

Finally a Breakthrough on Compromised TFNs

With over 2 percent of the taxpayers in our group being classified by the ATO as having compromised tax file numbers (TFN), I started asking questions of the ATO. This percentage increases every year because there was no way a taxpayer could become uncompromised or obtain a new TFN.

A compromised TFN means that you cannot access your pre fill, lodge your tax return, apply for an ABN, action a Div 293 superannuation notice, set up a self managed superannuation fund etc, without ringing the ATO to identify yourself. The questions asked by the ATO may well be the information in the possession of anyone who managed to compromise your TFN, anyway. The ATO will then unlock your access for just 48 hours. Wait times on ATO phone calls are ridiculous. Take a day off work every time you need to interact with the ATO.

I am all for protecting taxpayer's identities but a lifetime in taxpayer purgatory should hardly be considered a solution by the ATO, but it was, until this month! After 5 years of clients putting up with this circus, I decided to make some noise and contacted the ATO media unit. My first question was what percentage of taxpayers, do their records show, have compromised TFNs. They refused to answer this, obviously the figure was embarrassing. There are 20.5 million individual taxpayers in Australia so if the ratio in our group is anything to go by that is close to half a million taxpayers affected by this for life. The ATO will not issue new TFNs.

All I had to do was name drop Sydney Morning Herald editor, Dominic Powell and before the end of the week the ATO had decided to come up with a solution. Years of suffering gone, the power of the press working for good!

So here is what the ATO are offering to taxpayers with compromised TFNs, who have a passport. That is right, if you don't have a passport then this solution is not available to you and believe me it is worth the trouble of applying for one if you are compromised. Go to www.myid.gov.au and download the app, onto your phone. Then increase your security to the highest level by entering your passport details. Once you have done this the ATO will unlock your TFN permanently and you or your tax agent can access all your information anytime.

The reason you need a passport is because of the photo. Once you set this as your security level, apparently you must show your face on your phone to receive a code that will allow you access to your mygov account either on your phone or through your computer.

Taxpayers who have not had their TFN compromised should also consider this higher level of security for their own piece of mind.