



Gazette notice: Commissioner of Taxation – Notice of a residential investment property loan (RIPL) data-matching program 3 April 2023

The Australian Taxation Office (ATO) will acquire residential investment property loan data from authorised financial institutions for 2021–22 through to 2025–26.

The data items include:

- client identification details (names, addresses, phone numbers, dates of birth, etc)
- account details (account numbers, BSB's, balances, commencement and end dates, etc)
- transaction details (transaction date, transaction amount etc).
- property details (addresses, etc)

We estimate that records relating to approximately 1.7 million individuals will be obtained each financial year.

The data will be acquired and matched against ATO records for:

- education and online services, RIPL data may be available to
 - tax professionals through
 - pre-filing reports in Online services for agents
 - Practitioner Lodgment Service (PLS) through Standard Business Reporting (SBR) enabled software
 - individual self-preparers through myTax, specifically
 - Rental property schedule interest on loans and/or borrowing expense labels and
 - Rental income tax return labels
- data analytics and insights
 - We will use insights from the data to design ways to make it easier for our clients to interact with the system and get their affairs right.
 - RIPL data will be compared with claims a taxpayer makes in their rental property schedules and rental tax return labels.

The data helps us execute strategies to:

- identify relevant cases for administrative action, including compliance activities and educational strategies
 - After a taxpayer lodges a return, if we need to verify a discrepancy, we'll contact them by phone, letter or email.

- Before we take any administrative action, they will be able to verify the accuracy of the information we hold. They have 28 days to respond before we take administrative action associated with RIPL data use.
- inform rental property owners of their taxation obligations as part of an educative campaign including, but not limited to:
 - sending emails or letters to clients
 - social media posts
 - posters and toolkits on our website
- avoid unnecessary contact to those that are correctly reporting and claiming rental property income or expenses.

The objectives of this program are to:

- promote voluntary compliance and increase community confidence in the tax and superannuation systems
- identify and educate individuals who may be failing to meet their reporting or lodgment obligations (or both) and assist them to comply with
 - lodgment of income tax returns
 - the correct reporting of rental property loan interest and borrowing expense deductions in rental property schedules, and associated labels of the income tax return
 - the correct reporting of net capital gains in income tax returns for properties used to derive income
- gain insights from the data that may help to develop and implement treatment strategies to improve voluntary compliance, which may include educational, behavioural or compliance activities for individuals and businesses that lease or let real property.

A document describing this program is available at ato.gov.au/dmprotocols.

This program follows the Office of the Australian Information Commissioner's *Guidelines on data matching in Australian Government administration* (2014) (the guidelines). The guidelines include standards for the use of data matching as an administrative tool in a way that:

- complies with the Australian Privacy Principles (APPs) and the *Privacy Act 1988* (Privacy Act)
- is consistent with good privacy practice.

A full copy of the ATO's privacy policy can be accessed at ato.gov.au/privacy.