

**A MODEL OF TAXPAYERS' RIGHTS AS A GUIDE TO BEST
PRACTICE IN TAX ADMINISTRATION**

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**A THESIS COMPLETED IN SATISFACTION OF THE
REQUIREMENTS FOR THE DEGREE OF DOCTOR OF
PHILOSOPHY**

BOND UNIVERSITY

FACULTY OF LAW

SUBMITTED: NOVEMBER 2006

SUPERVISOR: PROFESSOR MICHAEL LUPTON

SUMMARY

This thesis proves the hypothesis that it is timely and beneficial to articulate a Model of taxpayers' rights as a guide to best practice in tax administration. It first finds a rationale for a Model in legal and rights theory and concludes that a Model is necessary, timely and a realistic option in the context of current developments in tax administration. Next, it articulates the principles that should underlie any Model. These are drawn from traditional analysis of tax systems and refined to provide a standard approach and interpretation. It is noted that the content of any Model will be determined in part by the approach taken to its interpretation. A classification of taxpayers' rights in the context of the type of enforcement that gives them application provides the basis for a detailed analysis of enforcement mechanisms. The analysis is conducted in the light of recent developments in the application of constitutional law and alternative dispute resolution theory. The substantial part of the thesis comprises a detailed analysis and articulation of the primary and secondary legal and administrative rights that should be available to taxpayers in conjunction with a comprehensive framework of principles of good governance and good practice. A wide-ranging comparative analysis and synthesis of the substantial available literature in both law and other disciplines provides support for the articulation of a Model of taxpayers' rights. The Model is appropriate for use as a guide to best practice in tax administration.

CERTIFICATION

I, Duncan Bentley, certify that the work contained in this thesis represents my own work and has not been previously submitted for a degree or diploma in this University or any other institution.

25 November 2006

NOTATION OF PRIOR WORK

The following works of the author, which have been previously published, have been drawn on in the writing of this thesis:

- Alley, C.R., and D. Bentley, 'Tax Design Principles: Remodelling Adam Smith', (2005) 20 *Australian Tax Forum*, 579. (Only those parts of this article prepared by the author were drawn upon, and all references to this work are, of course, fully cited.)
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STYLE

This thesis adopts the style guide of Kluwer International Law Publishers.

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EU, Commission of the European Communities, *Green Paper: The Presumption of Innocence* COM(2006) 174 final
EU, Conclusions of the ECOFIN Council Meeting on 1 December 1997 Concerning Taxation Policy, 1998 OJ (C2) 1
EU, Directive on Mutual Assistance Between Member States of the European Union (799/77/EC) European Convention on Human Rights
EU, Merger Directive (434/90/EC), art. 53a
EU, Parent-Subsidiary Directive (435/90/EC)
EU, Resolution of the Council and Representatives of the Governments of the Member States, Meeting within the Council of 1 December 1997 on a Code of Conduct for Business Taxation, 1998 OJ (C2) 2
EU, Treaty on European Union

Germany, Basic Law.
Germany, Fiscal Code, *Abgabenordnung*.
Netherlands, General Act on Taxation of 1959
Sweden, Regeringsformen, 1974
Switzerland, Ordinance of the FDF on Electronically Transmitted Data and Information
United Kingdom, House of Commons Disqualification Act 1975
United Kingdom, Interpretation Act 1978
United Kingdom, The Official Secrets Act
United Kingdom, Human Rights Act 1998
United Kingdom, Internal Revenue Service Restructuring and Reform Act of 1998

INTERNATIONAL

African Charter on Human and Peoples Rights
American Convention on Human Rights
European Convention on Human Rights
European Social Charter
General Agreement on Trade and Tariffs
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SUMMARY OF ABBREVIATIONS

AAT	Administrative Appeals Tribunal
ADR	Alternative dispute resolution
APL	Administrative Procedure Law
ATO	Australian Taxation Office
CFA	Committee on Fiscal Affairs
CRA	Canada Revenue Agency
CIAT	The Inter-American Centre of Tax Administrations/Centro Interamericano de Administraciones Tributarias
Council of Europe/OECD Convention	Council of Europe/OECD Convention on Mutual Administrative Assistance in Tax Matters
ECHR	European Convention on Human Rights
ECJ	European Court of Justice
EU	The European Union
FDI	Foreign Direct Investment
FSC	Foreign Sales Corporations
GATT	General Agreement on Tariffs and Trade
GATS	General Agreement on Services
HMRC	Her Majesty's Revenue and Customs (UK)
IBFD	Bulletin for International Bureau of Fiscal Documentation
IMF	International Monetary Fund
IRS	Internal Revenue Service (US)
NADRAC	National Alternative Dispute Resolution Advisory Council
OECD	Organisation for Economic Cooperation and Development
OECD Agreement	2002 OECD Model Agreement on Exchange of Information on Tax Matters
OECD Manual	OECD Manual on the Implementation of Information Provisions for Tax Purposes
OECD Model	Model Tax Convention on Income and Capital
PATA	Pacific Association of Tax Administrators
PRUs	Problem Resolution Units
STCT	Small Tax Claims Tribunal
TAGs	Technical Advisory Groups on aspects of the taxation of Electronic Commerce (of the OECD)
TIEA	Tax Information Exchange Agreement
UN Model	1980 UN Model Double Taxation Agreement Convention between Developed and Developing Countries
VAT	Value Added Tax