

Abstract

This paper empirically examines Australian taxpayers' perceptions of their tax practitioners and 'ideal' tax practitioners, using a sample of 2040 randomly selected Australian taxpayers who completed the Community Hopes, Fears and Actions Survey (Braithwaite, 2000). This research identifies the basic dimensions that underlie taxpayer judgements of the attributes of their ideal tax practitioner. One kind of tax practitioner sought by certain taxpayers is the 'creative accountant, aggressive tax planning type'. Here the taxpayer is also looking for a practitioner who is well networked and knows what the Australian Taxation Office (Tax Office) is checking at a particular time. This is by far the least popular preference among ordinary individual taxpayers, but clearly one of the greatest concern to tax authorities. A second type of practitioner sought by taxpayers is one who engages in 'cautious minimisation of tax'. Unlike the creative accountants, practitioners of this type avoid conflict, while being sophisticated about identifying opportunity to minimise tax. The most popular type of practitioner with taxpayers is the 'low risk, no fuss' practitioner who is honest and risk averse. The data also show that taxpayers are likely to find tax practitioners who have the attributes they value most highly in a practitioner. Further work is needed to understand the matching process, in particular, how high risk practitioners and high risk taxpayers form their partnerships.