Recommendations

Issue date:	22 September 2017
To:	PLS Transition Roundtable members and other key stakeholders
Through:	Ian Scensor, Craig Woodburn, Martin Mane, Julian Mann, Sharna Maltman.
Copies to:	PLS Transition Roundtable members
Your reference:	PLSMG01

From:	PLS micro-group #1 – transactions involving cancelled ABNs		
Business line:	EST	**Section:**	SIPO & OBT
Contact officer:	Sharna Maltman	**Contact phone:**	07 3149 5913

Response date:	29 September 2017 , following discussions at the PLS transition roundtable on Tuesday 26 September 2017.

Subject:	Recommendation for authorisation error improvements.

Recommendation

That you **endorse**
changes to display better and more informative authorisation errors and make
changes to allow the transmission of cancelled client ABNs.

1. Fixing the configuration of authorisation error CMN.ATO.AUTH.001 so that
users are not shown the CMN.ATO.AUTH.007 error by mistake.

Recommendation

2. Changing Access Manager's authorisation checking order so that a mismatched ABN / RAN submitted shows error CMN.ATO.AUTH.001, instead of the user access error CMN.ATO.AUTH.005.

3. Creating a new authorisation error for when a client's TFN or ABN is not linked to a tax practitioner registered agent number, so that users are not shown the CMN.ATO.AUTH.007 error by mistake.

4. Updating the error message wording of the SBR CMN.ATO.AUTH.007 error to improve the user experience.

5. Changes to the system to allow a cancelled ABN of client to be transmitted by a tax practitioner, if the ABN is linked in the ATO's systems to the client's TFN.

ENDORSED / NOT ENDORSED

[Title of person]_____ [Date]

Advice or Issue

Cancelled ABNs fail Access Manager (AM) checks performed via the Standard Business Reporting (SBR) platform, even if the lodgment relates to a period when the ABN was active. This issue has resulted in the AUTH.007 authorisation error being displayed incorrectly to tax practitioners for multiple scenarios that are unrelated to the error message "You do not have the correct permission (in AM) to submit this request", including rejected transmissions due to a client's cancelled ABN).

The PLS transition micro-group recommends implementing 5 key changes to improve the tax practitioner experience.

1. **Fixing the configuration of authorisation error CMN.ATO.AUTH.001 so that users are not shown CMN.ATO.AUTH.007 error by mistake.**

2. **Changing Access Manager's authorisation checking order so that a mismatched ABN / RAN submitted shows error CMN.ATO.AUTH.001 instead of the user access error CMN.ATO.AUTH.005.**

3. **Creating a new authorisation error for when a client's TFN or ABN is not linked to tax practitioner registered agent number, so that users are not shown CMN.ATO.AUTH.007 error by mistake.**

4. **Updating the error message wording of the SBR CMN.ATO.AUTH.007 error to improve the user experience.**

5. **Changes to the system to allow a cancelled ABN of client to be transmitted by a tax practitioner, if the ABN is linked in the ATO's systems to the client's TFN.**

Background

The issues caused by transactions involving cancelled ABNs have been raised by digital service providers (DSPs) at the PLS transition roundtable. Given the impacts on DSPs and their clients a micro-group was formed out of this group to explore the issue and provide recommendations on a way forward. DSPs were represented by MYOB (Mike Behling), Catsoft (Jack Wee) and Reckon (Kevin Johnson).

The ATO has also held an internal workshop with key stakeholders to assess the viability of implementing the microgroup's recommendations.

The following key points have been discussed in relation to the AUTH007 error message:

Scenario:

A client registered with an ABN for the last quarter approaches a tax agent asking the agent to lodge their Activity Statement (AS) for the last quarter using SBR. The agent is able to form a list and a pre-fill action for last quarters BAS using the client's TFN. The prefill returns an ABN which is carried through to the pre-lodge but the pre-lodge fails due to an authorisation failure. The error returned is an 'AUTH007'. The tax agent cannot understand what has caused the error from the existing AUTH007 message and sometimes, they waste considerable time checking their AM permissions, which doesn't help.

Key findings:

- There are 3 different sources for the AUTH007 error (AM, the Client Register and the backend business system for AS, IPS) currently condensed into the one error message within the SBR channels (both 1 and 2). It is possible to fix this with minimal interference by other parts / systems however, DSPs need to be consulted to ensure they aren't adversely impacted.

- SBR groups errors with different meanings and from different sources (and this is already being looked into separately).

- AM groups errors with different meanings and denies access for cancelled ABNs

- Cancelled ABNs appear in the Activity Statement Lodgement Report (ASLRPT) and the ATO cannot show TFNs instead of the ABN as BAS agents use the report, and the cancelled ABNs can't be used to lodge as AM rejects them.

- Activity statement lodgements appear in the ASLRPT before they've actually been issued by the ATO to businesses. This issue is caused by a backend mainframe business system – already being addressed by the ATO in the next 2 weeks.

- The ATO has already raised a change request for AM to investiage and implement improvements to authorisation errors (with a focus on causes of AUTH007 errors and cancelled client ABNs). Further analysis into AM (to inform this document) have highlighted that when AM and the SBR platform implements the changes, new and updated errors will need to be consumed by DSPs.

- Further engagement with stakeholders should be undertaken given the broader impacts of the change.

Next steps

1. ATO to revise error messages for AUTH001, AUTH005, AUTH007 and create new AUTH# (recommendation 3).
2. PLS transition roundtable members to review and provide their feedback.
3. ATO to share the revised, and new, error messaging with DSPs and Tax Agents for their feedback.

4. ATO to confirm that any recommendations supported by the PLS roundtable will work for other parts of the system (including STP) and that there are no unintended consequences.
5. Broader communications to be sent to DSPs (i.e. those not members of the PLS roundtable) to inform them of proposed changes and an opportunity provided for feedback by a particular date.
6. Recommendations for technical changes to be tabled at the next Technical Working Group (TWG) for their endorsement.
7. ATO to plan and initiate endorsed changes.

Ian Scensor
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