Large business

Information on our assurance and compliance programs for entities with a combined turnover greater than $250 million.

Compliance and governance

Work out the compliance and governance requirements for large businesses.

Information and services

Information and services to help large businesses.

Large business justified trust

How we build and maintain community confidence taxpayers are paying the right amount of tax.

Top 100 justified trust program

Applying justified trust to the top 100 population and our latest Top 100 findings report.

Top 100 GST assurance program

Explains the top 100 GST assurance program, how to prepare for

Top 100 population

How we identify and categorise the top 100 and our engagement approach with this population.

Top 1,000 combined assurance program

Assures the income tax and goods and services tax (GST) affairs of Australia's Top 1,000 population.

Top 1,000 GAT and data testing

GST analytical tool (GAT) and data testing in our Top 1000 combined assurance reviews.

Top 1,000 Next Actions Program

Why we may engage with you for further action.

Corporate tax transparency

By law, the ATO is required to report information about certain large corporate tax entities.

Public country-by-country (CBC) reporting

Check how some large multinational enterprises report tax information to the public on a country-by-country (CBC) basis.

Objections and amendments

Contact us as soon as possible if you want to object to a decision

Action Differentiation Framework

How we use the Action Differentiation Framework (ADF) to engage with Public and Multinational Businesses (PMBs).

Finding reports summary - Public groups

What we've learnt from the public groups findings reports.

In detail

Detailed tax information for large businesses.

Tax and Corporate Australia

Review information on the income tax compliance of large corporate groups for the 2022–23 year.

Public groups and multinational groups

Our engagement, assurance and compliance processes for publicly listed Australian or multinational businesses.

QC 21409

Large business information and services

Information and services to help large businesses.

Last updated 9 May 2025

Find out about:

- Business bulletins – for the latest updates on legislative, corporate and administrative tax news for medium, large and multinational business and their advisers.
- Online services

See also:

- New legislation – for updates on potential legislative changes and how they may affect large businesses
- Key products and resources – information specifically for large businesses.

QC 48017

Large business justified trust

How we build and maintain community confidence taxpayers are paying the right amount of tax.

Last updated 28 October 2021

On this page

How we build and maintain community confidence taxpayers are paying the right amount of tax.

Justified trust is a concept from the Organisation for Economic Cooperation and Development (OECD).

Justified trust builds and maintains community confidence that taxpayers are paying the right amount of tax. It also allows us to focus our resources in the right areas.

How we achieve justified trust

To achieve justified trust, we seek objective evidence that would lead a reasonable person to conclude a particular taxpayer paid the right amount of tax. This is a higher level of assurance than confirming certain risks do not arise.

We tailor our assurance approach based on the unique business profile of a taxpayer.

When engaging with a taxpayer, we review the following four key areas:

- Understanding a taxpayer's tax governance framework
- Identifying tax risks flagged to the market
- Understanding significant and new transactions
- Understanding why the accounting and tax results vary

Understanding a taxpayer's tax governance framework

We confirm the existence, application and testing of a tax risk management and governance framework.

We recognise entities use different governance practices based on a range of factors.

Identifying tax risks flagged to the market

We review risks or concerns we communicated to the market (for example, through Taxpayer alerts, Practical compliance guidelines, or Public rulings). We then determine whether these may be present.

Understanding significant and new transactions

We seek to understand current business activities, particularly significant or new transactions, and the tax outcomes.

Understanding why the accounting and tax results vary

We analyse the various streams of economic activity and how they are treated for taxation and excise purposes.

This requires a holistic understanding of the taxpayer's business operations and financial performance. We compare this to its tax performance.

For example, we analyse:

- the Effective tax borne (ETB) and global value chain to understand why accounting and income tax results vary
- sales, acquisitions and other data and compare this to net goods and services tax (GST) paid.

For a copy of the ETB Guide and workbook we use to complete our ETB calculations, email **Top100@ato.gov.au**

GST analytical tool

The GST analytical tool (GAT) is one of the tools we use to obtain greater assurance you are paying the right amount of GST and to help us better understand why accounting and GST results vary. It is not intended for use by taxpayers with pre-dominantly input taxed supplies. Different analytical approaches are under consideration for those taxpayers.

The **GST analytical tool (GAT) FAQ**, **top 100 GAT example** and **top 1000 GAT example** may also help you when considering the application of the GAT as part of a GST assurance review.

For a copy of the GST analytical tool (GAT) Guide and method statement we use to complete our GAT calculations, email **Top100@ato.gov.au** or **top1000@ato.gov.au**.

Intended outcomes from our approach to justified trust

Justified trust gives the community confidence that large businesses are paying the right amount of tax. This fosters broader willing participation and engagement across the tax and superannuation system.

Our approach helps us focus how we minimise the income tax and GST tax gaps through:

- our engagement strategy (for example, identifying and resolving areas of concern at the earliest possible time)
- active compliance (for example, audit cases)
- active prevention across the market (for example, through **Taxpayer alerts**, **Practical compliance guidelines**, or Public rulings).

Other guidance materials

- [OECD: Measures of Tax Compliance Outcomes – A Practical Guide]
- **Tax risk management and governance review guide** (for large public and multinational businesses)
- GST Governance, Data Testing and Transaction Testing Guide
- Guide to Independent Data Testing by Third Party Advisors
- Reviewing tax governance for large public and multinational businesses
- Tax governance for privately owned groups

QC 50481

Top 100 justified trust program

Applying justified trust to the top 100 population and our latest Top 100 findings report.

Last updated 11 November 2024

Applying justified trust to the top 100 population

Justified trust is a concept from the Organisation for Economic Cooperation and Development (OECD).

We originally introduced the justified trust concept starting with the **top 100 population** in 2016.

We complete justified trust reviews as part of the yearly pre-lodgment compliance review (PCR). The **Engaging early with you publication** has information on:

- what to expect in a PCR
- PCR timelines
- our expectations around pre-lodgment disclosures.

In these reviews, we apply consistent rating categories to our overall level of assurance. We apply a high assurance rating where we have confidence that you paid the right amount of income tax for the period reviewed.

Due to the size and complexity of taxpayers in the top 100 population, we expect it may take some taxpayers several years to reach high assurance.

We are working with each of the top 100 as part of the PCR process to gain and maintain a high level of assurance. We will tailor future engagements to focus on new, unassured areas and changes.

The **Top 100 program – Tailored approach to obtaining, maintaining and refreshing assurance** outlines the stages of the Justified Trust cycle for income tax.

High level of assurance

When you, as a top 100 taxpayer, attain an overall high level of assurance under our justified trust program, it means we have confidence that you've complied with Australian income tax laws.

In recognition of the level of trust we have in the reported tax outcomes of these taxpayers, we will tailor our future engagement approach to focus on maintaining our high level of confidence. This is known as the **monitoring and maintenance approach**. This approach will apply to taxpayers for the 3 income years following an overall high assurance outcome.

To reaffirm our confidence that you continue to pay the right amount of income tax, we will refresh our understanding and evidence base every fourth income year. We do this by running a **refreshed justified trust review** (refresh review).

Top 100 Findings report

Our **Findings report – Top 100 income tax and GST assurance programs** covers our key findings from tax assurance reviews completed to 30 June 2024.

These findings will help you understand how we apply the justified trust methodology to either:

- have greater assurance that top 100 taxpayers are paying the right amount of income tax or GST
- identify areas of tax risk for further action.

For more information about the Top 100 program, email **Top100@ato.gov.au**.

QC 60472

Top 100 GST assurance program

Explains the top 100 GST assurance program, how to prepare for a review and what happens after a review.

Last updated 4 November 2024

About the program

The Top 100 GST assurance program:

- seeks greater assurance that top 100 taxpayers are reporting the right amount of goods and services tax (GST)
- supports and expands on existing compliance approaches, including justified trust reviews for income tax, further enhancing confidence in these taxpayers.

How we tailor our approach

We complete an initial top 100 GST assurance review (initial review) for each top 100 taxpayer. We then continue annual reviews until you attain overall high or medium assurance.

Once you have attained an overall medium or high level of assurance in a top 100 GST assurance review, we:

- review you on a periodic basis at least once every 4 years (refresh review)
- take a monitoring stance during the intervening 3 years
- may also conduct targeted assurance activities during the intervening 3 years.

We gain or refresh assurance or identify areas of GST risk by engaging with you through a 12-month GST assurance initial or **refresh review**.

We will:

- notify you before we start a review
- give you time to consider making a voluntary disclosure of any tax shortfalls.

During a review we apply our justified trust methodology and tailor our compliance activities to your circumstances. These include:

- the overall GST performance
- the type and size of business activities
- the tax control framework for GST purposes
- our understanding from prior engagements including income tax assurance reviews.

In a GST assurance review, we review 4 focus areas and look for evidence that:

- GST controls within your tax control framework (including the design of business systems to create, capture and report transactions correctly for GST purposes
  - exist (Stage 1)
  - are designed effectively (Stage 2)
  - are operating in practice (Stage 3)
- none of the GST risks we have flagged to the market are present
- the GST outcomes are correctly reported and atypical, new, or large transactions are appropriate
- we can understand and explain the various streams of economic activity and how they are treated for GST, which will include applying the GST Analytical Tool (GAT) (unless you are a taxpayer with predominantly input taxed supplies).

A GST assurance review will generally focus on the last complete financial year.

In an initial review, we undertake data and transaction testing. The testing is on 3 consecutive BAS periods within the financial year of review. This is to determine whether GST outcomes are appropriate.

We will take a tailored approach to GST data and transaction testing in the refresh review. The intensity of data and transaction testing we do will be informed by our comprehensive understanding of you across all 4 focus areas.

When reviewing your tax control framework for GST purposes, we apply the **GST Governance, Data Testing and Transaction Testing**

Guide. We consider 3 GST controls (board-level control 4, managerial control 4 and managerial control 6) to be fundamental. The design of these controls directly influences the likelihood that the right amount of GST is reported.

The fundamental controls are:

1. Periodic internal controls testing (BLC4)
2. Data controls (MLC4)
3. Documented GST control framework (MLC6).

We will review these controls, as well as the other 5 common controls, across income tax and GST – BLC1, BLC3, MLC1, MLC3 and MLC7.

Board-level control (BLC) 4: Periodic internal controls testing

To attain a Stage 2 rating for this control, your testing needs to be:

- documented
- approved
- independent.

For testing frequency and scope, we need a periodic (3 to 5 year) rotating testing plan. This should cover all the controls. These include any common controls with income tax (BLC3, MLC 1, 3, 4, 6, 7). These core requirements are consistent with our income tax approach.

In addition, you should give a sufficient level of evidence about:

- who is conducting the testing (an independent reviewer and not the control owner)
- the testing methodology (refer to **section 4.3.2** of the GST Governance, Data Testing and Transaction Testing Guide for details).

We may assign a provisional Stage 2 rating for this control in limited circumstances. A core requirement of this control might not currently be supported by source evidence. This is particularly if your testing plan is still being developed or is yet to be approved.

To be eligible for a provisional Stage 2 rating, we need a written undertaking. This undertaking is that you will give us your finalised and approved testing plan after the completion of our GST assurance review.

Best practice periodic controls testing program

Our view of a best practice (optimal) periodic controls testing program is as follows.

MLC4 and MLC6

MLC4 and MLC6 should be tested regularly for GST, given:

- the importance of these controls for accurate GST reporting
- there are 12 monthly BAS returns annually.

We state in the GST Governance, Data Testing and Transaction Testing Guide that the test frequency is ideally annually, but this isn't a core requirement.

MLC4 and MLC6 are to be front loaded in the testing plan (ideally within the first 2 years).

MLC7

MLC7 is a common control, but likely to require some intensity of review for GST separately to income tax. This is because the procedures to explain significant differences between accounting figures and the BAS / income tax return are designed differently and operate separately.

Frequency

The frequency is to be determined by the independent reviewer, subject to the principles set out in the GST Governance, Data Testing and Transaction Testing Guide.

After first testing

Once each control has been tested, the independent reviewer should consider the following in determining the timing of re-testing:

- the outcome of that testing including the extent of any remediation action required
- changes in business, reporting or accounting systems
- significant business acquisitions or disposals
- changes in your GST profile

- changes in design of governance controls or control owners.

It needs to be established that the framework is designed and operating effectively and tested successfully (that is, post the initial testing). After that, we would expect that all controls be retested within a rolling 3 to 5 year period. Best practice is every 3 years.

If the retesting period extends beyond 5 years up to a maximum of 7 years, you can engage with us to discuss.

We would also expect controls to be retested where there have been any material changes to the controls. Examples are:

- new enterprise resource planning systems
- new subsystems
- business structure changes.

How to prepare

Information available

Engaging early with you includes information on:

- what to expect in a GST assurance review
- our expectations around pre-lodgment disclosures.

The **GST Governance, Data Testing and Transaction Testing Guide** contains detailed guidance on how the justified trust methodology is applied. It explains how:

- the justified trust methodology helps conduct a self-review of your tax control framework for GST purposes before the start of an initial or refresh review
- to undertake data and transaction testing to ensure your business systems are creating, capturing and correctly reporting GST.

Check your systems and records

Review your GST systems and records to check you haven't made any mistakes before the GST assurance review.

Let us know if you wish to **make a voluntary disclosure**. You can or get more information about **GST, WET, LCT and fuel tax credit voluntary** disclosures.

Using a third party adviser

You may be considering engaging the services of a third-party adviser to undertake independent data testing for a notified top 100 GST assurance review.

If so, our **Guide to Independent Data Testing by Third Party Advisors** is available to help. This guide gives practical guidance on:

- our expectations
- the conditions that the third-party adviser must meet to undertake the independent data testing.

This is so we can rely on the independent data testing in a GST assurance review.

GST analytical tool

The GST analytical tool (GAT) is one of the tools we use to have greater assurance you are paying the right amount of GST.

The purpose of the GAT is to:

- understand the reasons for the key differences arising between accounting and GST figures
- verify these differences with objective evidence if possible.

It isn't intended for use if you are a taxpayer with pre-dominantly input taxed supplies.

The **GST analytical tool FAQ** and **Top 100 GAT example** will help you when considering the application of the GAT as part of a justified trust approach.

For a copy of the GAT Guide and method statement we use to complete our GAT calculations, email **Top100@ato.gov.au**.

What to expect following a review

At the conclusion of a top 100 GST assurance review, we will share our findings with you in a GST Assurance Report. This includes discussing:

- the areas where we have assurance you reported the right amount of GST
- any identified GST risks.

Once you have had an initial review or refresh review and have an overall assurance rating, you receive a tailored assurance approach that builds on the review. See, **Top 100 GST Program Future GST engagement after initial GST assurance review**.

Top 100 Findings report

Our **Findings report – Top 100 income tax and GST assurance programs** covers our key findings from tax assurance reviews completed to 30 June 2024.

These findings will help you understand how we apply the justified trust methodology to either:

- obtain greater assurance that top 100 taxpayers are paying the right amount of income tax or GST
- identify areas of tax risk for further action.

More information

For more information about the top 100 GST assurance program, email **Top100@ato.gov.au**.

QC 60473

Top 100 population

How we identify and categorise the top 100 and our engagement approach with this population.

Last updated 11 October 2021

On this page

The top 100 population consists of public and multinational businesses and super funds that have substantial economic activity related to Australia. They form the largest contributors to corporate income tax, excise, and petroleum resource rent tax (PRRT) collections. They are some of the largest remitters of goods and services tax (GST).

As the top 100 can have a significant effect on the health of our tax system, we engage with them one-to-one to manage their compliance.

How we identify and categorise the top 100

We make an assessment of each large public and multinational business at the economic group level. We consider an economic group to include all Australian-based entities under a direct or indirect Australian or foreign majority controlling interest.

We initially identify top 100 taxpayers based on the size of their Australian operations. Other factors we consider include income tax, GST, PRRT or excise paid and the influence the taxpayer may have on their market segment.

We apply an Action Differentiation Framework (ADF) to our top 100 taxpayers. This is based on a point-in-time assessment of a taxpayer's:

- transparency in terms of their engagement with us
- choices and behaviours as evidenced in their tax affairs
- level of risk they exhibit.

Top 100 engagement approach

Our engagement with top 100 taxpayers is tailored or differentiated according to the ADF engagement approach. There are three ADF engagement experiences:

- partnering
- encouraging

- influencing.

We use our professional judgment to make this assessment. The factors we consider in making our assessment vary for each tax product and by the information we have and the interactions we have with each taxpayer. We consider quantitative and qualitative measurements.

Top 100 taxpayers receive an annual letter from the Commissioner of Taxation advising them of how we will tailor our engagement with them across a range of services and approaches under the ADF. We clearly outline:

- the engagement approach
- the basis of our assessment
- what this means for the taxpayer
- how we intend to engage with them over the next 12 months.

We also give top 100 taxpayers additional detail about:

- our concerns where we have finalised a justified trust review for income tax or GST
- the areas of their economic and tax affairs over which we have assurance
- our future engagement approach, which has been outlined in the annual tax assurance reports.

See also:

- Justified trust
- Action Differentiation Framework

QC 54108

Top 1,000 combined assurance program

Assures the income tax and goods and services tax (GST) affairs of Australia's Top 1,000 population.

Last updated 10 June 2024

On this page

Overview of the program

The Top 1,000 combined (income tax and GST) assurance program is part of the **tax avoidance taskforce** It replaces the Top 1,000 tax performance program that ended in 2020 and the Top 1,000 GST assurance program that ended in 2022.

Specialist income tax and GST teams engage with each taxpayer using tailored assurance approaches. We seek to increase our assurance that large public and multinational groups are reporting the right amount of income tax and GST or identify areas of tax risk for further action.

The program provides large businesses with an opportunity to gain greater certainty about their tax outcomes and the effectiveness of their tax governance frameworks. It also provides an objective mechanism for large businesses to understand how their tax profile compares to others in the market and their peers.

Our combined assurance reviews (CARs) build on previous assurance engagements enabling us to 'top up' our understanding. Our program focuses on the largest 1,000 taxpayers from the largest economic groups. We differentiate our assurance approach and tailor our engagement based on our understanding from prior engagements and the assurance already attained.

Our reviews provide an opportunity for taxpayers to improve assurance ratings obtained from previous reviews as we review improvements and steps taken to address our concerns.

Timely responses to our information requests help us to undertake our reviews more efficiently and make follow on compliance activity less likely.

Who the program covers

The Top 1,000 program is part of the ATO's PMB Large Market coverage strategy covering the largest 1,000 public and multinational entities outside the **Top 100 Program**.

At present, entities with a turnover of over $350 million would generally be included in the Top 1,000. Other factors will be relevant such as taxpayer industry, and whether any significant transactions or risks have come to our attention that are best reviewed in a CAR.

Large Market taxpayers not covered by the Top 100 or Top 1000 programs are still expected to have good tax governance and behaviours and will be monitored and potentially selected for our risk based coverage programs. Refer to **Action Differentiation Framework | Australian Taxation Office (ato.gov.au)**

Our combined assurance reviews

We apply our **justified trust methodology** to our reviews. Each review generally covers income tax and GST. Where we have already engaged through an income tax or GST assurance review, we will tailor the review based on the outcomes of those previous engagements.

The review seeks to increase our level of assurance that you are reporting the right amount of income tax and GST or identify areas of income tax or GST risk for further action.

Our reviews typically cover 4 income years for income tax and the last complete financial year for GST.

Where we engaged with you in an earlier review, we leverage our understanding of your business and seek to ‘top up’ our assurance and focus on what has changed since that review. We also check you've addressed any recommendations from your previous review. You will be able to improve your assurance ratings by following these recommendations.

Differentiated approach for Income Tax

Top 1,000 taxpayers have been divided into 2 pools for income tax: significant taxpayers and general taxpayers. Our assurance approach will differ depending on the taxpayer pool and other factors such any previous assurance rating. We will continue to focus on any recommendations made in our earlier assurance reviews and steps taken by taxpayers to address our concerns.

We aim to provide a better experience for taxpayers, with an increased focus on significant or unusual arrangements, continuing to build community confidence that Australia’s largest taxpayers are paying the right amount of income tax and GST.

Media:Significant taxpayers
http://tv.ato.gov.au/ato-tv/media?v=bi9or7org4bgiy

Significant taxpayers

Significant taxpayers generally have a turnover of over $1 billion and make up around 30% of the largest Top 1,000 entities. Given the economic significance of these taxpayers we will provide assurance for the 4 year income tax review period.

We may consider other factors when determining an entity is a significant taxpayer, to ensure we have an appropriate spread of taxpayers across certain industries in the significant taxpayer group.

Where a significant taxpayer has previously achieved an overall high or medium assurance rating and has achieved at least a Stage 2 governance rating, we tailor our assurance approach to reflect this. This means we will leverage from our previous assurance review by only seeking objective evidence from the last year of the review for most tax risks and issues. We will continue to seek objective evidence for all 4 income years of the review in respect to any significant or new transactions, events or tax risks flagged to market, and follow up on recommendations made in our earlier review.

For significant taxpayers that have not yet obtained a Stage 2 governance rating or previously received an overall low assurance rating, we will continue to request objective evidence across the 4 year income tax review period.

General pool taxpayers

The remaining taxpayers in the Top 1,000 will be part of the general pool.

When reviewing taxpayers that have not previously been assured, we will look to assure economic activity in the last year of the review as well as any significant, atypical or new transactions or tax risks present in the 4 year income tax review period.

We will take the same approach for taxpayers who were previously reviewed and didn't achieve a Stage 2 for governance or had an overall low assurance rating. We will also follow up on recommendations made in our last review.

Where a taxpayer had an earlier review and achieved a governance rating of Stage 2 or Stage 3 and an overall assurance rating of medium or high, we will undertake a lighter touch review. This light touch review will refresh our assurance, provide an assurance rating covering the last year of the review period and address any significant, atypical or new transactions or tax risks in the 4 income years of the review.

Differentiated approach for GST

Where a taxpayer has not yet been assured, previously obtained a low overall assurance rating or received a Stage 1 rating for governance, we obtain assurance by ensuring that:

- appropriate GST risk and governance frameworks exist, are designed effectively and are applied in practice
- none of the 'GST risks flagged to market' are present
- the GST treatment of significant, atypical or new transactions is appropriate
- the **GST analytical tool** (GAT) is undertaken. (For taxpayers with predominantly input taxed supplies we will undertake data testing. We will not undertake the GAT for these taxpayers.)
- any recommendations made in our earlier assurance reviews have been addressed.

Where a taxpayer has had a previous assurance review and achieved a Stage 2 or Stage 3 governance rating and a medium or high overall assurance rating, we will initially focus on:

- changes to the tax risk management and governance framework
- the alignment between accounting and GST through the use of the GAT. (For taxpayers with predominantly input taxed supplies we will undertake data testing. We won't undertake the GAT for these taxpayers.)
- action taken to address any recommendations made in our earlier assurance review.

From there, we will consider any areas that require further assurance. This will also be informed by the previous assurance ratings the taxpayer attained in relation to these issues.

Notification of your review

We will notify you before we start a CAR and provide you with our request for information giving you time to complete responses. Where applicable, we will advise you at this time whether you are a significant or general pool taxpayer.

You will also be given an opportunity to consider whether to make a voluntary disclosure in respect of any errors or omissions for both income tax and GST.

Our initial request for information will include **standard questions** considered relevant to your business.

On receipt of your response, we may follow up with additional questions as required.

Importance of timely and complete responses

We consider that the provision of timely and complete responses to our request for information may indicate the presence of strong tax governance frameworks and a willingness to engage with us to obtain better outcomes. Where this occurs, we will seek to tailor your engagement with us through less:

- follow-up questions in subsequent requests of information
- intensive shorter engagements.

If your responses don't meet our expectations, it is likely that you will be asked more detailed questions and experience a longer more intensive review process.

How to prepare and improve review outcomes

We expect you to take steps to ensure you understand our **justified trust methodology** and assurance approaches to prepare for your review.

The following practical guidance can help you prepare for a review and improve your review outcome:

- Typical questions in a Top 1,000 combined assurance review
- Tax risk management and governance - a practical guide to prepare for a combined assurance review (Income Tax)
- Governance third party data (Superannuation funds, managed funds and insurance companies)
- GST Governance, Data Testing and Transaction Testing Guide
- GST analytical tool
- GST what information we need from you.

What to expect following a review

Following a CAR we will share our findings with you in a Combined Assurance Report covering both income tax and GST. The report will specifically cover:

- separate income tax and GST overall assurance ratings
- separate income tax and GST governance ratings
- areas where we have assurance you have reported the right amount of income tax and GST
- any identified risks
- recommended next steps for you to undertake so that we can obtain greater assurance or address specific risks. We may also follow up on these recommendations.
- areas of concern or risk where we will work with you to address identified concerns in a future compliance engagement such as a review or audit.

Findings report

Our findings for the Top 1,000 tax performance program and the Top 1,000 combined assurance program are published annually in the **Findings Report Top 1,000 income tax and GST assurance programs**.

The report will help you understand how we apply the justified trust methodology to obtain greater assurance that large public and multinational taxpayers are paying the right amount of income tax and GST as well as identifying areas for further action.

QC 63637

Top 1,000 GAT and data testing

GST analytical tool (GAT) and data testing in our Top 1000 combined assurance reviews.

Last updated 10 June 2024

On this page

Overview

The **Top 1000 combined assurance program** applies the justified trust methodology to increase our assurance that large public and multinational groups are reporting the right amount of income tax and GST.

In our combined assurance reviews (CARs), most taxpayers will also be asked to complete the **GST analytical tool** (GAT). However, for taxpayers that predominantly make input taxed supplies we will undertake data and transaction testing.

You should review your GST systems and records to check you have not made any mistakes before the CAR and let us know if you wish to make any voluntary disclosures.

GST analytical tool

We have developed the GAT to help us better understand why accounting and GST results vary. The GAT is one of the tools we use to obtain greater assurance that you are paying the right amount of GST. The GAT also helps us identify where we need to ask more questions.

The GAT is not intended for use by taxpayers who predominantly make input taxed supplies. For taxpayers who predominantly make input taxed supplies we will undertake data and transaction testing.

The GAT uses a standard method statement applying a 'top-down' approach to identify and understand variances between accounting figures reported in audited financial statements and GST reported on the BAS.

The method statement starts with the revenue and expenses reported in your profit and loss statement. It works through a series of adjustments to compare this information with your annualised BAS covering your financial reporting year.

We seek to understand what parts of your accounting reported revenue represent:

- taxable supplies
- GST-free supplies
- input taxed supplies
- transactions that are not supplies for GST purposes (out-of-scope supplies).

We also seek to understand what parts of your accounting reported expenses represent:

- GST-bearing expenses
- non-GST bearing expenses.

The 4 key steps to the GAT are:

- grouping variances
- non-GST bearing items (permanent differences)
- balance sheet and cash flow items (temporary differences)
- other adjustments (offsetting items / industry specific).

This helps us to understand variances between your financial statements and your BAS results and whether those variances are supported by appropriate objective evidence.

We will work with you to understand the variances between your accounting figures and GST figures. This helps us better understand your GST profile and the key drivers of your GST outcomes. The GAT is not designed to quantify tax shortfalls or overpayments.

Refer to the **GST Analytical Tool (GAT) FAQ** and **Top 1,000 GAT example** to assist you to complete GAT.

Data and transaction testing

Where a taxpayer makes predominately input taxed supplies, we will undertake data testing in our CARs.

Our **GST Governance, Data Testing and Transaction Testing Guide** shows how the justified trust methodology is applied to help conduct a self-review of your tax control framework for GST purposes. This guidance also explains how to undertake data and transaction testing to ensure your business systems are creating, capturing and correctly reporting GST.

The **Guide to Independent Data Testing by Third Party Advisors** is also available to help taxpayers that are considering engaging the services of a third-party adviser to undertake independent data testing for a Top 1,000 CAR.

The Guide provides practical guidance on the ATO's expectations and the conditions that must be met for a taxpayer's third-party adviser to undertake the independent data testing, so that it can be relied upon in a combined assurance review.

QC 60471

Top 1,000 Next Actions Program

Why we may engage with you for further action.

Last updated 3 December 2020

On this page

Why we may engage with you for further action. The Top 1,000 Next Actions Program is part of the Tax Avoidance Taskforce.

We examine the tax affairs of Australia's largest 1,000 public and multinational companies with an annual turnover above $250 million to give us and the community confidence that these companies and superannuation funds are paying the right amount of tax.

See also:

- Top 1,000 Combined Assurance Program
- Top 1,000 Tax Performance Program
- Tax Avoidance Taskforce

What is a next action

If we identify concerns about your income tax affairs in your Top 1,000 assurance review, we may refer you for further action.

A 'next action' is the investigation of identified compliance income tax risks. The form of your engagement will be set out in the formal notification you receive. While this will typically be a risk review, it can also include an audit.

How you're selected

The outcome of your assurance review will determine whether you are selected for a next action engagement.

You will be selected if:

- you receive an overall low assurance
- you have a red flag rating
- we identify other material tax risks

You will be advised if you are part of a next actions case pool, before a next action begins.

What to do after getting an assurance report

Assurance report

After an assurance review you will get an assurance report explaining our findings and noting where we expect you to make changes or act.

We encourage you to review your assurance report and address the issues we identified.

Review our Top 1,000 guidance

We encourage you to review our Top 1,000 findings and other published guidance and consider this in combination with your assurance report.

We continue to update our guidance to make it easier for you to address our concerns.

See also:

- Top 1,000 Findings Report
- Top 1,000 Program what attracts our attention

What happens when a next action begins

If you are selected for a next action, you will receive a formal notification letter.

The formal notification letter will indicate the start date of the engagement and outline the scope of the engagement and next steps.

We will focus on the issues that are of the greatest concern to us, such as issues that received a red flag or low assurance rating in your assurance report.

COVID-19 impacts

From the start of the next action engagement we will ask you how you have been impacted by COVID-19. In some circumstances we can defer the start date of the engagement.

How to prepare for a next action

Prepare the evidence to demonstrate you have addressed and resolved the issues noted in your assurance report, including documenting the steps you have taken.

If you have chosen not to adopt the recommendations in your assurance report, prepare your evidence supporting your position.

The better prepared you are, the more likely the next action engagement can be resolved within a shorter timeframe, you can reduce your penalty exposure and the less likely the matter will become an audit.

QC 64215

Corporate tax transparency

By law, the ATO is required to report information about certain large corporate tax entities.

Last updated 3 November 2022

The ATO is required by law to publish information reported to us by large corporations. Publishing this data informs public debate about the corporate tax system and helps to:

- improve awareness
- increase community confidence that corporations are paying the right amount of tax
- encourage voluntary compliance.

Each year, we publish two products on corporate tax transparency:

- *Report of entity tax information* – a spreadsheet uploaded to data.gov.au External Link, which contains an alphabetical listing and tax information of Australian public and foreign-owned corporate tax entities and Australian-owned resident private companies that meet the income thresholds, as well as entities that have petroleum resource rent tax (PRRT) payable.
- *Corporate tax transparency report* – our contextual analysis of the above data. It provides key insights on the population, trends, losses, nil tax payable and other relevant information.

It is important to understand that some corporations pay no tax and there can be many reasons for this, including business or economic factors. Entities may also form part of an economic group that pays tax.

Corporations can also publish their own reports through the Voluntary Tax Transparency Code to explain their tax positions in more detail. The code complements Australia's corporate tax transparency measures which play an important role in increasing community confidence in the tax system. As an administrator, we have access to information on corporations to manage these measures, including detailed annual tax return disclosures and related tax schedules.

Find out about

- Report of entity tax information
- Corporate tax transparency reports
- Why some corporations pay no tax
- Voluntary Tax Transparency Code
- Corporate tax compliance

See also

- Tax and corporate Australia

Report of entity tax information

This report contains data of large corporate entities that meet the corporate tax transparency threshold.

Corporate tax transparency reports

Our annual corporate tax transparency reports provide aggregated data for some of the largest corporate entities.

Why some corporations pay no tax

Some corporations pay no tax. There can be many reasons for this, including business and economic factors.

Voluntary Tax Transparency Code

A set of principles and minimum standards to guide medium and large businesses on public disclosure of tax information.

Corporate tax compliance

As administrators of the tax system we want to ensure large corporate groups pay the right amount of tax.

QC 54027

Report of entity tax information

This report contains data of large corporate entities that meet the corporate tax transparency threshold.

Last updated 29 June 2023

Overview

Each year, we are required by law to publish certain tax information. For the 2022-23 income year and onwards, this includes:

- any corporate tax entity that has total income equal to or exceeding $100 million
- entities that have petroleum resource rent tax (PRRT) payable.

For income years up to 2021-22 the following thresholds apply:

- Australian public and foreign-owned corporate tax entities with total income of $100 million or more
- Australian-owned resident private companies with total income of $200 million or more
- entities that have petroleum resource rent tax (PRRT) payable.

Entities include all taxpayers treated as corporations for tax purposes, for example:

- companies
- public trading trusts
- corporate limited partnerships.

We do this through the *Report of entity tax information*. The data in each report is taken directly from tax returns.

You can access the *Report of entity tax information* at data.gov.au.

How we produce the report

The *Report of entity tax information* includes information from returns and amendments (requested by the relevant entity), that are processed by 1 September of the year following the tax year being reported. If an entity's relevant labels show an amount of zero or less, we leave that field blank.

In accordance with the law, we cannot include any details of amended assessments issued by us following audits or settlements.

If an entity lodges after 1 September, their information will be published the following year.

We write to affected corporations each year to advise them about the forthcoming report. This allows them time to advise us if the information is not correct.

Due to tax law confidentiality provisions in the *Taxation Administration Act 1953*, we can't give information beyond what's published in the *Report of entity tax information*.

Entities and organisations named in the report can choose to provide further information under the **Voluntary Tax Transparency Code**.

Data sources

We use the following tax return and PRRT return labels for the *Report of entity tax information*.

- **Total income** – the amount shown at income label **6S** of the company tax return:

  - Most income received when carrying on a business is assessable for income tax purposes – the total amount is referred to as assessable income or total income
  - The amount to be written at income label **6S** is an accounting system amount and generally corresponds to the relevant amount in the entity's financial statements for the income year.

- **Taxable income** – the amount shown at label **7T** (taxable/net income or loss) of the company tax return:
  - Taxable income is calculated as the difference between an organisation's assessable income and deductions.
  - As the legislation does not allow for the reporting of an amount of zero or less, if the amount is a loss, we will leave taxable income blank in the report.

- **Tax payable** – the amount shown at label **T5** of the company tax return:
  - This is determined by multiplying the taxable income by the 30% corporate tax rate and then deducting tax offsets and credits, such as the research and development (R&D) incentive and franking credits.
  - Some corporate tax entities will have an amount of taxable income but no income tax payable due to these offsets and credits – this is a function of the tax law and the way tax payable is calculated under the law.

- **PRRT payable** – the amount shown at label **25I** of the PRRT return.

You can read more about the following instructions:

- Company tax return instructions 2020
- Instructions for PRRT return

Factors affecting the data

The *Report of entity tax information* is at the corporate tax entity level (for income tax purposes). These entities may be part of larger economic groups, and some economic groups contain 2 or more tax groups and other non-consolidated entities.

We include more detailed analysis of the population when the report is published each year.

Legal forms and structure

Entities may choose to use different legal forms or structures to meet their business needs. This means that economically similar activities may end up being taxed differently, depending on the legal structure of the entity.

Entities listed in the *Report of entity tax information* may be part of a large economic group; one entity in the group may pay tax while others in the group may show nil tax payable.

Many private companies are associated with private groups that contain flow-through entities such as trusts and partnerships and the group's income may be taxed at the beneficiary or individual level, rather than at the corporate level. This means figures for private companies cannot easily be compared with those for public companies.

Commercial arrangements between related parties in a private group may result in income and profits effectively being transferred from a corporate entity to another related non-corporate entity.

For example, a private company may operate a business from premises owned by a related trust that charges the private company for use of those premises. The private company derives income from the operation of its business from the premises, but its profit and taxable income is reduced by the amount paid to the trust for use of the premises, reducing the amount of tax payable by the company. The income received from the private company for use of the premises forms part of the calculation of the trust's net income that is distributed to trust beneficiaries who, in turn, pay tax on their distribution from the trust.

We cannot publish the tax affairs of:

- associated entities unless they also meet the requirements under the law
- individuals associated with private companies.

Learn more about the **Private group approach**.

Economic factors affecting profit or loss

Several factors can affect the economic performance of sectors of the economy at various points in the economic cycle. For example, these could be commodity prices, policy changes and impacts of financial or health crises (such as COVID-19).

Some sectors of the economy can face challenging times whilst corporations in other sectors will see increases in revenue and profit. These broader economic factors will change the tax profile of a corporation and impact on the amount of tax paid.

Corporate income tax is payable on profits, not gross income or revenue. There are genuine reasons **why corporations may not pay income tax**, for example, due to operating losses, deducting losses from prior years, or expensing projects in a start-up phase.

Reasons for variations

The figures in the *Report of entity tax information* in themselves do not indicate if an entity is paying a high or low rate of tax. The tax system provides for a range of deductions and offsets affecting final tax payable figures.

Measuring a company's effective tax rate (how much tax they pay as a percentage of profits) requires more information than what's in the report. Also, comparing effective tax rates across single entities does not consider related-party transactions, the broader economic group or a number of other factors.

Variations can come from the use of tax losses. Tax losses can generally be carried forward and offset against taxable income in future income years. **Losses** carried forward are subject to integrity rules that restrict the use of those losses where there is a substantial change in company ownership (the continuity of ownership test) and the type of activity undertaken by the business (the same business test or the similar business test). Losses generated by one member of a tax consolidated group can generally be used against profits earned by other members of the same group.

Corporate tax entities listed in the report may be eligible to '**carry back**' tax losses incurred in the 2019–20 to 2022–23 income years and offset it against the income tax liability for the 2018–19 or later years, generating a refundable tax offset in assessments for the 2020–21, 2021–22 and 2022–23 income years.

Further analysis on the reasons for tax losses can be found in each year's **corporate tax transparency** report.

Petroleum resource rent tax payable

PRRT is a profits-based tax that only taxes profits above a specified rate of return. A **PRRT** liability will be dependent on a range of factors, including commodity prices, foreign exchange rates and project development and operating costs.

The PRRT data in the *Report of entity tax information* is taken directly from PRRT returns.

Comparisons with other sources

The figures in the *Report of entity tax information* are not easily compared or reconciled with aggregated figures reported in our annual report, or figures from reports lodged with the Australian Securities & Investments Commission (ASIC) and the Australian Securities Exchange (ASX).

Figures in the *Report of entity tax information* cannot be taken as the final tax position of an entity. The tax payable amount may be amended by the entity – for example, if they identify an error in the return as originally lodged. We may issue an amended assessment as a consequence of compliance activity.

Accounting groups often include entities outside the Australian tax group – for example, some partially-owned subsidiaries as well as foreign subsidiaries. Stapled groups often include both sides of the staple in their accounting group, whereas only one side of the accounting group may be included in the transparency reporting.

In some cases, the tax group may include entities outside the Australian accounting group – in particular, where a group holds its Australian operations under multiple offshore companies, meaning there are multiple entry points into Australia.

Corporate tax transparency reports

Our annual corporate tax transparency reports provide aggregated data for some of the largest corporate entities.

Last updated 1 November 2024

The reports inform public debate about tax policy in relation to the corporate tax system and are just one of many initiatives designed to:

- improve awareness about corporate tax
- increase community confidence that corporate entities are paying the right amount of tax
- encourage voluntary compliance.

For the 2022–23 income year and onwards, the corporate tax transparency population includes:

- any corporate tax entity that has total income equal to or exceeding $100 million
- entities that have petroleum resource rent tax (PRRT) payable.

For income years up to 2021–22 the following thresholds apply:

- Australian public and foreign-owned corporate tax entities with total income of $100 million or more
- Australian-owned resident private companies with total income of $200 million or more
- entities that have petroleum resource rent tax (PRRT) payable.

Prior year tax transparency reports can be found below:

- Corporate tax transparency report 2022–23
- Corporate tax transparency report 2021–22
- Corporate tax transparency report for the 2020-21 income year
- all prior year reports

QC 67335

Why some corporations pay no tax

Some corporations pay no tax. There can be many reasons for this, including business and economic factors.

Last updated 17 November 2021

Some corporations may pay no tax and there can be valid reasons for this, including business and economic factors. Corporations may make an accounting loss when economic or environmental conditions reduce their income or increase their expenses. Capital investment decisions to grow a business can also increase tax deductions.

Australian Securities Exchange (ASX) data shows, on average, losses are reported by 20–30% of ASX 500 companies in any one year (see Figure 1). Importantly, this shows that even large corporates will sometimes incur a loss in a particular year.

Figure 1: Proportion of companies with reported loss, by ASX population, 2010–2019

companies can report losses from year to year, and that the observed rates of loss-making are broadly consistent over time. The proportion of ASX 500 companies reporting a current-year net loss has ranged between 20–30% over the past ten years

ATTRIBUTIONThis chart was compiled using Morningstar DatAnalysis Premium and contains listed companies only (including trading and suspended companies). The sectors are classified according to the Global Industry Classification Standard and the search query was PreTax Profit from Annual Profit & Loss. The search results were refined to exclude blank or zero results. As such, the population of companies included in the analysis varies on a yearly basis depending on the number of results returned in the search, which may not match the number of companies listed on the ASX. The companies included in the analysis were allocated to ASX indices based on current data, and this allocation remains constant for the entire 2010 to 2019 period.

A corporation's income and tax paid can vary over the different stages of its life cycle. The early stages in a corporation's life cycle are characterised by uncertainty in revenue flows and start-up costs, risk taking and product innovation.

For example, in mining, the early stages of operation involve a long exploration, test and build phase. In this phase, spending on investment and increased borrowing can lead to low or no profits and, as a result, no tax paid and the build-up of tax losses.

Compared to earlier phases, later stages in a corporation's life cycle reflect an increase in efficiency, a reduction in uncertainty and a decline in investment spending. In this stage, profits are maximised as a corporation's earnings per share grow, leading to higher and more sustained income and tax paid. For example, mining companies may be paying down debt, having built their facilities. Manufacturing and services companies may have products that are selling well.

In this stage, corporations expect to use losses accrued in earlier stages of their life cycle, lowering their taxable income.

In mature stages of a corporation's life cycle, they may have declining growth rates and stagnant cash flow. This is because production may decline or products in the market might face increased competition.

Once corporations have used their tax losses, they may seek to maintain or grow income and avoid decline, which may lead to an increase in tax paid. This could be by investing in innovation, or looking to diversify by investing in other businesses.

We carefully monitor the tax performance of the largest entities through our Top 100 and Top 1000 justified trust programs, including understanding the reasons why some entities have sustained losses year on year and the causes for not paying tax.

See also

- What is a tax loss?
- How to claim a loss
- Loss carry back tax offset
- Offsets and rebates for businesses
- Top 100 justified trust program
- Top 1,000 combined assurance program

QC 67339

Voluntary Tax Transparency Code

A set of principles and minimum standards to guide medium and large businesses on public disclosure of tax information.

Last updated 17 November 2021

The Tax Transparency Code (TTC) is a set of principles and minimum standards developed by the Board of Taxation to guide medium and large businesses on public disclosure of tax information.

Adoption of the TTC is voluntary and intended to complement Australia's existing tax transparency measures. The TTC is designed to encourage greater transparency by the corporate sector, and to enhance the community's understanding of the corporate sector's compliance with Australia's tax laws.

Published TTC reports can be accessed at data.gov.au The list of TTC reports is updated monthly.

See also

- Corporate Tax Transparency Code and register – Board of Taxation website
- Development of the voluntary Tax Transparency Code – Board of Taxation website

Role of the ATO

We facilitate the TTC by hosting a centralised database of links to published TTC reports provided to us by participating businesses. The links to published reports and details on signatories are available at data.gov.au

We don't review or provide any assurance on the accuracy of the information contained in these reports.

Voluntary TTC disclosures by businesses don't change our legislative duty to produce the annual **Report of entity tax information**.

For businesses wishing to provide us with their published TTC report, refer to the instructions below.

Who should disclose?

Medium or large corporations, including super funds, trusts and partnerships are encouraged to adopt the TTC. Corporations need to register with the Board of Taxation to become a signatory to the TTC.

To become a signatory to the Register, email **taxboard@treasury.gov.au**.

For the purpose of the TTC:

- medium businesses are businesses with aggregated TTC Australian turnover of at least $100 million but less than $500 million

- large businesses are businesses with aggregated TTC Australian turnover of $500 million or more.

Note: 'TTC Australian turnover' is defined in section 5.1 of A Tax Transparency Code (PDF, 996KB) – the Board of Taxation's final report to the Treasurer (February 2016).

Information to disclose

The minimum standard of information required under the TTC depends on the size of the business. Information disclosed under the TTC is divided between Part A and Part B content. It is recommended that:

- medium businesses adopt Part A
- large businesses adopt both Part A and Part B.

Table 1: Minimum standard of information to disclose – Part A and B requirements

TTC disclosure	Who	Minimum standard of information
Part A	Large and medium businesses	• A reconciliation of accounting profit to tax expense and to income tax paid or income tax payable • Identification of material temporary and non-temporary differences • Accounting effective company tax rates for Australian and global operations (pursuant to AASB guidance)
Part B	Large businesses	• Approach to tax strategy and governance • Tax contribution summary for corporate taxes paid • Information about international related-party

		dealings

Corporations will generally publish their TTC report on their website. There is no prescribed template or format for TTC content.

See also

- Post-implementation review of the Tax Transparency Code: Consultation paper (PDF, 528KB) – Board of Taxation (February 2019)

When to disclose

There is no prescribed timing for the release of annual TTC reports. Signatories are encouraged to notify us after publishing the TTC report on their website.

How to notify or contact us

The following table can be used as a template when providing your notification.

Table 2: Template to assist with your notification

Details for notification	Signatory information
Name of the signatory	
ABN of the signatory	
Report period – financial year ending DD-MM-YYYY	
Size of the business – is it a 'large' or 'medium' business? (refer to the definitions above)	
Origin of the ultimate parent company – Australia, foreign, Australia and foreign dual-listed, or foreign dual-listed	

Do the TTC contents satisfy the minimum standard under Part A, Part B, or Part A and Part B?	
Provide a current URL link to the published report. Note: It is the responsibility of the signatory to inform us of any changes to links.	

Send your notification or any queries to TTC@ato.gov.au

QC 67337

Corporate tax compliance

As administrators of the tax system we want to ensure large corporate groups pay the right amount of tax.

Last updated 17 November 2021

Most large corporate groups pay the right amount of tax. There will always be some who deliberately avoid their tax obligations. Our message to businesses operating in Australia is clear: you must pay the right amount of tax on the profits you earn here.

We use a range of approaches to support our assurance and compliance engagement with large business, including taking preventative and corrective action. Both one-to-one and one-to-many approaches are used with large corporate groups to assist them to comply with their tax obligations.

We take robust compliance action to test the application of the law if a large corporate takes a position we have flagged as being of concern

Our Tax and Corporate Australia publication details how we assure corporate taxpayers pay the right amount of tax and how we assist them to do so.

The Action Differentiation Framework is our strategic approach to engaging with public and multinational corporations. We tailor our engagement based on our understanding of the corporation's affairs, which is informed by:

- size
- transparency of engagement with us
- choices and behaviours evidenced in tax affairs
- the level of risk exhibited.

For private companies, we use sophisticated data-matching techniques to detect their relationship with other private group entities including:

- wealthy individuals
- companies
- trusts
- partnerships.

We refer to this as the **private group approach**. This approach allows us to risk-assess compliance behaviours and target our assurance approaches at a group level. We support privately owned and wealthy groups to pay the right amount of tax through **tax performance programs for private groups** designed to:

- support willing participation in the tax system
- help them to get things right
- find and address deliberate tax avoidance.

For private companies, we cross-reference our understanding of market performance against other measures. Where anomalies are identified they are analysed and mitigated to ensure the ongoing health of the tax system.

See also

- **Privately-owned and wealthy groups**
- **Public business and international groups**
- **Large corporate groups income tax gap**
- **High wealth income tax gap**

Public country-by-country (CBC) reporting

Check how some large multinational enterprises report tax information to the public on a country-by-country (CBC) basis.

Last updated 12 June 2025

On this page

WARNING!

Public CBC reporting and country-by-country (CBC) reporting are different measures. For information about CBC reporting, go to **Country-by-country reporting**

What is Public CBC reporting

Public country-by-country (CBC) reporting is a regime (the regime) that requires certain large multinational enterprises to publish selected tax information to the public. This information must be reported either on a CBC basis or on an aggregated basis. Under the regime, the parent entity generally has the reporting obligation, rather than the Australian subsidiary (Public CBC reporting parent).

The regime applies for reporting periods starting from 1 July 2024. For a Public CBC reporting parent with a reporting period end of 30 June, this will be from 1 July 2024. Reports are due within 12 months of the end of the reporting period.

If a Public CBC reporting parent has a reporting period that does not end on 30 June, the regime will first apply from the start of the relevant period that occurs after 1 July 2024. For example, if a Public CBC reporting parent's reporting period is from 1 April to 31 March, the regime will first apply for its reporting period starting 1 April 2025, with the first report due before 31 March 2027.

The Public CBC reporting parent publishes their Public CBC report by providing selected tax information to the ATO in the approved form. We then facilitate the publication of the information on an Australian Government website.

Public CBC reporting provides information to the public and enables better assessment of whether an entity's economic presence in a jurisdiction aligns with the amount of tax they pay in that jurisdiction.

Public CBC reporting requires disclosures about:

- the revenues, profits and income taxes of the global group
- the activities of the global group
- an entity's international related party dealings.

Note: Public CBC reporting and country-by-country (CbC) reporting are different measures. For information about CBC reporting, go to Country-by-country reporting.

Who is required to report

An entity must report for a reporting period if **all** of the following apply:

- it is a CBC reporting parent for the preceding period
- it is an entity of the type specified
- it satisfies the requirements for that reporting period.

An entity is of the specified type if it is **any** one of the following:

- constitutional corporation
- trust, provided each of the trustees is a constitutional corporation

- partnership, provided each of the partners is a constitutional corporation.

'Constitutional corporation' means a foreign corporation (one not formed within Australia), or a trading or financial corporation formed within the limits of the Commonwealth.

An entity satisfies the requirements for a reporting period if **all** of the following apply:

- it was a CBC reporting parent for a period that includes the whole or a part of the preceding reporting period
- it was a member of a CBC reporting group at any time during the reporting period
- at any point during the reporting period, it, or a member of its CBC reporting group, was an Australian resident or a foreign resident operating an Australian permanent establishment
- $10 million or more of its aggregated turnover for the reporting period was Australian-sourced
- it was not an exempt entity or included in a class of exempt entities.

An entity is a CBC reporting parent for a reporting period if **all** of the following apply:

- it is not an individual
- if it is a member of a CBC reporting group at the end of the period; it is not controlled by any other member of the CBC reporting group at the end of the period
- its annual global income for the period is $1 billion or more.

Registration by Public CBC reporting parents

Registration by Public CBC reporting parents allows for more efficient processing and helps to simplify the process of:

- giving the Public CBC report to the ATO
- requesting an extension of time to provide the Public CBC report

- requesting an exemption from reporting obligations for a reporting period.

The registration process doesn't differentiate between resident and non-resident Public CBC reporting parents. A non-resident Public CBC reporting parent without an ATO reference number (ARN) will be automatically issued with an ARN as part of this registration process.

Registration is also beneficial as it enables a Public CBC reporting parent entity to provide authorisation for representatives to act on its behalf. This includes having representatives satisfy its obligations, such as lodging the Public CBC report or applying for a Public CBC reporting exemption. Representatives can include:

- designated officers or employees of the CBC reporting parent
- an authorised representative of the Australian subsidiary
- an adviser
- other nominated person.

The Public CBC registration form is in a fillable portable document format (PDF), and lodgment is via email. Upon lodgment, we will send an email acknowledging receipt.

To get the form, see **Public country-by-country (CBC) registration form (NAT 75645)**. You can also read the **Instructions to complete Public country-by-country registration**.

Public CBC reporting obligations

The reporting obligation is on the Public CBC reporting parent (whether located overseas or in Australia) to report selected tax information to us.

An Australian subsidiary of a foreign entity generally does not have any reporting obligation of its own for a reporting period. An exception to that general principle is if a foreign entity does not include the Australian subsidiary in its group’s consolidated accounts, and the Australia subsidiary qualifies as a Public CBC parent entity in its own right.

The Public CBC reporting parent entity must give the Public CBC report electronically in the approved form to the ATO within 12 months after the end of the relevant reporting period.

An update to correct any material errors must be given to us within 28 days of the Public CBC reporting parent identifying or otherwise becoming aware of that error.

Penalties apply for non-compliance.

What is jurisdictional reporting

For Australia and specified jurisdictions determined by the Minister, particular information must be published on a CBC basis.

For operations in other jurisdictions, the Public CBC reporting parent has the choice to publish information on either a CBC basis or an aggregated basis.

Specified jurisdictions list

The Minister's determination of jurisdictions for Public CBC reporting is provided by legislative instrument. The specified jurisdictions are outlined in the Taxation Administration (Country by Country Reporting Jurisdictions) Determination 2024.

Specified jurisdictions

Specified jurisdictions that have a comprehensive international tax agreement with Australia:

- Singapore
- Switzerland.

Other specified jurisdictions

Other specified jurisdictions:

- Andorra
- Anguilla
- Antigua and Barbuda
- Aruba
- Barbados
- Bahamas

- Bahrain
- Belize
- Bermuda
- British Virgin Islands
- Cayman Islands
- Cook Islands
- Curacao
- Dominica
- Gibraltar
- Grenada
- Guernsey
- Hong Kong
- Isle of Man
- Jersey
- Liberia
- Mauritius
- Monaco
- Montserrat
- Nauru
- Niue
- Panama
- Republic of the Marshall Islands
- Saint Kitts and Nevis
- Saint Lucia
- Saint Maarten (Dutch Part)
- Saint Vincent & the Grenadines
- Samoa

- San Marino
- Seychelles
- Turks and Caicos Islands
- US Virgin Islands
- Vanuatu.

Public CBC information to be reported

The Public CBC reporting parent is required to publish the following information:

- its own legal name
- the names of each entity in the CBC reporting group
- a description of the CBC reporting group's approach to tax
- information about Australia and specified jurisdictions, on a CBC basis
- information about its other jurisdictions, either on a CBC or aggregated basis.

Information required to be reported

If the Public CBC reporting parent chooses to report on a CBC basis for all jurisdictions in which the group operates, it doesn't need to publish any information on an aggregated basis.

However, if the Public CBC reporting parent only publishes information on a CBC basis for Australia and the specified jurisdictions, it must publish information for all other jurisdictions on an aggregated basis.

Australia and specified jurisdictions

The Public CBC reporting parent is required to report the following information for Australia and specified jurisdictions:

- name of the jurisdiction
- description of main business activities
- number of employees (on a full-time equivalent basis) at the end of the reporting period

- revenue from unrelated parties
- revenue from related parties that are not tax residents of the jurisdiction
- profit or loss before income tax
- book value at the end of the reporting period of tangible assets, other than cash and cash equivalents
- income tax paid (on a cash basis)
- income tax accrued (current year)
- reasons for the difference between income tax accrued (current year) and the amount of income tax due if the income tax rate applicable to the jurisdiction were applied to profit and loss before income tax
- currency used in calculating and presenting the above information.

Other jurisdictions (aggregated information)

The Public CBC reporting parent is required to report the following information on an aggregated basis for all other jurisdictions in which the group operates:

- description of main business activities in those jurisdictions
- number of employees (on a full-time equivalent basis) at the end of the reporting period
- revenue from unrelated parties
- revenue from related parties that are not tax residents of the jurisdiction in which that revenue is being derived
- profit or loss before income tax
- book value at the end of the reporting period of tangible assets, other than cash and cash equivalents
- income tax paid (on a cash basis)
- income tax accrued (current year)
- the currency used in calculating and presenting the above information.

Guidance

The information required to be reported has been adopted from the Global Reporting Initiative (GRI) 207: Tax 2019 (GRI 207) reporting standard. The GRI 207 may be used as a source of guidance in interpretating the publishing requirements. Greater detail on the interpretation of terms is contained in the BEPS Action 13 Guidance and OECD Transfer Pricing Guidelines.

For further detail, see:

- GRI 207: Tax 2019
- Guidance on Country-by-Country Reporting: BEPS Action 13
- OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations 2022

Publishing the information

The Public CBC reporting parent is required to publish the information on an Australian Government website by giving the information in the approved form to the ATO. The approved form is in XML Schema format, and lodgment is via email. Upon lodgment, we will send an email acknowledging receipt.

Instructions on the approved form are currently under development and will be available in the second half of 2025.

The ATO's role

We will facilitate the publication of the reported information as soon as practicable on the Australian Government website.

The first publication is expected to be released in late 2026.

Extension of time to provide the Public CBC report

The Public CBC report is due within 12 months after the end of the relevant reporting period. For example, for the reporting period ending 30 June 2025, the Public CBC report is due by 30 June 2026.

A Public CBC reporting parent may apply to the ATO for an extension of time to provide the Public CBC report. The Public CBC reporting parent can submit their request for deferral to us via email.

Correcting errors

If a Public CBC reporting parent becomes aware of a material error in any of the published information, they must rectify the error by providing the corrected information to the ATO. The entity must provide the corrected Public CBC report in its entirety to us by email.

A correction of a material error is required within 28 days after the entity becomes aware of the error. For example, we will consider an entity aware of a material error once its accountant or tax manager realises the error and prepares an amendment to the entity's income tax return, necessitating an amendment to its Public CBC report.

For a non-material error, the entity may choose to rectify the error by providing the corrected Public CBC report in its entirety to us by email.

If a material or non-material error is rectified by the Public CBC reporting parent, we will publish the corrected information on the Australian Government website as soon as practicable.

Penalties apply for non-compliance.

Exemptions to Public CBC reporting

The purpose of the Public CBC reporting regime is to enhance tax transparency. However, a Public CBC reporting parent may seek an exemption from reporting obligations from the ATO. We have the discretion, for a single reporting period, to grant an entity a:

- full exemption
- partial exemption specifying that it is exempt from publishing information of a particular kind.

Guidance on how we will administer the exemption will be made available in mid-2025. For updates, see **[4148] Public country-by-country reporting transparency measure and exemption discretions**.

Government-related entities

Government-related entities may be relieved from the Public CBC reporting regime.

The following are government-related entities:

- a department of the State of the Commonwealth
- a Department of the Australian Parliament established under the *Parliamentary Services Act 1999*

- an executive agency or statutory agency, within the meaning of the *Public Service Act 1999*
- department of state of a state or territory
- an organisation that satisfies all of the following
  - is either established by the Commonwealth, a state or territory (whether under a law or not) to carry on an enterprise or established for a public purpose by an Australian law
  - can be separately identified by reference to the nature of the activities carried on through the organisation or the location of the organisation
- a local government body established by or under a state or territory law.

A government-related entity that is a CBC reporting entity can be relieved from the regime for one or more reporting periods by written notice from the ATO.

We will provide further guidance for government-related entities in late 2025.

QC 103563

Large business objections and amendments

Contact us as soon as possible if you want to object to a decision or amend a return.

Last updated 26 February 2015

If you need to amend a return or you object to a decision, we encourage you to contact us as soon as possible.

Early engagement ensures the right people are brought together to discuss the best way to deal with a correction or change to a large business income tax return.

We expect this approach will assist with faster resolution if you seek to:

- correct an error you have made on an income tax return you have already lodged
- change a technical position you have adopted in an income tax return
- object to the assessment you have received for an income tax return.

QC 48020

Action Differentiation Framework

How we use the Action Differentiation Framework (ADF) to engage with Public and Multinational Businesses (PMBs).

Last updated 8 April 2025

On this page

How we engage with you

We tailor and differentiate the way we engage with you. We do this based on:

- size and complexity of your business
- transparency of your engagement with us
- choices and behaviours evidenced in your tax affairs
- the level of risk you exhibit.

The ADF allows us to:

- use resources efficiently – allocating them to focus areas and where attention is required
- focus on the principles of obtaining **justified trust**.

Engagement frequency

Under the ADF, you are grouped into populations based on your total business income (TBI).

Table 1: Large corporate groups (greater than $250m TBI)

Population groups	Definition	Level of engagement
Top 100	Our largest corporate groups by TBI, plus those of strategic significance	Ongoing one-to-one tailored engagement **Top 100 Justified Trust Program** **Top 100 GST Assurance Program** Other compliance engagement
Top 1,000	Our largest corporate entities outside the Top 100	Periodic one-to-one tailored engagement **Top 1,000 Combined Assurance Program** **Top 1,000 Next Actions Program** Other compliance engagement
Large risk strategy	Large market entities which are not covered by the Top 100 or Top 1,000 programs	Depending on risk factors, periodic one-to-one engagement or compliance engagement through

		the **Medium PMB Engagement Program** Other compliance engagement

Table 2: Medium and emerging groups (less than $250m TBI)

Population groups	Definition	Level of engagement
Medium and emerging risk strategy	All other PMB groups	**Medium PMB Engagement Program** Other compliance engagement

Engagement experience

The ADF guides us on how we tailor our engagement with you across a range of services and approaches.

Partnering

- We partner with you to maintain good compliance.
- If you're willing to engage with us and are transparent in your compliance, we'll partner with you to deliver our services promptly to help you meet your tax obligations.
- We'll generally adopt a less intensive approach in our interactions with you, reducing your compliance costs.

Encouraging

- We encourage you to address our concerns.
- If you take positions relating to complex arrangements giving rise to significant tax risks, we'll request that you address our concerns.
- We encourage you to improve your level of assurance over your affairs by using our tailored services and approaches according to

your circumstances.

- We'll work with you to improve future transparency and compliance.

Influencing

- We take firm action to encourage compliance.
- If you are not transparent and consistently take high risk positions, we'll adopt an intensive approach to ensure we address risks.
- We tailor our services and approaches to your characteristics and behaviours.
- We adopt firm approaches and exercise formal powers for information gathering until you improve your transparency and compliance.

QC 57568

Finding reports summary - Public groups

What we've learnt from the public groups findings reports.

Last updated 11 November 2024

On this page

About this summary

The suite of public groups findings reports now contain the following reports:

- Findings Report – Reportable tax position
- Findings Report – Top 100 income tax and GST
- Findings Report – Top 1,000 income tax and GST
- Insights Report – Advice and guidance program
- Findings Report – Disputes and settlements

Together, these findings reports provide transparency to taxpayers on large market risks and our programs of work that engage with large public and multinational companies. We have provided some highlights from each report and the highlights and trends across the large market.

Key highlights

Our approach to managing Public and Multinational Businesses (PMB) includes:

- comprehensive coverage of the large market
- supporting our regular assurance of Australia's largest groups
- providing information collected annually under the Reportable tax position schedule.

For more information, see Tax and Corporate Australia and highlights from the analysis of each of the findings report below.

Reportable tax position

The Reportable tax position (RTP) schedule is a schedule to the Company tax return that gathers information on uncertain tax positions from the largest companies. Companies are required to self-assess the requirement against the RTP lodgment criteria and lodge if they earn either:

- over $250 million in total revenue
- over $25 million in total revenue and are part of an economic group with more than $250 million in total revenue.

RTP disclosures help us understand and assess changes in tax positions and arrangements, including new arrangements taxpayers are entering into. It also allows us to prioritise our assurance activities and flags the level of risk in the market.

The RTP findings report provides insights into prevalence of key corporate tax risks in the large market. The report provides the aggregated disclosures made by large public and multinational companies for the 2019–20 to 2022–23 income years under Category **C** of the RTP schedule.

Over the past 4 years, the number of RTP disclosures received has more than doubled. The data indicates high-risk disclosures or arrangements of concern are declining among large public and multinational businesses. Additionally, there is a positive trend in low-risk disclosures, with majority of areas of concern showing improvements in the proportion of low-risk arrangements.

The findings signify a positive behavioural shift, indicating a trend towards better voluntary compliance and adherence to responsibilities. Although, there is still room for improvement, this is consistent with our view that most large Public and Multinational Businesses are doing the right thing and paying the right amount of tax.

Top 100 income tax and GST

The Top 100 population includes:

- Public and Multinational Businesses and APRA regulated superannuation funds that have substantial economic activity related to Australia
- the largest contributors to corporate income tax, excise, and petroleum resource rent tax (PRRT) collections
- some of the largest remitters of GST.

Given Australia’s highly concentrated corporate tax base and the significant impact Top 100 taxpayers can have on the health of our tax system, we engage with them on an ongoing basis to manage their compliance and assure their tax performance. We also review and moderate the population annually.

The Top 100 report includes key findings and observations from the Top 100 assurance programs for income tax and goods and services tax (GST) completed by 30 June 2024.

In 2024, we continued to see most large businesses are meeting their income tax obligations, with an increase in taxpayers high assurance ratings of 7% from the previous year with 82% of Top 100 taxpayers maintaining either high or medium overall assurance ratings. The majority of taxpayers have maintained their overall high assurance through ongoing reviews. However, there was a drop in assurance ratings for a small number of taxpayers.

For GST assurance reviews, there was a 7% increase in the number of taxpayers achieving high assurance ratings from the previous year with 93% achieving an overall high or medium rating.

In the 2024 financial year, tax governance frameworks continued to see improvements in assurance ratings. Income tax reviews saw a 15% increase in stage 3 ratings, signifying enhanced tax controls being 'lived in practice'. Similarly, over 50% of GST reporters achieved stage 2 or 3 assurance. Effective governance has been identified as a blocker to achieving high assurance and remains a focus area for taxpayer reviews.

Top 1,000 income tax and GST

The Top 1,000 program is part of our PMB large market coverage strategy covering the largest 1,000 public and multinational entities outside the Top 100 Program. Generally entities with turnover over $350 million would be included in the Top 1,000. In the program, specialist income tax and GST teams engage with these groups to increase our assurance they are reporting the right amount of income tax and GST or identify areas of tax risk for further action.

This report provides observations and insights gathered from reviews completed in the 2023–24 financial year.

Of the combined assurance reviews undertaken for the 2024 financial year, 27% of taxpayers obtained high assurance, 63% obtained medium assurance and 9% obtained low assurance (with 1% not rated). Reviews completed with a GST component saw 45% achieving high assurance. As second-time reviews are being finalised, we continue to observe better results, with 34% of second-time reviews resulting in overall high assurance, compared to 20% of all first-time reviews.

We continue to see well designed tax risk management and governance frameworks operating effectively, with over 50% of taxpayers reaching stage 2 or 3 for both income tax and GST. As our combined assurance reviews are completed, we encourage taxpayers to undertake 'client next actions', to address our concerns and recommendations.

Advice and guidance

The Public Group Advice and guidance program is a specialised service delivering high-quality advice for complex transactions by public and multinational business taxpayers. It helps taxpayers comply with their obligations by providing certainty about tax outcomes and identifying issues early via the early engagement process.

The Advice and guidance findings report contains insights drawn from the work completed in the public and multinational business advice and guidance program over the 2020−21 to 2023−24 financial years. It provides key findings about the nature of advice sought and insights into how taxpayers and their advisers can most effectively engage with us when seeking advice.

In the 2023-24 financial year, the Advice and guidance program received 437 requests and completed 453, relatively consistent with the year prior. The proportion of favourable rulings issued has remained consistent at around 80% over the last 4 years, with the use of early engagement shown to increase the likelihood of a favourable ruling.

There was a notable increase in the number of private ruling requests received in 2023−24 relating to withholding tax exemptions for sovereign immunity and superannuation funds for foreign residents. The shift in these types of requests is often driven by legislative or other anticipated changes in the tax system and the subsequent cycle of clients requesting their rulings be refreshed.

Other key topics on which advice was regularly sought included capital management, CGT and employee share schemes.

Disputes and settlements

As part of ensuring public and multinational businesses meet their Australian tax obligations, the ATO maintains a robust audit program. For 2023–24, we issued income tax assessments to 124 public and multinational businesses raising $2.76 billion in liabilities. Of this, $2.5 billion was raised in respect of 24 different taxpayers following intensive audit and review activities. Separately, total liabilities for GST raised were approximately $363 million.

Global profit shifting risks continue to be a major focus in our audit program. Around 65–70% of current income tax audits involve global profit shifting issues. Nearly 80% of income tax litigation decisions relating to public and multinational businesses handed down in 2023–24 involved issues related to global profit shifting, including transfer mispricing and the application of the general anti-avoidance provisions.

We continue to investigate arrangements where tax avoidance is a concern. The application of general anti-avoidance provisions, including the diverted profits tax, is being considered in approximately 30% of current income tax audits.

Disputes arising from these assessments are resolved through various processes including independent reviews, objections, mutual agreement procedures (MAP), litigation and settlements. This is the second year we're publishing our insights on settlements with public and multinational businesses. This report broadens the scope reported last year (which focused solely on settlements for 2022–23) to include information on disputes and expand on the information included in the ATO annual report. Where appropriate, and consistent with the Commonwealth's model litigant policy, we seek to resolve disputes by way of settlement. Across all client groups, public and multinational businesses accounted for more than 20% of all parties to settlement agreements (67) and around 92% ($1.8 billion) of the tax revenue secured. We have observed increasing levels of tax compliance by public and multinational businesses with an additional $2.2 billion paid voluntarily due to ATO preventative compliance intervention, largely arising from settlements.

Findings reports insights

General observations

Since the commencement of the justified trust program in 2016, our justified trust ratings have provided an objective method for organisations to test and assess the effectiveness of their tax governance processes. It helps organisations understand how our assessment of their tax profile compares to their peers in the market. A program goal is to reduce compliance costs for taxpayers receiving high assurance, allowing us to tailor our approach to engagement across the market.

As of 30 June 2024, we have assured approximately $31.7 billion in income tax for Top 100 and $79.1 billion of Top 1,000 taxpayers for the 2021–22 income year. These results reflect our growing confidence over an increasingly larger portion of the corporate tax base and contribute to the sustainable reduction of the large corporate groups tax gap over time.

Based on 2022 returns, Top 1,000 taxpayers paid about $27.2 billion or 21% of all corporate income tax, while Top 100 taxpayers paid about $50.2 billion or 39% of all corporate income tax.

Through our advice and guidance program we are able to provide certainty to taxpayers about their transactions through a ruling, advice or other guidance. Early engagement with taxpayers identifies issues early and allows us to work closely with taxpayers on their complex transactions.

Requests for early engagement on complex transactions have continued to trend down, coinciding with decreased requests on capital management issues and from Top 100 Action Differentiation Framework (ADF) clients.

We're able to monitor the prevalence of key corporate tax risks through disclosures made under the RTP schedule. Disclosures are used in our compliance and assurance programs to help us:

- understand taxpayer arrangements and behaviour
- tailor our approach and prioritise our assurance activities.

The observations we have seen under assurance programs, through engagement under the advice and guidance program and in risk provides a comprehensive view of taxpayers, their obligations and their risk arrangements.

Report trends

A cumulative shift towards positive taxpayer behaviours can be observed over multiple reports, as we see increased proportions of low-risk disclosures and increasing high assurance ratings.

In the 2022–23 financial year, the RTP schedule saw more than a 50% increase in number of disclosures received and maintained an upwards trend towards low-risk disclosures from large public and multinational entities. The proportion of high-risk disclosures had also decreased over a majority of areas of concern.

The Top 100 and Top 1,000 findings report equally supported the positive shift in taxpayer behaviour. The Top 1,000 report highlighting improvements in the outcomes of reviews for both income tax and GST, with over 90% of Top 1,000 taxpayers receiving a medium or high assurance rating. We continued to see improvements among tax risk management and governance frameworks, with increasing numbers of taxpayers in the Top 1,000 able to evidence their effective operation.

The Top 100 assurance program for income tax observed an increase in the number of taxpayers achieving high assurance, with 59% of taxpayers attaining overall high assurance compared to 52% in the previous year. Similarly, high assurance within GST reviews also rose, increasing from 23% in 2023 to 30% in 2024. Within the Top 100 population, low assurance ratings remained relatively stable for both income tax and GST for the 2024 financial year.

The increase in low-risk disclosures and high assurance ratings among large public and multinational entities indicates that most large businesses are meeting their tax obligations and supports our view that there has been:

- a positive shift towards improved voluntary compliance
- a greater willingness to do the right thing.

Good outcomes from increased engagement

Recurring engagement with taxpayers, both directly and indirectly, has produced higher assurance ratings and improved outcomes for the taxpayer.

Where a taxpayer utilised early engagement with Advice and guidance, they were 19% more likely to obtain a favourable ruling than requests that weren't preceded by early engagement.

Since the release of additional guidance for Top 1,000 taxpayers on tax risk management and governance, there was a significant increase in taxpayers achieving higher assurance ratings.

The second reviews conducted by the Top 1,000 assurance programs reported a substantial increase in high assurance, rising from 20% to 36%. Low assurance also had a substantial decrease, dropping from 22% to 5%.

With the income tax monitoring and maintenance approach used on 18 eligible Top 100 taxpayers in 2024, all 18 taxpayers maintained their justified trust rating.

As we continue to engage taxpayers, our data indicates that specific issues identified in previous dealings are being resolved, correlating with a continuing trend towards improved behaviours, better outcomes and higher compliance.

QC 103025

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.