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In detail

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Evidence of serious hardship

We may ask you to provide recent evidence to support your claim of serious hardship.

Release from your tax debt

Individuals experiencing serious hardship may apply for release from paying some tax debts. We take into account your individual circumstances when considering your application.

Requesting priority processing

How to apply for priority processing of your tax return.

QC 81467

Evidence of serious hardship

We may ask you to provide recent evidence to support your claim of serious hardship.

Last updated 18 June 2025



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Support for serious hardship

Evidence

Support for serious hardship

We can Tax support for individuals you in circumstances where you are unable to provide the following for yourself, your family or dependents:

- food
- accommodation
- clothing
- medical treatment
- education
- other basic necessities.

This is known as 'serious hardship', and many situations can contribute to serious hardship, including family tragedy, financial misfortune, mental health challenges or impacts of natural disaster.

Evidence

We may ask you to provide recent evidence to support your claim of serious hardship. Your evidence should support your current financial circumstances. Any documents you provide should be dated within 4 weeks of supplying them.

Types of evidence can include the following:

- official eviction notice (not a warning of possible eviction due to rental arrears)
- pending disconnection of essential services, like water, electricity or gas (doesn't include mobile phone or internet bills)
- notice of impending legal action

- letter from a charitable organisation regarding loss of employment or inability to provide for basic necessities
- bank notice, for example, overdraft call or mortgaged property repossession
- overdue medical bills
- letter from a doctor verifying the inability to earn an income due to illness or caring for a sick family member
- final notice from school regarding payment of mandatory fees
- funeral expenses
- repossession notice of essential items, like a car or motorcycle.

We take many factors into account when assessing your claim for serious hardship. Providing one or more of these documents listed may not necessarily result in you being granted serious hardship status.

In some cases, these requirements may change, depending on your individual circumstances.

QC 65010

Release from your tax debt

Individuals experiencing serious hardship may apply for release from paying some tax debts. We take into account your individual circumstances when considering your application.

Last updated 12 April 2021

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Who can apply?

Which tax debts may be released?

How is release assessed?

In certain circumstances, we can permanently remove some or all of an individual's tax debt. We call this 'release'.

We can only release you from payment of particular tax debts where paying those debts would leave you not able to provide for yourself, your family or others for whom you are responsible. This includes providing for items such as:

- food
- accommodation
- clothing
- medical treatment
- education

We consider applications for release against the criteria outlined in Practice Statement Law Administration PS LA 2011/17 *Debt relief, waiver and non-pursuit*. We summarise the conditions in [How is release assessed?](#)

Who can apply?

You can apply for release if you are:

- an individual
- the trustee of the estate of a deceased person.

Companies, trusts and partnerships cannot apply to have tax debts released.

If your company, trust or partnership has a tax debt and you are having difficulty paying, you can:

- find information at **Businesses with financial difficulties**
- phone us on **13 11 42** during operating hours (refer to Debt and lodgment enquiries) to discuss your options.

Which tax debts may be released?

The only tax debts that **can** be considered for release are:

- income tax
- PAYG instalments
- fringe benefits tax (FBT)
- FBT instalment
- Medicare levy
- Medicare levy surcharge
- withholding taxes on dividends, interest or royalties
- mining withholding tax
- managed investment trust withholding tax
- some penalties and interest charges associated with these debts.

Not all tax debts can be released. We **cannot** release debts for:

- GST
- PAYG withholding
- excess contribution tax (ECT)
- Division 293 liabilities
- super guarantee charge (SGC)
- director penalty notices.

If there is no part of your tax debt that can be released and you are experiencing serious hardship, you can:

- find information at **Individuals with financial difficulties**
- phone us on **13 11 42** during operating hours (refer to Debt and lodgment enquiries) to discuss your options.

How is release assessed?

We take into account your household's income, expenditure, assets and liabilities to determine serious hardship. We then consider other factors and information provided by you to determine whether it would be appropriate to grant release.

Your application for release and any supporting documents you supply should provide enough information for us to understand your circumstances. This will help us in determining the type of assistance we can provide.

Income and expenditure

We look at your household's fortnightly income and expenditure to determine if you have the ability to pay all or part of your debt. We may then assist you with arranging a suitable payment plan.

Assets and liabilities

We look at your household's assets and liabilities to identify if the sale of particular assets could repay all or part of your tax debt.

Owning assets such as your residential home, motor vehicle, household goods, tools of trade, and savings for necessities may be regarded as normal and reasonable provided they are fair in relation to community standards.

Generally, we would consider purchasing an asset while you are aware of your tax debt to be unreasonable.

Other factors

If we've established that payment of your tax debt would cause you serious hardship, we'll look at other factors within your control that have contributed to your serious hardship.

These factors include:

- how your tax debt arose
- have you disposed of funds or assets without providing for tax debts
- if you have other debts you are not able to pay, and releasing you from your tax debt will not improve your financial hardship
- if hardship is temporary and your circumstances are likely to improve, another solution may be appropriate
- your compliance history
- if you can demonstrate that you have provided for future tax debts.

We will consider other factors contributing to your serious hardship that are outside of your control.

See also:

- PS LA 2011/17 *Debt relief, waiver and non-pursuit*

Before you apply

Before we can consider your application:

- you must lodge all of your outstanding tax returns and activity statements as we need to know the total amount you owe
- you must provide up-to-date contact information as we may need to contact you during the process
- if you have an unresolved dispute with us (for example, you have objected to an income tax assessment) it will need to be finalised first
- if you have an unresolved compensation, damages or insurance claim it will need to be finalised first.

If you need more information before applying, phone us on **13 11 42** during operating hours (refer to Debt and lodgment enquiries).

How to apply for release

Use the **Debt release tool** to determine if you are eligible to apply for release and to access the application form.

QC 27193

Requesting priority processing

How to apply for priority processing of your tax return.

Last updated 10 June 2021

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Before you apply



How to apply

What happens next

If you're an individual or business experiencing financial difficulties or serious hardship you may be eligible for priority processing of your tax return.

Before you apply

Make sure you have lodged your return before requesting priority processing. The quickest and easiest way to lodge is by using our [online services](#).

Check the progress of your return as you may not need to lodge a request for priority processing if your return is in its final stages of processing. Your return may be already finalised before we have had an opportunity to consider your request.

To be eligible for priority processing, your evidence must:

- support your current financial circumstance
- be dated within four weeks of your submission.

If you cannot provide this evidence, your claim may be delayed or denied. It is an offence to provide false or misleading information and penalties can apply.

For a list of eligible documents refer to:

- Evidence of serious hardship – Individuals
- Evidence of financial difficulties – Businesses.

See also:

- [Lodge online with myTax](#)

How to apply

You can apply for priority processing by phone or through a tax professional.

Applying by phone

Once you have lodged your return, phone us on **13 28 61** to discuss whether priority processing is suitable. Ensure you have your eligible documentation when calling us.

Applying through a tax professional

A registered tax professional can submit a request for priority processing on your behalf.

When your agent is requesting priority processing, they will be required to provide evidence to support your application. Ensure you supply eligible documentation as evidence to your agent.

What happens next

We will notify you once we receive your initial request and contact you if we require more information.

We may need more time to process your return if:

- you are a customer of another Australian government agency, including Services Australia (Centrelink or Child Support)
- you have lodged income tax returns or amendments for several years at once
- you currently have a tax debt or previously unresolved tax debt with us
- you are under an insolvency administration, for example bankruptcy or debt arrangement (check to make sure your insolvency practitioner advises us of your situation before you lodge your return)
- we need to check information in your return.

Applying for priority processing doesn't guarantee a refund. It could result in the credit being used to pay an outstanding debt with us or other Australian government agencies.

If you have an outstanding debt with another Australian government agency, such as Services Australia (Centrelink or Child Support), you should also contact them to discuss your circumstances.

More information

If you're finding it difficult to lodge or pay your tax or have already missed a due date, we can help. To see what other support is available, visit:

- **Support to lodge and pay**
- **Tax support for individuals**
- **Tax support for businesses**

For support tailored to your needs, speak with your registered tax practitioner or call us on 13 11 42 during **operating hours**.

QC 48005

Our commitment to you

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

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