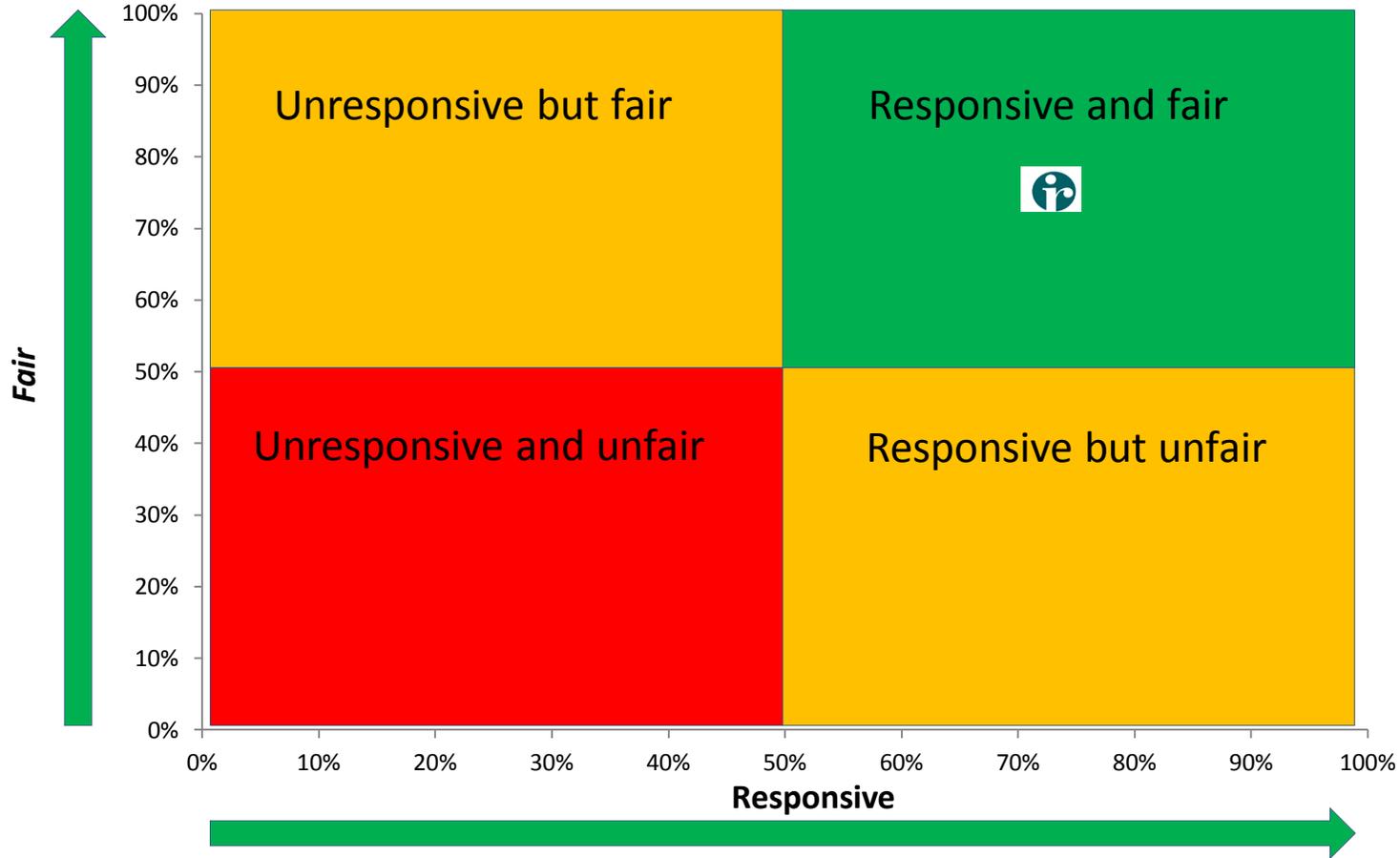


# What consumers want from the IRD

# What consumers expect from the IRD

- Fairness not fear
- Timeliness
- Help not hindrance
- Accessible website
- Someone who answers the phone
- Accuracy if you forego putting in a return
- Protection of private information
- Transparency

A Consumer NZ poll of members and the public shows a majority of Kiwis have a positive outlook towards the Inland Revenue Department. Five out of seven view it as 'responsive' (71%) and three quarters regard it as 'fair' (75%).



Poll was conducted online between 5 and 10 June 2014

Statements	%	Count
The IRD is Unresponsive and Unfair	15%	92
The IRD is Unresponsive but Fair	14%	85
The IRD is Responsive but Unfair	11%	66
The IRD is Responsive and Fair	61%	375
<b>Total</b>	<b>100%</b>	<b>618</b>



Making decisions easy

Q: Which statement best describes the Inland Revenue Department – in your opinion?

Number of responses = 618

# This is what they said

- The ease of filling in an IRD form on the internet and the rapidity of the refund
- *First time this year I used online entry for my IR3 return. Very easy to use and I was amazed how quickly my refund was processed and paid into my account*
- Filing this year's IR3 return online in about 15 minutes, being told at the time I was entitled to a tax refund, and seeing it in my bank within 2 days

# This is what they said

- I phone the IRD on a fairly regular basis and I have always found them to be quick to respond to both my phone calls and my requests. They are very helpful and friendly. It was a very different story before they had their big shake up. Now they are fantastic to deal with.
- *Using their website, easy to follow and fast to do*
- Their online system is fantastic

## But there's more

- Great recent online filing, followed by a quick efficient and friendly phone conversation with a real person. Mind you, they owe me money rather than the other way round, at least for the moment
- *Good phone contact when seeking advice on our GST payments. Friendly and knowledgeable staff. No complaints from me. Also, website is very user friendly*

# But...

- Honestly, I have very little to do with the IRD, I use one of those online refund websites to do my annual return, and other than that, I can't think of the last time in 10 years I had to speak to them or they had cause to speak to me. They just don't feature in my life
- *It's an organisation where one large set of rules is applied to all of the population, which means it can be sluggish and some people fall through the cracks. It's definitely improving efficiency through online services. I filed a nil GST return by accident and using the online system it was fixed within a week*

# So why the rise of tax refund businesses?

“Fairness and integrity are key principles of the tax system.” *Former deputy commissioner Carolyn Tremain*

- Large numbers of consumers don't need to file returns but is the system fair?
- Refund businesses flourishing because tax take is tipped in the IRD's favour
  - Commerce Commission warned two of the big ones for Fair Trading Act issues
- One-third of people have come back into the system because of that

# Do we need to rethink tax?

Rather than expose consumers to tax refund companies

- Why not tax better in the first place – tip the balance back in favour of the consumer so snuff out these businesses for simple tax payments?
- Encourage people to do their own returns if they want to
- Avoid being punitive if the outcome is a consumer owes tax

# The Future

How often should people interact with the IRD

- What's sacred about annual returns?
- If people trusted the IRD (and it seems they do), they might be happy to interact more often

How will it cope with more people buying online and the issue of GST?

- A political question but the IRD is charged with having a view

Should the IRD be a social welfare agency collecting and monitoring arrangements like child support, student loans, family tax credits?

# Different strokes – the digital divide

- Phone access is important – sometimes faster to sort out issues
- BUT encourage people to use web services – particularly filing online
- Using IRD calculators
- And forms

