Incorporating Taxpayer Rights into Tax Administration

INTRODUCTION

In 2014, the IRS adopted the Taxpayer Bill of Rights (TBOR), heralding it as "a cornerstone document to provide the nation's taxpayers with a better understanding of their rights."[1] Prior to the adoption of the TBOR, a TAS survey revealed that taxpayers had little knowledge of their rights — fewer than half of taxpayers believed they have rights before the IRS and only 11 percent said they knew what those rights were.[2] The National Taxpayer Advocate had long called for the IRS to adopt a TBOR as a framework for effective tax administration and for Congress to add the list of fundamental taxpayer rights to the Internal Revenue Code (IRC),[3] which Congress did in late 2015.[4]

In order to develop a vision for how the IRS could better implement and apply the TBOR, this Literature Review will analyze other countries' experience with implementing and adhering to taxpayer rights. This discussion will include citizen charters focusing on rights as well as service, and will devote particular attention to taxpayer charters in the United Kingdom and Australia.

DISCUSSION

Reviewing the experiences of other countries in implementing citizen charters can inform the IRS's implementation of the TBOR. Although many countries and governments have statements of principles that use the title "charter" as opposed to "bill of rights," citizen charters are often akin to a bill of rights because they provide a list of fundamental rights, values, or standards to which a government either aspires or promises to uphold.[5] Even charters that focus exclusively on customer service can provide valuable points of comparison. One commentator raises the question of "how reasonable is it to assess performance in terms of citizen satisfaction with a branch of government that relates to the public primarily in terms of 'taking' rather than 'giving'" and concludes that taxpayer charters have received two interpretations — "a 'rights' interpretation with a view to the protection of taxpayers" and "a 'service' interpretation with a view to socially responsive performance."[6] Although the IRS's TBOR is focused

1 See IRS, IR-2014-72, *IRS Adopts "Taxpayer Bill of Rights;" 10 Provisions to be Highlighted on IRS.gov,* in Publication 1, (June 10, 2014), https://www.irs.gov/uac/newsroom/irs-adopts-taxpayer-bill-of-rights-10-provisions-to-be-highlighted-on-irsgov-in-publication-1?_ga=1.6840304.317014298.1449006592.

2 Forrester Research, IRS TAS proprietary questions in North American Technographics Omnibus Mail Survey, Q2/Q3 2012, at 20 (Sept. 2012) (unpublished survey).

3 See *e.g.*, National Taxpayer Advocate, *Toward a More Perfect Tax System: A Taxpayer Bill of Rights as a Framework for Effective Tax Administration; Recommendations to Raise Taxpayer and Employee Awareness of Taxpayer Rights* (2013), http://www.taxpayeradvocate.irs.gov/2013-annual-report/downloads/Toward-a-More-Perfect-Tax-System-A-Taxpayer-Bill-of-Rights-as-a-Framework-for-Effective-Tax-Administration.pdf (last visited Oct. 25, 2016).

4 See Consolidated Appropriations Act, 2016, Pub. L. No. 114-113, Division Q, Title IV, § 401(a) (2015) (codified at IRC § 7803(a)(3)).

5 One commentator has drawn a distinction between a taxpayer "bill of rights" and a "charter." Accordingly, a bill of rights enacts the provisions included in the statement of rights in legislation. Under this theory, the United States had three taxpayer bills of rights prior to its adoption of the Taxpayer Bill of Rights (TBOR). A charter is a declaration of taxpayers' rights (which can also include obligations) that is not included in legislation and has no specific force of law. However, a charter could be given the force of law through a legislative provision that directs a governmental agency to issue a charter. Philip Baker, *The Charter and the Law*, Taxation (Sept. 10, 2008), http://www.taxation.co.uk/taxation/articles/2008/09/10/6852/charter-and-law.

6 Valerie Braithwaite, *Are Taxpayers' Charters 'Seducers' or 'Protectors' of Public Interest? Australia's Experience* 1 (Ctr. for Tax Sys. Integrity, Austl. Nat'l U., Working Paper No. 70, 2005), https://digitalcollections.anu.edu.au/handle/1885/43081. *See also* Gavin Drewry, *Citizens as Customers – Charters and the Contractualisation of Quality in Public Services*, presented at the European Group of Public Administration Conference, 8 (Aug. 31-Sept. 2, 2005) (questioning the validity of portraying the user of a charter as a "customer" in the context of government services where there is no choice).

primarily on taxpayer rights, the service provided to taxpayers is certainly a key component of the *right to quality service* and affects how the IRS carries out other taxpayer rights.

Below is a comprehensive narrative discussing literature on citizen charters, with particular attention to taxpayer charters in the United Kingdom (U.K.) and Australia. The following are some key conclusions based on the literature, which provide insight into how the IRS can better implement the TBOR.

Charters that are too vague and are seen as purely aspirational may not be effective.[7] Conversely, establishing specific performance standards, especially simplistic ones, or overly focusing on service standards in place of fundamental principles, can be problematic or lead to the gradual disintegration of a charter.[8] Despite these two seemingly contradictory positions, there are ways the IRS can move beyond a statement of vague aspirations without experiencing the pitfalls of overly focusing on service standards. First, the TBOR's principles can be used as a lens through which to view performance standards and to inform the creation of new performance standards.[9] Under this approach, the TBOR is not made up of performance standards itself, but it is used to develop performance standards and identify which performance standards may indicate success in furthering the charter's principles.

Another way to make the TBOR more concrete is to hold the IRS accountable by requiring periodic reporting on actions the IRS is taking to further the principles of the TBOR.[10] In addition, the IRS could create a mechanism for taxpayers to raise complaints regarding the TBOR and more clearly communicate how the IRS will act on complaints, ensuring any remedies are accessible.[11] Although responses to customer survey questions regarding taxpayer rights can be misleading and are not a replacement for more objective measurements,[12] periodic surveys may provide a useful mechanism for hearing firsthand whether taxpayers feel the IRS is respecting their rights.[13]

---

7 *See* Public Administration Select Committee, *From Citizen's Charter to Public Service Guarantees: Entitlements to Public Services*, 2007-08, HC 411 at 8-9 (UK).

8 *See* Gavin Drewry, *Citizens as Customers – Charters and the Contractualisation of Quality in Public Services*, presented at European Group of Public Administration Conference, 8 (Aug. 31-Sept. 2, 2005) (detailing an instance where specific standards caused patients to have unreasonable expectations and frustrations, leading to violent attacks on government employees). *See also* Simon James, Kristina Murphy & Monika Reinhart, *The Taxpayers' Charter: A Case Study in Tax Administration*, 7 J. Austl. Tax'n. 336, 342 (2004); Public Administration Select Committee, *From Citizen's Charter to Public Service Guarantees: Entitlements to Public Services*, 2007-08, HC 411 at 8-9 (UK).

9 *See* Australian Commission on Safety and Quality in Healthcare, *National Patient Charter of Rights Consultation Report*, 30 (June 2008), http://www.safetyandquality.gov.au/wp-content/uploads/2012/01/Consultation-report.pdf.

10 *See* Finance Act 2009, c 10, § 92 (Eng.) (requiring annual reporting on the Her Majesty's Revenue and Customs (HMRC) charter); *Your Charter Annual Report: April 2014 to March 2015*, gov.uk (2016), https://www.gov.uk/government/publications/your-charter-annual-report-2014-to-2015. The below literature review identifies perceived shortcomings with HMRC's Charter reporting that should be considered when crafting a reporting requirement.

11 *See* Duncan Bentley, *Revisiting Rights Theory and Principles to Prepare for Growing Globalisation and Uncertainty*, presented at Inaugural Conference on International Taxpayer Rights, (Nov. 18, 2015) (discussing the importance of enforceability and suggesting that practical enforceability without legal enforceability can be powerful); The Chartered Inst. of Tax'n, *A Taxpayers' Charter for the United Kingdom*, 13 (2008), suggesting that instead of a single provision for dealing with breaches of a charter, a more flexible approach would be for a "tribunal, court, revenue officer or the Adjudicator to take such account of the breach as is appropriate in the circumstances."

12 *See* Public Administration Select Committee, *From Citizen's Charter to Public Service Guarantees: Entitlements to Public Services*, 2007-08, HC 411 at 8-9 (UK); Valerie Braithwaite, *Are Taxpayers' Charters 'Seducers' or 'Protectors' of Public Interest? Australia's Experience* 1 (Ctr. for Tax Sys. Integrity, Austl. Nat'l U., Working Paper No. 70, 2005), https://digitalcollections.anu.edu.au/handle/1885/43081.

13 Both the U.K. and Australia have employed customer surveys to gauge success of the taxpayer charter. *See Your Charter Annual Report: April 2014 to March 2015*, gov.uk (Jan. 12, 2016), https://www.gov.uk/government/publications/your-charter-annual-report-2014-to-2015; Valerie Braithwaite, *Are Taxpayers' Charters 'Seducers' or 'Protectors' of Public Interest? Australia's Experience* 1 (Ctr. for Tax Sys. Integrity, Austl. Nat'l U., Working Paper No. 70, 2005), https://digitalcollections.anu.edu.au/handle/1885/43081.

A requirement for success appears to be making the TBOR part of the IRS's culture and a general way of doing things.[14] To accomplish this, the IRS needs to create a shared mindset among employees, which would better allow employees to exercise discretion when necessary to "act in accord with" taxpayer rights.[15] There should also be support from leadership, with the TBOR being positioned as a mechanism for improving the protection of taxpayer rights as opposed to merely upholding the status quo.[16] The IRS should also apply the TBOR as a framework in developing policy, vision, and strategies.[17]

These goals can be accomplished by incorporating the TBOR into:

- Performance awards and measures;[18]
- Employee education, training, and guidance;[19] and
- IRS policies, procedures, and strategies for dealing with novel issues.[20]

Written documents should go beyond including token references to the rights and include an analysis of what the rights mean in the specific instances and how the IRS's actions bolster the rights.[21] The following Literature Review provides the basis for the above conclusions regarding how the IRS can better implement the TBOR.

An Overview of Select Charters From Other Countries, States, and Government Agencies

Taxpayer charters from other countries provide the most direct point of comparison for the United States' TBOR, but it is also helpful to trace the broader citizen's charter movement in the U.K., which launched over 200 national charters, thousands of local charters, and arguably instigated the contemporary charter

14 *See* Simon James, Kristina Murphy & Monika Reinhart, *The Taxpayers' Charter: A Case Study in Tax Administration*, 7 J. Austl. Tax'n. t 336, 356 (2004); *see also* Jean-Pierre Thomassen, Kees Ahaus, Steven Van de Walle & Udo Nabitz, *An Implementation Framework for Public Service Charters*, Pub. Mgmt. Rev. 1, 16 (2012).

15 *See* Kirsty Unger, *Ethics Codes and Taxpayer Charters: Increasing Tax Morale to Increase Tax Compliance*, 12 eJournal of Tax Res. 483, 491 (2014).

16 *See* Jean-Pierre Thomassen, Kees Ahaus, Steven Van de Walle & Udo Nabitz, *An Implementation Framework for Public Service Charters*, Pub. Mgmt. Rev. 1, 11 (2012).

17 *See* Australian Commission on Safety and Quality in Healthcare, *National Patient Charter of Rights Consultation Report*, 30 (June 2008), http://www.safetyandquality.gov.au/wp-content/uploads/2012/01/Consultation-report.pdf (suggesting healthcare providers build the charter into their organization systems by using the charter as framework to review the organizational vision, plans, and policy statements to ensure they support rights; discussing the charter with executive and senior management as a regular meeting agenda item; and using the charter as a reference point in managing complaints). Alessandro Lamanna *et al.*, *The EU Charter of Patients' Rights: A Civic Assessment*, 1 (Active Citizenship Network), 2011, http://www.activecitizenship.net/files/patients_rights/civic_assessment/european_patients_rights_day_report_light.pdf.

18 *See* Jean-Pierre Thomassen, Kees Ahaus, Steven Van de Walle & Udo Nabitz, *An Implementation Framework for Public Service Charters*, Pub. Mgmt. Rev. 1, 5 (2012).

19 *Id.* Australian Commission on Safety and Quality in Healthcare, *National Patient Charter of Rights Consultation Report*, 29 (June 2008), http://www.safetyandquality.gov.au/wp-content/uploads/2012/01/Consultation-report.pdf. See also Philip Baker, *The Charter and the Law*, Taxation (Sept. 10, 2008), http://www.taxation.co.uk/taxation/articles/2008/09/10/6852/charter-and-law, noting that individual employees should not be held responsible for breaches of the charter because such breaches could be caused by inadequate training or instructions and suggesting that leadership be responsible for ensuring employees are informed about the rights.

20 A review of survey results regarding the Australian taxpayer charter found a drop in ratings corresponded to a period where there was broad criticism of the agency's response to and treatment of taxpayers in a mass marketed tax evasion scheme. Valerie Braithwaite, *Are Taxpayers' Charters 'Seducers' or 'Protectors' of Public Interest? Australia's Experience* 11-12 (Ctr. for Tax Sys. Integrity, Austl. Nat'l U., Working Paper No. 70, 2005), https://digitalcollections.anu.edu.au/handle/1885/43081.

21 The most recent HMRC charter report provides an example of where taxpayer rights are referenced, but there is no explanation of the rights or how they apply to the circumstances, thus calling into question whether the achievements listed under the specific rights have any significant connection to the rights. *See Your Charter Annual Report: April 2014 to March 2015* gov.uk (Jan. 12, 2016), https://www.gov.uk/government/publications/your-charter-annual-report-2014-to-2015.

movement worldwide.[22] The U.K. experience reflects a tension between using a charter as a lofty list of aspirations and using a charter as a set of specific performance standards. Both of these approaches have drawbacks.[23] A report from the Public Administration Select Committee, appointed by the House of Commons, discusses flaws in the individual charters that were part of the charter movement in the 1990s: "promises contained in the charters were often vague and aspirational, confounding the aim of defining a tangible set of entitlements to public services that people could readily understand and use."[24] The same report proposes as a solution:

> a clear and precise statement of entitlements to minimum standards of public services, which we term 'Public Service Guarantees'. This would empower people by allowing them to understand the level of service provision they could expect to receive, and to claim that as of right.[25]

Unlike a statement of fundamental principles, the Public Service Guarantees would be "a progressively evolving document that is able to adapt to changing need and attitudes about entitlements to public services."[26] Even without specific legal remedies to violations of rights (for example, being able to take a case to court), there may be a benefit to citizens having "practical enforceability" of the rights.[27]

Still, the pendulum can swing too far in the other direction. Including promises within a charter (or a set of promises in place of a charter) that are too specific — for example, promising service within 30 minutes — also has drawbacks, as was observed with the original Patient's Charter in the U.K. In that case, specific standards caused patients to have unreasonable expectations and frustrations, leading to violent attacks on government employees.[28] Overly focusing on customer service standards can also lead to the gradual disappearance of a charter as it becomes merely part of an agency's overall customer service strategy, as opposed to a statement of fundamental principles.[29] Following a change of administration in the U.K. in 1997, the government reevaluated the charter program and introduced a new program, "Service First: The New Charter Programme," which appears to have since faded away entirely.[30]

A key element of the U.K.'s original charter program, the "Charter Mark," was an award to recognize excellence in customer service. Over time, this program shifted from being a competitive award to a

22 Simon James, Kristina Murphy & Monika Reinhart, *The Taxpayers' Charter: A Case Study in Tax Administration*, 7 J. Austl. Tax'n. 336, 339–40 (2004).

23 See The Chartered Inst. of Tax'n, *A Taxpayers' Charter for the United Kingdom*, 10 (2008) ("One point is clear: a woolly, aspirational document relating only to service delivery will do little to improve relations between HMRC, taxpayers and tax advisers.").

24 Public Administration Select Committee, *From Citizen's Charter to Public Service Guarantees: Entitlements to Public Services*, 2007-08, HC 411 at 2 (UK).

25 *Id.*

26 *Id.* at 21.

27 See Duncan Bentley, *Revisiting Rights Theory and Principles to Prepare for Growing Globalisation and Uncertainty*, paper presented at Inaugural Conference on International Taxpayer Rights, Washington, D.C. 12 (Nov. 19, 2015).

28 Gavin Drewry, *Citizens as Customers – Charters and the Contractualisation of Quality in Public Services*, presented at European Group of Public Administration Conference, 8 (Aug. 31-Sept. 2, 2005).

29 In 2004, the publication, *IR167 Charter for Inland Revenue Taxpayers, July 2003* was reportedly unavailable and telephone requesters were told the document had been replaced by a "service committement [sic] statement." Simon James, Kristina Murphy & Monika Reinhart, *The Taxpayers' Charter: A Case Study in Tax Administration*, 7 J. Austl. Tax'n. 336, 342 (2004).

30 Public Administration Select Committee, *From Citizen's Charter to Public Service Guarantees: Entitlements to Public Services*, 2007-08, HC 411 at 8-9 (UK). The archived Cabinet Office website reflects that the programs were completed, http://webarchive.nationalarchives.gov.uk/20100807034701/http://archive.cabinetoffice.gov.uk/servicefirst/ (last visited Apr. 29, 2016).

standard that all agencies should strive to achieve.[31] While recognized as having a positive effect, the Charter Mark scheme was criticized for having a low participation rate and there was concern that while it rewarded good service, it did not raise performance.[32] The current customer service standard, the Customer Service Excellence Accreditation, which is now available to the private sector as well, seems to have little connection with any kind of citizen's charter. It does not outline the fundamental values and standards, and instead seems to be a list of best practices for any business with customers to follow.[33]

Turning to the U.K.'s Taxpayer Charter, the original 1986 charter actually predated the modern U.K. charter movement.[34] However, the taxpayer charter followed the same trajectory as the broader charter program, moving away from a statement of principles and towards the customer service initiative "Service First." By the early 2000's, the U.K.'s taxpayer charter was considered obsolete and the replacement Service First standards outlined by Her Majesty's Revenue and Customs (HMRC) were seen as "a rather different kettle of fish from the charter," which "basically measure certain performance criteria against targets."[35]

In 2009, Parliament took matters into its own hands by requiring HMRC to prepare a taxpayer charter.[36] The resulting charter was criticized for merely including a set of behaviors and standards to which HMRC was to "aspire,"[37] but a key part of the law required the HMRC Commissioners to regularly review and revise the charter, as well as report annually on how HMRC has demonstrated the charter's standards and values.[38] The reporting requirement seems to be a solution to the problem of ensuring the tax agency is held accountable for "aspiring to" the standards in the charter, without facing the pitfalls of setting specific standards. However, a review of the most recent HMRC charter reports reflects that the report is not being effectively utilized in relation to the charter. The most recent report aligns HMRC achievements with the charter principles, but in some cases, the connection is tenuous at best. For example, in the discussion of achievements relating to the first four rights (respect you, help and support you to get things right, treat you as honest, treat you even-handedly) the first accomplishment for individual taxpayers is the introduction of online accounts. The report explains:

> Customers will be able to use their account to tell HMRC about changes to their circumstances — helping to ensure that they pay the right amount of tax in-year, and removing the need for many to complete tax returns. We will provide high-quality online guidance, with personal support when customers need it. We are putting the taxpayer in control and making it much easier for them to deal with us.[39]

31 Public Administration Select Committee, *From Citizen's Charter to Public Service Guarantees: Entitlements to Public Services*, 2007-08, HC 411 at 12-13 (UK).

32 *Id*. at 13.

33 *See* Customer Service Excellence Standard, http://www.customerserviceexcellence.uk.com/CSE_Standard.pdf (last accessed May 3, 2016).

34 Simon James, Kristina Murphy & Monika Reinhart, *The Taxpayers' Charter: A Case Study in Tax Administration*, 7 J. Austl. Tax'n. 336, 341 (2004).

35 Richard Curtis, *A Taxpayer's New Charter?*, Taxation (Sept. 15, 2005), http://www.taxation.co.uk/taxation/articles/2005/09/15/3476/taxpayers-new-charter.

36 Finance Act 2009, c 10, § 92 (Eng.).

37 John Whiting, *Finance Act notes: Section 92 - HMRC Charter - Magna Carta the Second?* 5 British Tax Rev., 616 (2009).

38 Finance Act 2009, c 10, § 92 (Eng.).

39 *Your Charter Annual Report: April 2014 to March 2015*, gov.uk (Jan. 12, 2016), https://www.gov.uk/government/publications/your-charter-annual-report-2014-to-2015.

While online accounts will likely "help and support" some taxpayers to "get things right," it is unclear how this accomplishment is tied to the other three fundamental rights from the charter. The introduction of online accounts does not appear to further the aspirations of HMRC to respect taxpayers and treat them even-handedly, unless HMRC lends more credence to changes made online as opposed to on a traditionally filed return (a proposition that would make little sense). Later in the section regarding the same four rights, the report highlights how much money HMRC collected through legal action in courts, a statistic that has little connection to the charter rights.[40] The end of the charter report includes results from a customer survey where taxpayers were asked specific questions correlated with each right. Under "respect you," the survey asks "How well or poorly did staff treat you?"[41] Although HMRC's recent taxpayer charter progressed beyond the use of simplistic public service standards, it remains to be seen whether the charter will follow a similar path as earlier U.K. charters that were viewed as too vague and intangible.

In contrast to the U.K.'s broader charter movement, Australia has taken a different approach to its taxpayer charter, both in its formation and how employees approach it. Following a two-year consultation process to create the charter, the original taxpayer charter was launched in 1997, with a revised version in 2003 reflecting little change to the charter's basic principles.[42] The developments in the years directly following its launch were to ensure that the Charter's principles were reflected in practice. An example of a change was moving away from the strict requirement that all correspondence must reference the charter to a requirement that correspondence must instead conform to the charter.[43] Such a change reflects an understanding that merely mentioning a charter or a right might not be productive if the substance of the writing does not actually conform to the underlying principles. Australia also rejected simplistic service and performance standards, such as answering the phone within a certain amount of time because such standards might not be helpful if the taxpayer received a quick answer that was incorrect.[44] The taxpayer charter was viewed as less a set of specific service standards and more as a general framework for how to do things and a unifying factor for the tax agency.[45]

One way in which Australia implemented the charter was to develop brochures for each of the core rights. The brochure for the right to confidentiality and privacy covered topics such as obtaining information under the Freedom of Information Act, the responsibility of contractors used by the tax office, and information from third parties such as banks.[46] Like the U.K., Australia also conducted surveys in the years following the launch of the original charter. Taxpayers were asked to "use a five point rating scale ranging from almost never (1) to almost always (5) to answer the question, "Do you think that the Tax Office acts in accordance with the [Taxpayers' Charter] standards set out below?"[47] Between the two surveys, conducted in 2000 and 2002, the ratings dropped, particularly the ratings regarding the rights to be treated as honest, to be treated fairly and reasonably, to seek advice from a person of one's choice, to

40 *Your Charter Annual Report: April 2014 to March 2015*, GOV.UK (Jan. 12, 2016), https://www.gov.uk/government/publications/your-charter-annual-report-2014-to-2015.

41 *Id.*

42 Simon James, Kristina Murphy & Monika Reinhart, *The Taxpayers' Charter: A Case Study in Tax Administration*, 7 J. AUSTL. TAX'N. 336, 344-47 (2004).

43 *Id.* at 345-46.

44 *Id.* at 346.

45 *Id.*

46 The Chartered Inst. of Tax'n, *A Taxpayers' Charter for the United Kingdom*, 15 (2008).

47 Valerie Braithwaite, *Are Taxpayers' Charters 'Seducers' or 'Protectors' of Public Interest? Australia's Experience* 10 (Ctr. for Tax Sys. Integrity, Austl. Nat'l U., Working Paper No. 70, 2005), https://digitalcollections.anu.edu.au/handle/1885/43081.

an external review, and to access information about oneself.[48] A potential reason for the drop in ratings was the conflict between taxpayers and the tax agency following a mass marketed tax evasion scheme. As a result, taxpayers refused to enter into settlements to pay their tax debts, which may have been due in part to perceptions of procedural injustice, and the tax agency received criticism for failing to warn the public.[49] This controversy, coinciding with the drop in ratings of relevant charter principles, suggests a tax agency must incorporate the charter principles into its plans and strategies for dealing with novel or emerging issues.

While the taxpayer surveys provide helpful insights, they are not a complete replacement for more objective evaluations of how an agency is carrying out a charter.[50] The Public Administration Select Committee appointed by the House of Commons found customer service surveys were problematic because citizen's responses were subjective and may not be based on appropriate considerations. As an example, a tax related charity organization reported that due to the complexity of the tax system, taxpayers would not be in a position to judge whether or not they were given correct advice or information, and might instead base their responses on the pleasantness of their experience in dealing with HMRC.[51] Accordingly, although overly simplistic performance standards (such as the time to answer a phone call) may not be useful, performance standards that measure the accuracy of advice given or the technical correctness of determinations made may prove more useful than a customer satisfaction survey.

Ethics codes are slightly different types of documents from taxpayer charters,[52] but there may be characteristics that also translate to a charter. In Australia, the tax agency has both an ethics code and taxpayer charters, which are both principles-based and allow discretion in how employees follow them.[53] One commentator states: "The greatest benefit of an ethical code, however, is their [sic] ability to create a shared moral consciousness among tax officers." Further, she elaborates that ethics codes are not intended to provide comprehensive lists of rules, but instead

> they focus on the key values the government wants to promote and the behaviours it wants to prohibit. In day-to-day practice, there is a need for employees to have discretion but this discretion is better exercised when a shared moral consciousness has been developed throughout the organization.[54]

These conclusions are applicable to a taxpayer charter in that many tax charters more closely resemble a statement of values and principles as opposed to a set of performance guarantees.

In addition to looking at the ethics codes, there are also lessons to be learned from studies analyzing the implementation of purely service-related charters. A group of Dutch scholars recently developed a Public Service Charter Implementation (PSCI) Framework, which established 44 organizational "enablers" to

48 Valerie Braithwaite, *Are Taxpayers' Charters 'Seducers' or 'Protectors' of Public Interest? Australia's Experience* 11 (Ctr. for Tax Sys. Integrity, Austl. Nat'l U., Working Paper No. 70, 2005), https://digitalcollections.anu.edu.au/handle/1885/43081.

49 *Id.* at 11-12.

50 *Id.* at 8.

51 Public Administration Select Committee, *From Citizen's Charter to Public Service Guarantees: Entitlements to Public Services*, 2007-08, HC 411 at 15-16 (UK).

52 "Whereas ethics codes represent an internal governance of the public sector (and more narrowly, the revenue administration), taxpayer charters are designed by the government to foster the relationship between taxpayers and the revenue administration." Kirsty Unger, *Ethics Codes and Taxpayer Charters: Increasing Tax Morale to Increase Tax Compliance*, 12 eJournal of Tax Res. 483, 485 (2014).

53 Kirsty Unger, *Ethics Codes and Taxpayer Charters: Increasing Tax Morale to Increase Tax Compliance*, 12 eJournal of Tax Res. 483, 491 (2014).

54 *Id.*

successfully implement a public service charter based on a literature review and concept mapping.[55] The literature review found a number of cases where a charter failed because of a lack of necessary enablers. These situations include:

- Insufficient involvement by employees and middle managers that results in inadequate use of the charter daily operations;
- Employee criticism of the charter or fear of being disciplined in connection with it; and
- Employee resistance to customer-focused change.[56]

Specific enablers included:

- Involving employees in the implementation;
- Employee training; and
- Incorporating the charter in employee performance measures.[57]

The PSCI Framework organized enablers under the categories of leadership, empowerment of employees, and continuous improvement.

The most important enablers under the leadership category were:

- Top management is committed to its service charter;
- The service charter is positioned within the organization as an instrument for improving the quality of service; and
- Top management (rather than a staff employee) is the promoter of the service charter and shows this by its commitment to the concept.[58]

Important enablers under the category "empowerment of employees" that are relevant to the IRS include:

- Employees are committed to the content and use of the service charter;
- Employees see the charter as a challenge rather than as a threat;
- Employees understand the objectives of the use of service charters;
- Employees are authorized to help customers immediately if they have problems because the contents of the service charter have not been properly met; and
- Employees are trained how to use the service charter in their interactions with customers.[59]

Finally, under the category of continuous improvement, the two most important enablers were:

- The organization learns from situations in which the contents of the service charter are not met so that it can improve its service quality; and

55 Jean-Pierre Thomassen, Kees Ahaus, Steven Van de Walle & Udo Nabitz, *An Implementation Framework for Public Service Charters*, Pub. Mgmt. Rev., 1 (2012).

56 *Id.* at 3-4.

57 *Id.* at 5.

58 *Id.* at 11.

59 *Id.* at 12.

- The organization regularly measures the extent to which it has met the terms of the service charter.[60]

Beyond these enablers, the paper notes that it is important for employees to "live the charter," making it part of everyday practice, which requires a certain amount of flexibility for employees to act accordingly.[61]

Finally, there are lessons that can be learned from reviewing the implementation of patient's charters in the context of healthcare. Although the United States has a "Patient's Bill of Rights," it is a set of legislative protections included in the Affordable Care Act that is more akin to the proposed TBORs included in prior legislation, as opposed to the statement of fundamental principles adopted by the IRS.[62] More similar to the IRS's TBOR, the European Union created the EU Charter of Patients' Rights, which includes a list of 14 fundamental principles, such as the right to information, the right to privacy and confidentiality, and the right to safety.[63]

A civic assessment of the EU's patient charter evaluates how it has been implemented, relying on three types of information: (1) how governmental agencies or departments are promoting the charter in their policies and actions; (2) the conditions of citizens using the healthcare system; and (3) the perception of civic organizations regarding the healthcare system.[64] Examples of the second type of information concerning the conditions facing patients include items such as the time necessary to receive a diagnostic exam or a surgical intervention, the existence of certain services such as cultural mediation or interpreting services, and the availability of health care equipment.[65] To this end, a Patients' Rights Matrix was created with 174 indicators and each fundamental right was tied to a group of indicators.[66] Tools to collect data for the indicators included:

- A questionnaire to present to the Ministry of Health;
- A check-list to use during hospital monitoring, comprising a series of questions for the hospital authorities and a list of observations to be made; and
- A questionnaire to present to the partner organizations.[67]

Although the indicators were often specific to the healthcare industry and not relevant to tax administration, the structure of the assessment could be translated to a tax agency. The main ideas of requiring the agency to report what it has done to promote the rights included in the charter, seeking information about the actual conditions of citizens by tying the rights to performance measures, and seeking information from outside stakeholders such as civic organizations, are all applicable to the IRS.

60 Jean-Pierre Thomassen, Kees Ahaus, Steven Van de Walle & Udo Nabitz, *An Implementation Framework for Public Service Charters*, Pub. Mgmt. Rev., 12 (2012).

61 Jean-Pierre Thomassen, Kees Ahaus, Steven Van de Walle & Udo Nabitz, *An Implementation Framework for Public Service Charters*, Pub. Mgmt. Rev. 1, 16 (2012).

62 *See* U.S. Department of Health and Human Services, http://www.hhs.gov/healthcare/about-the-law/ (last visited May 7, 2016); Patient Protection and Affordable Care Act of 2009, Pub. L. No. 111-148, 124 Stat. 119 (Mar. 2010), as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152, 124 Stat. 1029 (Mar. 30, 2010).

63 Alessandro Lamanna et al., Active Citizenship Network, *The EU Charter of Patients' Rights: A Civic Assessment*, 2-3 (2011), http://www.activecitizenship.net/files/patients_rights/civic_assessment/european_patients_rights_day_report_light.pdf.

64 *Id.* at 11-12.

65 *Id.* at 11.

66 *Id.* at 7.

67 *Id.* at 15.

Australia has its own National Patient Charter of Rights, and a 2008 Consultation Report outlines comments received from consumers, health service providers, professional bodies, governments, and other stakeholders regarding the content of the charter and its potential use.[68] The report sought information about using the charter in standard setting, accreditation, education and training; to inform public and private hospital charters; and to support any requirements included in the next round of discussions about the Australian Health Care Agreements.[69] Respondents supported all of these options. Regarding education, comments suggested the charter be included in both undergraduate and graduate courses, as well as continuing professional development for healthcare service providers.[70] There was strong support for including the charter in accreditation, quality, and performance standards.[71] Additional options were to include the charter in health practitioners' codes of ethics or codes of practice, and to use it in patient and research studies.[72]

A brochure prepared for private Australian healthcare providers shows some examples of how a charter can be incorporated into operations.[73] Recommendations to "Build the Charter into organizational systems" include: using the charter as framework to review the organizational vision, plans, and policy statements to ensure they support rights; discussing the charter with executive and senior management as a regular meeting agenda item; and using the charter as a reference point in managing complaints.[74] The brochure also highlights the importance of measuring the charter's impact and recommends including relevant questions in patient satisfaction or experience surveys; conducting staff surveys regarding awareness and attitudes; and tracking requests for the charter and number of copies printed.[75] The literature discussed above provides a wealth of information for the IRS to apply in deciding how to implement the TBOR.

LITERATURE REVIEW

1. **Adrian J. Sawyer**, *A Comparison of New Zealand Taxpayers' Rights with Selected Civil Law and Common Law Countries – Have New Zealand Taxpayers been Short-changed?,* 32 Vand. J. Transnat'l L. 1345 (1999).

   This article describes the categories of rights provided by taxpayer charters in other countries. It identifies a drawback in the United States' TBOR 1 and 2 legislation because it represents a politically motivated act as opposed to a mutual IRS/government initiative. At the time of this article in 1999, New Zealand did not have a taxpayer charter, but merely a statement of principles and later a customer service charter. The absence of a constitution protecting fundamental human rights in New Zealand, with only minimal legal protection which can be repealed, and the poor attempt at providing a charter (the Statement of Principles and the more recent Customer Charter) are problematic.

68 Australian Commission on Safety and Quality in Healthcare, *National Patient Charter of Rights Consultation Report* (June 2008), http://www.safetyandquality.gov.au/wp-content/uploads/2012/01/Consultation-report.pdf.

69 *Id.* at 29.

70 *Id.*

71 *Id.* at 30.

72 *Id.*

73 Australian Commission on Safety and Quality in Healthcare, *Using the Australian Charter of Healthcare Rights in Your Health Service*, http://www.safetyandquality.gov.au/wp-content/uploads/2014/07/Using-the-Charter-of-Healthcare-Rights-in-Your-Health-Service-v3.pdf (last accessed May 9, 2016).

74 *Id.*

75 *Id.*

2. **Alessandro Lamanna *et al.***, Active Citizenship Network, *The EU Charter of Patients' Rights: A Civic Assessment*, 1 (2011), http://www.activecitizenship.net/files/patients_rights/civic_assessment/european_patients_rights_day_report_light.pdf.

   This report evaluates the state of implementation of the European Charter of Patients' Rights in the European Union member states, relying on three types of information. "The first type of information concerns the degree to which institutional bodies (government,public administration, Ministry of Health, etc.) are promoting norms, policies and actions relevant to the interests of the European Charter of rights, which testify to the level of attention paid to patients' rights at a national level." "The second type of information concerns the actual conditions of the citizens who use the health care system," which includes items such as the time necessary to receive a diagnostic exam or a surgical intervention in a hospital, the existence of certain services such as cultural mediation or interpreting services, and the availability of health care equipment. Each right of the European Charter was considered as a factor of evaluation and tied to a group of indicators. The third type of information regards the perception of civic organizations regarding the health care system. A Patients' Rights Matrix was established with 174 indicators, which was used to collect and analyze information, assign scores, identify critical elements and good practice, and determine an action plan.

3. **Australian Commission on Safety and Quality in Healthcare**, *National Patient Charter of Rights Consultation Report* (June 2008), http://www.safetyandquality.gov.au/wp-content/uploads/2012/01/Consultation-report.pdf.

   This report details the consultation process leading up to the adoption of the Australian National Patient Charter of Rights, which includes stakeholder comments and the commission's response to them. The commission sought feedback on the potential for the charter to be used in the following ways: in standard setting, accreditation, education and training; to inform, develop or review public hospital charters; to inform the review of private hospital charters; and to support any requirements included in the next round of discussions about the Australian Health Care Agreements Charter. All of the options mentioned in the consultation paper were supported by respondents. Using the charter in the accreditation process could be useful for monitoring the progress of the charter and measuring performance.

4. **Australian Commission on Safety and Quality in Healthcare**, *Using the Australian Charter of Healthcare Rights in your Health Service,* http://www.safetyandquality.gov.au/wp-content/uploads/2014/07/Using-the-Charter-of-Healthcare-Rights-in-Your-Health-Service-v3.pdf (last visited Apr. 28 2016).

   This is a two page brochure for healthcare providers to explain how they can inform patients, consumers, families and caregivers of their rights, how they can inform healthcare providers and other staff about the rights of patients, how they can build the Charter into organizational systems, and how they can measure the impact of the Charter. There are strategies listed for each category. For example, under building the charter into organizational systems, providers can use the Charter "as a framework when reviewing organizational policies to ensure the rights are reflected in organization vision, plans and policy statements."

5. **The Chartered Inst. of Tax'n**, *A Taxpayers' Charter for the United Kingdom*, 13 (2008).

   There is a role for a charter because there are certain "soft law" rights which are more easily expressed in a charter than in precise legal language, and there is no problem with expressing the same rights precisely in the law and in plain language in a charter. In terms of remedies, "a more flexible approach would be to say that a tax tribunal hearing an appeal, a court handling a revenue matter, a revenue officer reviewing a file, or the Adjudicator, may take such account of the breach of the Charter as is appropriate in the circumstances."

   Australia's charter extensively elaborates both rights and obligations of taxpayers, and provides separate detailed brochures for each core right identified in its charter. For example, the right to confidentiality and privacy is accompanied by a brochure clarifying: the impact of the local Privacy Act; how to obtain information under the Freedom of Information Act; protection of tax file numbers and disclosures; secrecy provisions; the responsibility of contractors and out-sourcing advisers engaged by the tax office; information from third parties such as banks; data-matching from other sources; and how to proceed and make complaints to the Commonwealth Ombudsman.

6. **Duncan Bentley**, *Revisiting Rights Theory and Principles to Prepare for Growing Globalisation and Uncertainty*, presented at Inaugural Conference on International Taxpayer Rights (Nov. 18, 2015).

   This article argues that taxpayer rights are most effective when they have the force of law, but soft law can also be effective in protecting taxpayer rights. "[W]here the principles and legal rules that form the basis for protecting taxpayer rights are reinforced by a strong rule of law, rights expand through engagement with taxpayers and their participation in the tax system." "[G]ood practice and non-legal frameworks, which often can bring greater clarity and meaning to the social frameworks that support taxpayer rights." "[B]ehavioural economics and psychology reinforces the view that practical enforceability most of the time, even without a right to take a matter to court, provides a powerful right."

7. **Federal Trade Commission**, *A Summary of Your Rights Under the Fair Credit Reporting Act,* https://www.consumer.ftc.gov/articles/pdf-0096-fair-credit-reporting-act.pdf (last visited June 6, 2016).

   "The federal Fair Credit Reporting Act (FCRA) promotes the accuracy, fairness, and privacy of information in the files of consumer reporting agencies." Examples of rights, provided by legislation, include: the right to dispute inaccurate information, the right to be told what is in your file, the right to restrict information provided to employers without your consent, and the right to be told if information in your file has been used against you.

8. **Finance Act 2009**, c 10, § 92 (Eng.).

   This U.K. statute ordered HMRC to prepare a taxpayer's charter, regularly review the charter, and annually report on how the agency has demonstrated the charter's values and standards of behavior.

9. **Gavin Drewry**, *Citizens as Customers – Charters and the Contractualisation of Quality in Public Services*, presented at European Group of Public Administration Conference, (Aug. 31-Sept. 2, 2005).

   The paper explores the rationale of charters, with particular focus on the U.K. charter program, which at the time of this paper had become subsumed in the broader agenda of modernizing public services. It discusses a particular weakness with the Health Service Charter, which includes

performance standards that were so specific they led to unreasonable expectations and a backlash against government employees. The paper calls into question whether it is valid to depict the citizen as a customer when the citizen has no choice whether or not to use the services. It also points out the danger of emphasizing citizen's rights without also focusing on reciprocal obligations that are fundamental to citizenship and contractual relationships.

10. **Jean-Pierre Thomassen**, Kees Ahaus, Steven Van de Walle & Udo Nabitz, *An Implementation Framework for Public Service Charters,* Pub. Mgmt. Rev. 1 (2012).

    A group of Dutch scholars recently developed a Public Service Charter Implementation (PSCI) Framework, which established 44 organizational "enablers" to successfully implement a public service charter based on a literature review and concept mapping that included 45 Dutch experts in charter implementation. Situations where charters failed due to lack of enablers included: insufficient involvement by employees and middle managers, which results in inadequate use of the charter daily operations; employee criticism of the charter or fear of being disciplined in connection with it; and employee resistance to customer focused change. Specific enablers included involving employees in the implementation, employee training, and incorporating the charter in employee performance measures. The PSCI Framework organized enablers under the categories of leadership, empowerment of employees, and continuous improvement.

11. **John Whiting**, *Finance Act Notes: Section 92 - HMRC Charter - Magna Carta the Second?,* 5 British Tax Rev. 616 (2009).

    A charter is necessary to help taxpayers (especially unrepresented ones) know their rights and defend against an overbearing tax authority. The charter will also assist HMRC and its employees. Through focusing on HMRC's own standards of performance, it will support the needs for employee training and development. A major shortcoming of the HMRC charter is the requirement that HMRC is only to "aspire" to the standards and behaviors.

12. **Kirsty Unger**, *Ethics Codes and Taxpayer Charters: Increasing Tax Morale to Increase Tax Compliance,* 12 eJournal of Tax Res. 483, 491 (2014).

    This article discusses ethics codes and taxpayer charters, focusing on their different objectives, and looks specifically at those in the United Kingdom and Australia. In terms of enforcement, it notes that both documents in Australia are principles-based, and thus their application in particular circumstances is up to the discretion of the person applying them, although there are sanctions for not following them. The greatest benefit of an ethical code is the ability "to create a shared moral consciousness" among employees, and its effectiveness depends on whether the code is fostered by senior management.

13. **Philip Baker**, *The Charter and the Law,* Taxation (Sept. 10, 2008), http://www.taxation.co.uk/taxation/articles/2008/09/10/6852/charter-and-law.

    A taxpayer bill of rights differs from a taxpayer charter because a bill of rights enacts the provisions included in the statement of rights in legislation. Under this theory, the United States had three taxpayer bills of rights prior to its adoption of the TBOR. A charter is a declaration of taxpayers' rights (which can also include obligations) that is not included in legislation and has no specific force of law. As a particularly British hybrid of these two, the commentator suggests a charter that has been given the force of law through a legislative provision that directs the governmental

agency to issue a charter. Legislation should clarify the legal effect of the charter and create a duty on HMRC to ensure the charter is taken into account. Individual employees should not be penalized for breaching the charter because such a breach might be caused by inadequate training or instructions.

14. **Public Administration Select Committee**, *From Citizen's Charter to Public Service Guarantees: Entitlements to Public Services,* 2007-08, HC 411 (UK).

    This report tracks the formation of the citizen's charter movement in the U.K. and presents commentators' arguments that the original charter was so vague in its promises that they were meaningless. The original charter did further the ideas that performance should be measured, results should be made public, and information about services should be accessible. The report describes the Charter Mark, which originally started as a competitive award and has since shifted into almost a standard of service provision for customer service. There is criticism of the customer service measures used to meet the standard because the measures are highly subjective and were more based on user satisfaction than user experience.

    Another weakness was the individual charters adopted by governmental agencies and departments did not specify which promises were to be considered binding guarantees requiring redress, compensation, or some kind of enforcement. The Committee recommends there should be Public Service Guarantees, which specify a minimum standard of service provision that users can expect, and sets out procedures for redress. However, the enforcement mechanisms recommended apply more to a government agency with oversight over autonomous private entities or smaller, local governments, as opposed to an agency with interdependent offices and functions that cannot be closed down. For example, the Department of Health could bring in new management for a hospital that was failing to meet minimum standards or merge schools or deploy new teachers where local schools were not meeting standards. Another suggestion was to make the Parliamentary Ombudsman responsible for enforcing public service entitlements.

15. **Responsible Business Lending Coalition**, *Small Business Borrowers' Bill of Rights*, http://www.responsiblebusinesslending.org/ (last visited June 6, 2016).

    The Small Business Borrowers' Bill of Rights was developed by a coalition of lenders, credit marketplaces, brokers, and small business advocates and represents an industry standard for small business lending. Although many state and federal laws apply to consumer loans such as home loans or student loans, there are not many laws governing small business lending. Organizations who sign the Borrowers' Bill of Rights are not subject to any direct repercussions for not complying, but the coalition believes that CEOs who sign on would not do so if they did not actually intend to comply. The Bill of Rights includes six rights with descriptions of each. For example: "The Right to Transparent Pricing and Terms: You have a right to see the cost and terms of any financing you are offered in writing and in a form that is clear, complete, and easy to compare with other options, so that you can make the best decision for your business."

16. **Richard Curtis**, *A Taxpayer's New Charter?,* Taxation (Sept. 15, 2005), http://www.taxation.co.uk/taxation/articles/2005/09/15/3476/taxpayers-new-charter.

    This article tries to uncover what happened to the earlier versions of U.K. taxpayer charters that disappeared in the early 2000's, concluding that the replacement for them was merely a set of service guarantees. It also discusses the developments regarding a new taxpayer charter at the time (2005).

17. **Simon James**, **Kristina Murphy & Monika Reinhart**, *The Taxpayers' Charter: A Case Study in Tax Administration,* 7 J. Austl. Tax'n. 336 (2004).

    This article traces the history of the taxpayer charter in Australia. It outlines some tweaks made in how the charter was implemented. For example, initially the charter was to be mentioned in all correspondence with taxpayers, but this was revised so that letters simply have to conform to the charter as opposed to mentioning it specifically. In terms of implementing the charter, the Australian Tax Office (ATO) rejected simplistic standards such as answering the phone in a set time because this was not helpful if the taxpayer received the wrong answer. Unlike the U.K. charters, the Australian Taxpayer charter was perceived less as a set of rules and more as an approach to standards of service. The article reports the results of two surveys, conducted after three and five years regarding how well the ATO was doing in meeting its obligations under the charter. The overall result is positive, but the ratings fell almost across the board between the two surveys. The article repeatedly links the success of the charter to embedding it in the culture of ATO and its employees, but does not provide many details about how this was accomplished.

18. **St. of Cal. Dep't of Just., Off. of the Att'y Gen.**, *California Homeowner Bill of Rights,* http://oag.ca.gov/hbor (last visited June 6, 2016).

    This was a legislative Bill of Rights that became law in California in 2013. The objective was to guarantee basic fairness and transparency during foreclosures. Some of the protections include: a halt on the foreclosure process while a homeowner is completing a loan modification application, a guaranteed single point of contact at the bank, penalties for lenders who record and file multiple unverified documents, and a right of redress for borrowers.

19. **Sue Yong & Alvin Chenga**, *The Inland Revenue's Taxpayer Charter and the Small Business Community,* 17 N.Z. J. Tax'n Law and Pol'y 245 (Sept. 2011).

    This article studies complaints made by small business taxpayers in the years after a taxpayer charter was adopted, in relation to three commitments for Inland Revenue in the charter: to be prompt, courteous and professional in its conduct, to provide taxpayers with reliable and correct advice and information, and to be consistent in applying the tax laws to taxpayers. The main concerns expressed by small businesses tend to be about audit selection, inaccurate information provided by employees, and inconsistent treatment depending on which auditor conducts the exam. The main suggestions of this study are that Inland Revenue ensures that competent and experienced staff are employed in the audit function; that staff are competent with and knowledgeable about tax regulations; and that staff are courteous and professional in their dealings with taxpayers. There are no specific recommendations that come from this study, but it suggests the need for better education and training among audit staff. Consistency in the auditor quality and skill levels is critical in ensuring an ongoing public perception of Inland Revenue as an organization committed to procedural fairness.

20. **U.N. Conference on Trade and Development**, *Implementation Report on the United Nations Guidelines on Consumer Protection (1985–2013)* 2, 7 (Apr. 29, 2013), http://unctad.org/meetings/en/SessionalDocuments/ciclpd23_en.pdf.

    In 1985, the United Nations drafted guidelines on consumer protection (UNGCP), which were expanded in 1999. These guidelines have many objectives, such as maintaining adequate consumer protection, encouraging responsive production and distribution patterns, curbing abusive business

practices at the national and international level, and promoting sustainable consumption. "[A]ll countries have a legal framework aimed at adequate consumer protection but may focus on different objectives and have varying levels of institutional development. Promotional marketing and sales practices should be guided by the principle of fair treatment of consumers and should meet legal requirements. This requires the provision of the information necessary to enable consumers to take informed and independent decisions, as well as measures to ensure that the information provided is accurate."

21. **Valerie Braithwaite**, *Are Taxpayers' Charters 'Seducers' or 'Protectors' of Public Interest? Australia's Experience,* (Ctr. for Tax Sys. Integrity, Austl. Nat'l U., Working Paper No. 70, 2005), https://digitalcollections.anu.edu.au/handle/1885/43081.

    This paper reviews the results of two taxpayer surveys conducted at different times regarding how well the tax agency was adhering to the principles in the taxpayer charter. Survey results went down between the two surveys and it appears this was in part due to the influence of many taxpayers getting caught up in a mass marketed tax evasion scheme, and the controversies between taxpayers and the tax agency after. Possible determinants of the ratings that were analyzed include: "(a) justice in making and delivering decisions (perceptions of distributive justice — obtaining outcomes that are favourable to the taxpayer — are pitted against perceptions of procedural justice — dealing with taxpayers in a respectful fashion and giving them representation); (b) experiences of trust or adversarialism in relation to the Tax Office; (c) endorsement of tax reform through the GST (both the reform, and its implementation); (d) deference to the tax authority; and (e) dissatisfaction with government." "Average Charter ratings have been shown to vary with a number of factors, but the most important were (a) trust in the authority to act impartially and on behalf of all citizens and (b) procedural justice whereby taxpayers believed they were being treated as trustworthy, with respect, and included in deliberations about the future of the tax system."

22. **The World Bank, Social Development Dep't**, *How-to-Notes, Citizen Charters: Enhancing Service Delivery through Accountability*, http://siteresources.worldbank.org/EXTSOCIALDEVELOPMENT/Resources/244362-1193949504055/4348035-1298566783395/7755386-1301510956007/CC-Final.pdf (last visited June 6, 2016).

    "Effective CCs [citizen charters] typically share a number of key characteristics, including clear and simple language; realistic and measurable performance standards; a dedicated grievance redress mechanism; and an effective public relations strategy to increase users' awareness about the CC."

    The following are conditions in which a citizen's charter is likely to be successful:

    - "There is strong management support for the CC initiative, especially during the start-up phase.
    - The CC is developed with input from both internal and external stakeholders through participatory processes.
    - Staff have an incentive to adhere to the conditions outlined in the CC, because their performance appraisal reviews and/or additional compensation are tied to the organization's success in achieving the service delivery targets outlined in the charter.
    - Employees and citizens are aware of the CC initiative, and civil society is involved in holding service providers accountable.

- Progress is tracked through a project-level monitoring and evaluation system and linked to other social accountability interventions to verify that service delivery improvements have been achieved."

23. *Your Charter Annual Report: April 2014 to March 2015*, GOV.UK (Jan. 12, 2016), https://www.gov.uk/government/publications/your-charter-annual-report-2014-to-2015.

    This annual report required by the 2009 Finance Act details activities of the charter committee, describes progress HMRC made during the year on activities connected to the commitments of the charter, priorities for the coming year, and the results of a customer satisfaction survey regarding the rights in the charter. The section regarding Charter rights 1, 2, 3 and 4: respect you, help and support you, treat you as honest, and treat you even-handedly, highlighted online tax accounts and online payment systems. Some of the actions highlighted seemed only tangentially related to the charter rights identified.