



Tax profession Digital Implementation Group

Access information from meetings of the Tax Profession Digital Implementation Group.

Tax Profession Digital Implementation Group key messages 4 March 2026



Key topics discussed at the Tax Profession Digital Implementation Group meeting 4 March 2026.

Tax Profession Digital Implementation Group key messages 5 December 2025



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Key topics discussed at the Tax Profession Digital

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Key topics discussed at the Tax Profession Digital Implementation Group meeting 15 August 2024.

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Key topics discussed at the Tax Practitioner Digital Implementation Group meeting 13 March 2024.

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Tax Profession Digital Implementation Group key messages 30 May 2023



Key messages from the Tax Profession Digital Implementation Group meeting 30 May 2023.

Tax Profession Digital Implementation Group key messages 7 March 2023



Key topics discussed at the Tax Profession Digital Implementation Group meeting 7 March 2023.

QC 60047

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Modernising individuals' tools and calculators' project

The Individuals and Intermediaries (IAI) business line within the Australian Taxation Office (ATO) is currently reviewing the usage of a selected group of tools and calculators available on ato.gov.au for which it is responsible.

As part of this work, we are identifying potential opportunities to improve the experience for individuals, tax professionals, and other intermediaries.

Members emphasised that users struggle with tax language and need clearer, simpler wording in tools. They noted increasing AI-driven misinformation among clients, highlighting the importance of reliable ATO tools.

Members said, some tools may be outdated, and members suggested reassessing their purpose to ensure each still meets a genuine need.

TPB's branching project – an ATO perspective

The Tax Practitioners Board (TPB) has progressed its project for closing branch registered agent numbers (RANs) as part of a targeted regulatory action aimed at strengthening tax system integrity and improving transparency. This change ensures clients can clearly identify the registered practitioner responsible for their tax services.


Practices with branches can transition through a range of supported pathways, including consolidating into their parent RAN, establishing new legal entities to reflect existing structures, or adopting a hybrid approach utilising a combination of new entities and the parent RAN. The TPB and ATO are working closely with practices to support continuity during the transition.

More than 500 branch RANs have already been closed. Remaining branches continue to transition in collaboration with the TPB and ATO. Cancellations occur only after all client transfers are finalised to ensure continuity of service and maintain client protections.

Members noted that, for larger practices, consolidating branch RANs could increase administrative burden and reduce access controls. This is due to Online services for agents being a client management tool, not a practice management system, such as difficulties with listing clients, downloading client lists and controlling staff with access to clients.

MTAS 2027 - Compulsory trust beneficiary TFN reporting

The ATO provided an update on the proposed Modernisation of Tax Administration Systems (MTAS) 2027 reforms that would require trustees of closely held trusts to report beneficiaries' tax file numbers (TFNs) through the trust tax return from 1 July 2026, subject to the passage of law.

Treasury released draft amendments for consultation on 17 December 2025, along with explanatory material, for [consultation through their consultation hub](#) .

The ATO is working closely with digital service providers (DSPs) and stakeholders to understand user experience considerations and will provide targeted communication and guidance as the proposed changes progress.

Members expressed that the move to annual TFN reporting will ease timing pressures but will require clear ATO communication on withholding rules, exemptions and new validations. Members raised concerns around late detection of beneficiaries requiring applying for a TFN, low awareness among smaller agents of the obligations to withhold and the need for transparency around additional pre-lodgment checks.

Client-to-agent linking project – proposed design for individuals and sole traders

We outlined various design options under consideration for the individuals and sole traders' solution. Members were supportive of the design solution that the ATO is now focused on. Members were pleased with the progress made so far and they emphasised the importance of maintaining clear visibility over client access settings, including keeping pop-ups and override functions to manage de-linking issues involving administrative staff.

The ATO clarified that any solution developed for individuals and sole traders will not alter the existing process for Australian business number holders. Members were asked to consider this solution as the design continues to be refined, with members suggesting targeted education, potentially through tax associations, highlighting the need for timely communication once details can be shared.

Environmental scan

The co-chair led a discussion on key insights, trends, and developments that the ATO should consider across DSPs and tax practitioners' industries, including the following:

- emerging risks and impacts associated with AI technology and secure communications
- issues with activity statement notifications and recent Transport Layer Security changes
- errors and Online services for agents record-locking
- Payday Super readiness and communication gaps.

Digital improvements framework reviewing and refreshing priorities

The ATO provided an update on the Digital Improvements Framework (DIF), which sets out a consistent approach for identifying, assessing and prioritising digital improvements that deliver the greatest value for tax professionals and the ATO. The group was advised that work is now focused on refining and prioritising a short list of potential new and existing DIF items to guide future investment.

Members appreciated the constructive shift toward focusing on small, high-impact system changes and welcomed the increased transparency and collaboration being offered through the process.

Members highlighted practical improvements these small changes could address and stressed the need for better communication channels, real-time status visibility and more secure two-way messaging to reduce follow-ups and improve workflow efficiency.

Other business

The group noted the following tabled papers:

- Payday Super
- Consult group update.

Members were reminded that the group is scheduled for a membership refresh this year, with further discussions to occur at the June

meeting.

QC 107565

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Key topics discussed at the Tax Profession Digital Implementation Group meeting 5 December 2025.

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Modernising Tax Administration Systems Tax Time 2027 changes

(Links to strategic priority 5 – Recognise, empower and support current and future tax practitioners)

As part of Tax Time 2027, significant changes will be introduced to the Trust Tax Return and Trust Income Schedule to improve data quality and usability:

- New labels
 - capture specified individual details in Family Trust Election and Interposed Entity Election section
 - add 10 new labels to the Statement of Distribution, building on the 3 labels introduced in Tax Time 2026.
- Form redesign – The Statement of Distribution will be restructured to group related information logically and improve user experience.

To support data integrity, interactive validations will be implemented for digital lodgments from Tax Time 2027 to check data against ATO records at submission and return warnings or errors for correction before finalisation. This approach is intended to reduce compliance risks and improve accuracy.


Member comments


Members supported the changes and raised some queries around historical data for unpaid present entitlements and requested clearer instructions and clear guidance during the transition.

The ATO committed to providing clear instructions.

Small Business Future Tax Administration

(Links to strategic priority 6 – Improve Small Business performance and level the playing field)

On 4 July 2025, 30 regulators and 8 portfolio departments with a key role in improving productivity and supporting Australia's economic growth were asked for new ideas to improve [regulatory reform to reduce red tape and ease burden on businesses](#) .

[The Commissioner of Taxation responded on 1 August 2025 \(PDF 1.7MB\)](#)  outlining actions that were directed at increasing productivity, contributing to economic resilience and promoting budget sustainability, including actions to simplify tax administration for business.

One of the actions outlined was the ATO's pilot to modernise pay as you go instalments (PAYGI), by ensuring that instalment amounts better reflect current business profitability. The approach aimed to ensure PAYGI instalments better reflected profitability to reduce the potential for bill shock when the businesses lodged their income tax returns.

The ATO shared early insights from the pilot with members. Based on these early insights, which yield promising results, work has commenced to explore opportunities to expand the pilot to a broader range of business who could use the dynamic PAYGI approach.

Member comments

Members expressed support for the PAYGI pilot and its potential to improve earlier visibility of cash flow impacts and reduce the potential for an end of year tax debt. They highlighted the need for clear guidance and communication, especially for new businesses and those without robust data or regular accounting processes.

Members also noted the importance of co-design with digital service providers (DSP) and ensuring there was clarity on technical requirements for any future Application Programming Interface.

Tax Ombudsman review – Registered agent phone line

(Links to strategic priority 1 – Protect the high levels of engagement and integrity in the tax, super and registry systems)

The ATO welcomed the release of the ‘ATO’s registered agent phone line and service offer to agents’ report and noted that it has accepted all recommendations, except for 1 sub-part of recommendation 3. The 4 recommendations were framed around:

1. ATO’s engagement with agents
2. ATO’s digital services
3. Registered agent phone line
4. Support for client-to-agent linking.

The ATO also acknowledged the upcoming Tax Ombudsman reviews around general interest charges and Online services for agents and how we intend to continue working with the profession throughout these reviews.

We discussed ways to support work in delivering the recommendations and asked members for their ongoing engagement in responding to the review recommendations. We outlined our commitment to being transparent with the profession and our continued plans for communication and collaboration.

Member comments

Members welcomed our commitment to working with the profession and provided some early feedback ahead of the Online services for agent review.

Members emphasised the need to ensure any future system changes are practical and beneficial for all stakeholders.

Interactions Strategy 2030

(Links to strategic priority 3 – Improve tax performance for clients of tax practitioners)

The ATO’s Interactions Strategy 2030 is an enterprise level, ATO Executive endorsed strategy. It extends beyond digital interactions to

encompass all ways the ATO interacts taxpayers, including tax professionals and DSPs. The strategy considers both current and emerging interaction channels and how the ATO intends to position its engagement with taxpayers as it is progressively rolled out, including the impact of digital transformation and emerging technologies.

The strategy establishes a whole-of-organisation approach that integrates natural business and governance process to guide current and future interactions. This approach supports collaboration and effective communication of ATO priorities, recognising the critical role tax professionals and DSPs play in administering the tax system and the implications of interaction changes for practitioners, their clients and digital service delivery.

We welcome the involvement of tax professionals and DSPs through co-design and consultation to shape the next steps in delivering the strategy and realising its vision.

Member comments

The strategy is welcomed and its focus on co-design, but members sought clarity on how it differs from previous strategies, how vulnerability considerations, like older taxpayers will be incorporated, and how success will be measured. They expressed interest in being involved in prioritisation and implementation and raised concerns about balancing cost efficiency with quality outcomes.

Payday Super changes

(Links to strategic priority 1 – Protect the high levels of engagement and integrity in the tax system)

The core Payday Super legislation received Royal Assent on 6 November 2025, taking effect 1 July 2026. Key changes for [Payday Super](#) are available.

Super guarantee (SG) contributions will generally need to reach employees' super funds within 7 business days of payday, with some [exceptions](#) applying. Best practice is to make the SG contribution at the same time as the employer pays qualifying earnings to their employees.

[Draft Practical Compliance Guideline PCG 2025/D5 Payday Super – first year ATO compliance approach](#) has been published on the ATO's compliance approach for employers. The PCG 2025/D5 sets out what

the ATO will consider when deciding how to apply compliance resources to investigate employers in the first year of Payday Super.

The Small Business Superannuation Clearing House (SBSCH) will close from 1 July 2026. Since 1 October 2025, new users have not been able to register. Employers should start planning now on how to meet SG obligations once the SBSCH is closed, including reviewing [ways employers can pay](#) their employees' super.

The [Payday Super Working Group](#) has been established to support the ATO's implementation of Payday Super. There are 3 technical working groups, which sit under the Payday Super Working Group that manage Single Touch Payroll (STP) changes, SuperStream changes and the closure of SBSCH. Members can email paydaysuper@ato.gov.au any considerations or suggestions they have.

Member comments

Members welcomed the update but raised concerns about DSP and employer readiness, onboarding errors, and timing for rejected contributions. They highlighted the need for clear guidance for agents and employers, practical solutions for SBSCH data access before closure, and strong communication to support new entrants. We acknowledged members concerns and explained that a range communication products and web guidance is being developed and that there are several alternative low and no cost clearing house options available to business impacted by the closure of the clearing house.

Environmental scan

(Links to strategic priority 4 – Increase trust and confidence in the tax and super systems)

A group discussion on insights, trends, developments across the DSP and tax profession communities occurred, highlighting:

- potential changes to practice mail
- artificial intelligence (AI) and the need for guidance on safe and effective use of AI tools.
- issues raised around tax return lodgment for consolidated groups
- cheque wind-down processes and bank account validation.

Other business

Members agreed to accept the Tax Profession Digital Implementation Group charter as final for 2025-26.

QC 106068

Tax Profession Digital Implementation Group key messages 3 September 2025

Key topics discussed at the Tax Profession Digital Implementation Group meeting 3 September 2025

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Online services for agents practice mail review

(Links to strategic priority 3 – Improve tax performance for clients of tax practitioners)

The draft key findings of the Online services for agents practice mail review were discussed. The review was to determine inbound requests, how the channel is used, what is working, what is not working and what improvements can be made. The Australian Taxation Office (ATO) noted that practice mail is working as designed but is not being used as intended. Topic/subject mismatches are requiring manual intervention, which delays processing and causes frustrations. The current system has limited 2-way communication capability between agents and the ATO. The importance of providing better 2-way communication was highlighted as something that would benefit both the ATO and agents.

Member comments

Members agreed that there are challenges with the subject/topic options and the lack of explanation provided to assist agents make the

right choice. Members indicated that further work was needed in the 'help' section and improved education to support agents.

Members offered the ATO several potential improvement suggestions that could assist with confirming, directing and tracking messaging, all aimed at streamlining response timeframes. The ATO will investigate and determine any improvements that can be made to the existing practice mail service.

Under 40 tax professional digital services consultation

(Links to strategic priority 5 – Recognise, empower and support current and future tax practitioners)

In February 2025, consultation was conducted with younger (under 40) tax professionals. The consultation occurred via one-on-one interviews with active users of ATO digital services to inform decision-making around future enhancements to our digital services. Common issues identified were:

- client-to-agent linking
- inconsistent advice from ATO representatives
- usability of the ATO website – it's easier to Google search
- content on ato.gov.au is too generic.

A common theme through the consultation was that younger professionals were interested in smarter/more connected digital solutions such as more APIs and tailored/customisable reports.

Member comments

Members suggested that the ATO should benchmark its services against corporate entities that offer personalised tracking. The ATO acknowledged this feedback, noting that as a government agency, it is subject to distinct regulatory and operational requirements that may limit its ability to meet similar expectations.

The ATO is relying on their website to communicate with tax professionals and the community. Due to difficulty navigating the ATO website, this messaging is often missed by those who use Google to locate information on the ATO website.

Members provided suggestions that could lead to potential improvements:

- the ATO should improve Google search functionality to complement their website
- finding a way to advise agents on when and why our webpages are updated.

Members were invited to provide any additional feedback regarding the consultation via tpsg@ato.gov.au

Modernisation of tax administration systems 2026

(Links to strategic priority 2 – Safeguard the security of the tax and super systems)

The modernisation of tax administration systems (MTAS) program is aimed at modernising ATO systems to allow for greater transparency over trusts and an improved lodgment experience for trustees and beneficiaries. It will provide greater support for correct reporting of trust income, aiding voluntary compliance.

The planned deliverables under the MTAS will see systems, process and data changes for trustees and beneficiaries to be deployed as part of Tax Time 2026 and Tax Time 2027.

For Tax Time 2026 this will involve the expansion of prefill data to include trust lodgment data for individual taxpayers, enhanced data checks for trust income tax lodgment through electronic channels and some changes to the trust income tax return to support prefill.

The ATO will consult with digital service providers (DSP) and impacted community stakeholders during the development and implementation.

Member comments

Members see value in the program of work and highlighted regular and early communication was key to implementation, and industry bodies played an important role for delivering messaging.

Regarding prefill, members clarified that prefill would not change business processes for tax agents who prepare the trust and beneficiary return. Prefill will increase their confidence that there is no more data/income to report, and it would benefit others especially

where the trust tax return and the beneficiary income tax return are lodged by different tax agents, or the individual beneficiary return is self-prepared.

The ATO confirmed that there will be no change to trust lodgment dates but highlighted earlier lodgment will benefit the implementation of prefill.

Members were interested in having this item return regularly as it progresses.

Counter fraud program

(Links to strategic priority 2 – Safeguard the security of the tax and super systems)

The ATO provided an update on the uptake of the ATO app since the release of the new security features in June 2025.

Further updates were provided on the ATO's observations across the external fraud environment since the release of the new ATO app security features in June 2025. Further enhancements to the ATO app currently underway were discussed.

The ATO asked members to outline the issues facing the DSPs community from a fraud perspective. This will form part of the ATO's broader assessment of fraud risks associated with access to ATO services, both online and through software.

The ATO educated members on upcoming ATO app and Online services for agents releases to ensure appropriate awareness and support will be available at the time of the release.

Member comments

Members raised that proof of identity for agents is a frustration when the ATO reaches out, as agents may not have the necessary paperwork at hand.

The inability for clients to receive messages once they lock their account was raised as a concern. The ATO advised this will be investigated.

Members suggested the ATO use existing channels to embed services to support easy consumption by DSPs. The ATO will have further discussions with DSPs regarding this.

Digital improvements framework

(Links to strategic priority 1 – Protect the high levels of engagement and integrity in the tax system)

The ATO presented the digital improvements framework (DIF) to highlight the ATO's approach to managing improvements to their digital services. The DIF helps to prioritise items and, as of 3 September 2025, 11 items had been delivered and a list of further items are in progress. The items that have been delivered range in levels of complexity, from fixing typos to improved user experience and functionality updates.

Through a breakout session, new items were identified for potential inclusion on the DIF which the ATO will review and assess for feasibility.

Member comments

Members raised that they would like the ability to redact tax file numbers (TFNs) from reports in Online services for agents. The ATO is aware that some software providers already provide the function to redact TFNs. The ATO acknowledges the request from members for a similar offering to be provided in Online services for agents and will investigate further to determine if this is technically and/or legally possible.

Members asked if it was possible for the DIF to be published so that members can have visibility. The ATO noted that as the DIF work is not a formal program, it cannot be published.

Client-to-agent linking - design solution

(Links to strategic priority 2 – Safeguard the security of the tax and super systems)

The ATO is currently undertaking consultation on an agent authorisation solution that is suitable for individuals and sole traders.

The project team has been engaging with a diverse group of tax practitioners, professional association representatives, DSPs and a group of individuals and sole traders to provide input and feedback. Additional industry sectors and groups will be invited to provide their input and feedback as the consultation proceeds.

Next stages of consultation will include testing and discussions addressing support options, communications and the delivery plan.

Member comments

Members raised the possibility of the client checking the data the ATO has pre-filled and then correcting as necessary during the nomination process. The ATO app has personal details for taxpayer which may also be used to confirm current details.

Environmental scan

(Links to strategic priority 4 – Increase trust and confidence in the tax and super systems)

The external co-chair led the group discussion on insights, trends, developments and direction that the ATO should be aware of as context for the operation of the tax system, these included:

- difficulties with principal authority trusts in the Australian Business Register
- not-for-profit reporting
- artificial intelligence.

Other business

The group received a verbal update on the Tax Profession Cyber Security Working Group and noted the following tabled papers:

- Tax Profession Digital Implementation Group Charter refresh and draft
- Travel policy
- DSP Strategic Working Group update.

QC 105621

Tax Profession Digital Implementation Group key

messages 4 June 2025

Key topics discussed at the Tax Profession Digital Implementation Group meeting 4 June 2025.

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Optimising Software Solutions for a Seamless Tax Time 2025

(Links to strategic priority 3 – Improve tax performance for clients of tax practitioners)

Digital service provider's (DSP) invest millions of dollars annually into developing Australian software to better support tax agents in anticipation of tax time.

The Australian Taxation Office (ATO) facilitated a DSP led item into these developments in software to provide agents with visibility and insight into the changes coming this tax time. These include, but are not limited to:

- Changes to the PLS platform from XBRL to XML for partnership tax returns. Statement of distribution must be submitted through PLS as XML now supports up to 2,000 entities.
- Variations to items in the International Dealings Schedule were described with summarised context for the 126 changes (at the time of the meeting). New label for 'build to rent capital works deductions at 4%' will appear in the company tax return.
- Exempting lump sum payments in arrears from the Medicare levy with the removal of the \$1,200 threshold and changes to the amount that is reported at the 'Lump Sum E' label.
- Labels have been removed for small business energy incentive and small business skills and training boost.

Member comments

Concerns were raised around the reliance that the tax system has on DSPs to understand the complexity of tax law to be able to transfer these into highly technical IT systems.

Members emphasised that providing agents visibility of these system changes ahead of tax time is a great initiative and very insightful.

Digital service delivery for Tax Time 2025

(Links to strategic priority 5 – Recognise, empower and support current and future tax practitioners)

The ATO provided insights into key digital solutions ahead of Tax Time 2025. Agents should expect the following changes in Online services for agents:

- Authorised registered agents will have visibility of secure messages sent to their clients via the App through client in Communication history in Online services for agents.
- Pay as you go (PAYG) and year to date reports for 2021 will not be available after 13 June 2025.

Digital services changes for individual tax returns include:

- Removal of 'Small Business Boost Skills and Training Amount' and 'Small Business Energy Incentive'.
- Prompts to encourage inclusion of valid Australian bank account details for each income tax return lodgment to avoid cheques issuing.
- Medicare levy will be automatically applied to lump sum payments in arrears.
- Removal of 'your spouse's tax element of a superannuation lump sum zero tax rate'.
- The 'Trade Support Loan' name has been updated to 'Australian Apprenticeship Support Loan'.
- There are 5 new disaster recovery allowances in the prefill report.
- Low-rate concessional super cap increased to \$235,000 for 2025.
- Changes to self-managed super fund labels X1 and X2.
- There are 3 new validation rules
 - When a loss is entered at 'primary production distribution from partnerships' or 'non-primary production distribution from

partnerships less foreign income' you must provide information on the business activity that led to the loss.

- When 'total assessable foreign income from managed fund' is provided there must be an amount entered at 'total other foreign income from managed fund' or 'total net foreign rent from managed fund'.
- 'Total assessable foreign income from managed fund' must be greater or equal to the sum of 'total other foreign income from managed fund' and 'total net foreign rent managed fund'.
- Taxable payments annual reporting reminder letters that paper forms will cease in the 2026 financial year.

These changes will be available on ato.gov.au once finalised. Agents should refer to the website for the most current information on key system updates.

Member comments

Members emphasised the need to communicate these changes and queried the business readiness of the ATO to support agents engage with these changes.

Concerns were raised around implications of auto-processed Single Touch Payroll PAYG withholding prefill labels W1 and W2 overwriting data populated by software based on the last pay date and the potential for timing differences between software data and ATO pre-populated data.

Can the ATO provide indicators to inform agents and their clients when their account has been compromised. The ATO stated that the ATO app will provide a solution but there are limitations around the distribution of information and indicators to compromised account for security reasons.

Individuals agent authorisation solution

(Links to strategic priority 2 – Safeguard the security of the tax and super systems)

The ATO is currently undertaking consultation on an agent authorisation solution suitable for individuals and sole traders.

The project team has been engaging with a diverse group of tax practitioners, professional association representatives and a group of individuals and sole traders to provide input and feedback. Additional industry sectors and groups will be invited to provide their input and feedback as the consultation proceeds.

Next stages of consultation will include testing and discussions addressing support options, communications and the delivery plan.

Member comments

Members questioned how the design of the individual's agent authorisation solution aims to interact with the ATO app. We indicated that this is being considered as part of the consultation process.

Digital service provider members expressed their willingness to be involved in consultation. The ATO intends to include DSPs as part of the additional industry sectors and groups consultation.

ATO approach to support the TPB branch RAN project

(Links to strategic priority 1 – Protect the high levels of engagement and integrity in the tax, super and registry systems)

The Tax Practitioners Board (TPB) has identified approximately 300 registered agent numbers (RANs) with branches. A significant number of these branches are associated with just 12 firms, who have 1.4 million clients linked.

The TPB decision to close branched registrations is designed to:

- Improve transparency for taxpayers by making it easier to identify the true registered tax practitioner.
- Transition agents to a new framework either through consolidation under the existing parent RAN or using new registrations by the end of 2025.
- Align with government efforts to strengthen the integrity of the tax system and minimise and mitigate minority misconduct by improving regulatory compliance.
- Promote the take up of contemporary practice management systems that better support client management.

Member comments

Members highlighted that as this predominately impacts companies with multiple practices, it raises concerns around privacy when downloading full client list.

Small business future tax administration work program

(Links to strategic priority 6 – Improve Small Business performance and level the playing field)

Blueprinting a future digitalised tax experience is a key focus area in the 2024-25 ATO Corporate Plan.

The ATO is focused on leveraging opportunities provided by the rapid evolution in technology and digital solutions and services to support small businesses meet their tax obligations from the start. Our aim is to explore, design and test options that will support small businesses to:

- make more informed business decisions
- have a greater understanding of their tax obligations
- get their obligations right from the start.

The small business future tax administration project team facilitated a breakout group session with members to seek opportunities around digital tools, services and communications to help businesses get their tax right, and/or to quickly identify and correct mistakes and issues prior to lodgment.

The ATO continues to engage with small businesses, tax and BAS professionals, representative bodies, digital service providers and academia to explore opportunities that could be deployed to improve the small business tax experience.

Member comments

Members raised opportunities to increase data accuracy with advancements in artificial intelligence (AI).

It was highlighted that there are differences between industries that would need to be considered when identifying process improvements. For example, a small business that maintains 2 EFTPOS machines but

only reports one is hard to regulate and validate, whereas ride sourcing is much easier to verify and validate.

Environmental scan

(Links to strategic priority 4 – Increase trust and confidence in the tax and super systems)

Michael Wright led the facilitated group discussion on insights, trends, developments and direction that the ATO should be aware of as context for the operation of the tax system, which included:

- agents unable to access full client list
- liaison with the ATO in relation to overdue return notices received
- practice mail topic selection
- refunds on accounts
- not-for profit review - self assessment
- digital improvements
- Australian business number/trusts with no principal authority.

Other business

The group noted the digital improvements framework tabled paper.

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Tax Profession Digital Implementation Group key messages 5 March 2025

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Client-to-agent linking

(Links to strategic priority 2 – Safeguard the security of the tax and super systems)

The Australian Taxation Office (ATO) has commenced consultation for client-to-agent linking for individuals and sole traders as part of the ATO's broader program of work to strengthen the security of our systems and protect taxpayer data.

A diverse group of tax professional participants will be engaged. Individuals and sole traders, industry sector groups, professional associations and digital service providers will also be invited to provide their input and feedback as the consultation proceeds. The consultation process will inform design development, change management (including support requirements), and delivery options.

The ATO highlighted that it is limited to using existing systems to support this change, and consultation will be focussed on options that utilise systems currently available.

Member comments

Members highlighted the need for ongoing consultation with Individuals to provide simple and practical solutions for accessible pathways for non-technical and vulnerable people.

Digital service providers industry insights

(Links to strategic priority 2 – Safeguard the security of the tax and super systems)

Digital service providers (DSPs) led a discussion on key insights across the industry, which covered cloud-based software and artificial intelligence (AI) solutions to improve client services.

DSPs shared the increasing prevalence of cloud-based software, increasing their flexibility of product data and scalability of new products compared to traditional on-premises infrastructure.

DSPs provided insights into the rise and benefits of AI across the industry and the impact it is having on the market. They noted that AI is expediting new product development, that is data recognition in the

cloud to harvest relevant information. DSPs said that is forcing companies to embrace AI as a tool or risk falling behind.

Member comments

Members raised concerns around the security risks and questioned the control measures around third-party AI tools to pull client records to source data points. DSPs reassured members that they use a secure closed model, and clients must opt in.

Counter fraud program – Project 2

(Links to strategic priority 2 – Safeguard the security of the tax and super systems)

The counter fraud program was established in response to government's announcement in the 2024–25 Budget providing \$187 million to the ATO over 4 years from 1 July 2024. This program aims to strengthen the ATO's ability to prevent, detect, monitor and respond to identity crime enabled fraud attacks. These new, challenging, and innovative attacks require a strong focus on ensuring the ATO's multi-layered fraud controls remain responsive and effective.

A key component of the program is enabling taxpayers to have better visibility and control of their own data. In particular, the ability to confirm in real time through a secure, trusted channel, activity undertaken on their account, is a control most taxpayers now expect. The ATO will be using the ATO app to deliver these new secure features, initially due to be released in mid-2025.

The ATO recognises the important relationship that taxpayers have with the tax profession and digital services. The program is engaging with taxpayers, tax practitioners and digital service providers to develop and mature the outputs of the program.

Member comments

Feedback was given on features of the ATO app which aim to uphold the client and agent relationship and protect taxpayer data.

It was highlighted that this an excellent initiative and members expressed their interest to support the program and protect their clients against the increasing amount of fraud accounts.

Digital improvements framework

(Links to strategic priority 1 – Protect the high levels of engagement and integrity in the tax, super and registry systems)

The ATO provided an overview of the digital improvements framework (DIF), which aims to progress transparency and rigour to the selection and progression of unfunded improvements to digital services for tax practitioners.

The ATO shared the focus areas of these improvements and sought feedback from members on the prioritisation of these works. The ATO expressed interest in receiving member insights to help influence the priority of the submitted works.

Member comments

Members expressed significant gratitude towards this initiative to improve digital services and noted that the work is funded out of business-as-usual budget and therefore limited in scale.

Members requested further discussion around the prioritisation of improvements and progress status as each piece of work develops.

Modernisation of tax administration systems

(Links to strategic priority 4– Increase trust and confidence in the tax, super and registry systems)

On 18 December 2024, as part of the 2024–25 Mid-Year Fiscal and Economic Outlook, the government announced it will provide the ATO \$76 million to support the modernisation of tax administration systems (MTAS).

MTAS seeks to modernise income tax reporting systems to reduce compliance costs on an ongoing basis for trustees, beneficiaries and tax agents. This aims to make lodgment easier and enable most trust tax returns to be lodged electronically.

The planned deliverables under the MTAS will be deployed as part of Tax Time 2026 and Tax Time 2027. The ATO will consult with DSPs and impacted community stakeholders during the development and implementation.

As part of the announcement, government signalled an intention to amend the law to require trustees to report the tax file numbers of beneficiaries on the trust income tax return's statement of distribution when they have an entitlement. This will replace the need for trustees to separately notify the ATO of beneficiary tax file numbers. This amendment will commence on the first day of the next quarter after Royal Assent. This measure is not yet law.

Member comments

Members highlighted the significant amount of work programmed for DSPs over the next year and that changes within MTAS will need to be staggered for industry to be able to support the ATO implement these changes.

Environmental scan

(Links to strategic priority 4 – Increase trust and confidence in the tax, super and registry systems)

External Co-Chair Michael Wright led the facilitated group discussion on insights, trends, developments and direction that the ATO should be aware of as context for the operation of the system overall, these included:

- objections on ATO website
- general interest charge remission opportunities within Online services for agents
- status reports of returns
- fraud within myGov.

Other business

The following tabled papers were noted:

- taxable payments reporting systems
- practice mail review
- upgrades to the ATO's card payment platform
- activity statement remediation 2025
- DSP strategic working group October 2024 update

- login process for online services.

QC 104456

Tax Profession Digital Implementation Group key messages 29 November 2024

Key topics discussed at the Tax Profession Digital Implementation Group meeting 29 November 2024.

Last updated 30 January 2025

Refunds

(Links to strategic priority 3 – Improve tax performance for clients of tax practitioners)

To ensure a refund is issued via electronic funds transfer, financial institution account (FIA) details need to be entered into every income tax lodgment, every time.

Omitting FIA details from the lodgment form will end-date any existing FIA details stored on Australian Taxation Office (ATO) records and result in a cheque being issued to the address listed on the lodgment account.

For accuracy, bank details should be confirmed with the client for every lodgment or refund request, to prevent delays where refunds are returned to the ATO or paid to an unknown third-party account.

If agents receive ATO correspondence to update bank details for their client, they must actively verify their client's details to ensure FIA details are correct and up to date.

New legislation allowing the Commissioner of Taxation to stop refunds from issuing via cheque for up to 90 days to enable bank details to be provided was passed by Parliament in November 2024 and will come into effect on 1 January 2025.

Member comments

Not all bank accounts are accepted by the ATO. The ATO advised that to enable such FIA details for all bank accounts, system changes would be needed.

For clients who don't have bank accounts, like expats, will often result in a cheque being issued. With the government announcement to cease cheques, this will need to be resolved.

Statement of account reduction

(Links to strategic priority 5 – Recognise, empower and support current and future tax practitioners)

In April and May 2024, the ATO consulted with tax and BAS agents to gain their views on the frequency, usefulness, and preferred delivery channel of the statement of account.

Feedback confirmed preferences for:

- a reduction in the frequency of statements of account
- electronic delivery channels.

The ATO has now identified informational statement of accounts suitable for frequency reduction. Members were presented with an overview of the proposed changes and feedback was sought.

Member comments

Members agreed with the reduction in the issuing of statement of accounts and the move to electronic delivery channels.

Partnership return – statement of distribution solution

(Links to strategic priority 1 – Protect the high levels of engagement and integrity in the tax, super and registry systems)

From 1 July 2025, the ATO will be lifting a system limitation so that statement of distributions for large partnerships can all be lodged via the electronic practitioner lodgment service – Standard Business Reporting channels.

The ATO are enabling system changes to facilitate this change, while also working to change agent behaviour to ensure that tax professionals complete the statement of distributions accurately and in system.

The ATO wants to explore opportunities to improve the user experience in completing the statement of distributions and is seeking feedback on how best to deliver messaging to encourage a change in behaviour.

The ATO indicated that firmer action will be taken for those not accurately completing the return.

Member comments

Members noted the increase in time it takes to enter the data in the current format and noted the limitations of some software, suggesting that allowing developers to include an excel spread with the data would improve the experience.

The ATO sought feedback from members about appropriate communication messaging to drive change in the reporting behaviour. Members suggested:

- Law change would achieve the desired outcome.
- Association newsletters could alert members about the risk of audit and scrutiny if the correct information is not disclosed. ATO messaging should reinforce that firms providing this information demonstrates that they are meeting integrity and transparency obligations.

Members suggested that failing to provide the required information could be considered fraud or a misleading statement and could potentially be a breach of tax practitioners board code.

Sharing Economy Reporting Regime

(Links to strategic priority 6 – Improve Small Business performance and level the playing field)

We have been sharing, Sharing Economy Reporting Regime (SERR) messaging through known ATO forums and other networks, to support online platforms, or Electronic Distribution Platforms (EDP) in helping sellers to understand their tax obligations and what and when

information will be reported to the ATO, via the SERR report. For more information, see [Sharing Economy Reporting Regime](#).

The ATO is continuing to engage with EDPs and other key stakeholders to build a deeper understanding on the business models of affected EDPs. This is helping us identify issues early, and ensure the necessary information and support is in place to assist EDPs in collecting and reporting SERR data.

A Legislative Instrument (LI) was published earlier in the year which sets out reporting exemptions that provide greater certainty for EDPs affected under the second phase of implementation, which started on 1 July 2024. An additional item has been added in draft and published [LI 2024/D9](#) and is available for consultation until 17 January 2025.


Member comments

Members suggested that agents don't always know the right questions to ask and suggested that nudge messaging may be beneficial.

Implementation of a global and domestic minimum tax

(Links to strategic priority 2 – Safeguard the security of the tax, super and registry systems)

The ATO is progressing implementation of the global and domestic minimum tax measure announced in the 2023 Commonwealth Budget.

Australian primary legislation has passed, and royal assent was received on 10 December 2024 (*Act 132, Act 133, Consequential Act*). The law design process for the subordinate legislation is currently ongoing and was [registered as a legislative instrument](#)  on 23 December 2024 following enactment of the primary legislation.

Design of Australia's new domestic returns and the IT systems needed to enable lodgment and exchange of data is underway.

The ATO has started further consultations via the Pillar Two Global and Domestic Minimum Tax Working Group established on 30 August 2024 to discuss feedback on administrative aspects of implementation of the measure.

The ATO's compliance approach is developing with a focus on supporting taxpayers via education and targeted communications to

get the basics right in the lead up to the first lodgment period.

Taxpayer readiness is a key consideration, and the ATO are encouraging taxpayers to be ready for implementation of the measure.

The ATO is currently designing the user interface and will continue to engage with this group as this work progresses.


Member comments

Members suggested that if the ATO is wanting digital service providers to include these forms in their software, they need to be included in the discussions.

Members asked for ongoing engagement as work progresses to which the ATO agreed.

Payday super

(Links to strategic priority 4 – Increase trust and confidence in the tax, super and registry systems)

The government has published [Payday superannuation design details to ensure super is paid on time](#) . From 1 July 2026:

- Superannuation guarantee (SG) contributions will be aligned with the payment of salary and wages.
- Businesses will become liable for the updated SG charge if super guarantee contributions are not received by their employees' superannuation fund within seven days of payday.
- The Small Business Superannuation Clearing House (SBSCH) will be retired as it is no longer fit-for-purpose in a payday regime.

The ATO will update infrastructure and data matching to better detect unpaid super payments earlier and allow for a proactive approach to compliance, to reduce the incidence of unpaid super. This will include updating Single Touch Payroll reporting requirements to make the reporting of both ordinary times earnings and total superannuation liability mandatory.

The ATO confirmed they will also work with industry to update the SuperStream standard, including allowing the acceptance of payments made via the New Payments Platform.

The SBSCH will close from 1 July 2026 and users will need to transition to new clearing house services for any contributions made on or after 1 July 2026.

A Payday super special purpose working group has been established to provide advice on the end-to-end administrative solution for Payday super with key messages from the working group published at [Payday Super Working Group](#).

The Payday super measure is not yet law and the government are preparing draft legislation which will be released for public consultation.

Member comments

Members raised concerns with the admin uplift, that it is likely to raise more issues for agents to object to and concerns for employers who will need to prioritise their payments. The ATO reminded members that the admin uplift is a tax, not a penalty.

Members suggested that Payday super could reduce individuals super balance if funds increase admin costs due to increased transactions being received. The ATO noted that this is an issue that would need to be dealt with by Australian Prudential Regulation Authority.

Client-to-agent linking

(Links to strategic priority 2 – Safeguard the security of the tax, super and registry systems)

The ATO presented the findings of the post implementation review of client-to-agent linking (CAL) for Australian business number entities (excluding sole-traders) on 13 November 2023. The new process has been protecting 4.7 million entities for 12 months and has achieved its intended outcome with a range of learnings that will inform the next phase of delivery.

The ATO provided an update on feedback, outcomes, and actions taken since deployment, gathered from a range of sources and stakeholders. The ATO confirmed that the [Client-to-agent linking steps](#) information has recently been restructured to make information easier for agents to find.

The next steps for client-to-agent linking for individuals were discussed and members were advised that consultation will

commence the design early in 2025.

Member comments

Members asked if the ATO has visibility of the average call length so that they can manage agent expectations of the time they need to set aside. The ATO advised that this data is not available because not all myID or Relationship Authorisation Manager calls are related to CAL. Many of the delays are caused when the caller does not have the information they need at hand. It was agreed that there is a shared education piece for the ATO and associations to help agents and taxpayers understand what information to have ready before they call the ATO.

Members suggested that there are many tax agents who are not aware of CAL until they have to use it. The ATO noted that an education campaign will be ongoing every year and both scripting and website information will be updated to reflect emerging needs.

Members also highlighted the need for taxpayers to update their details before changing agents to which the ATO confirmed there will be ongoing communication messaging around this.

Digital service provider tax time event 2025

(Links to strategic priority 1 – Protect the high levels of engagement and integrity in the tax, super and registry systems)

The ATO provided an overview of the annual digital service provider (DSP) tax time event lead by the ATO's Digital Partnership Office, where subject matter experts and technical specialists discuss various service updates that software providers need to be aware of for the upcoming tax time release.

Member comments

It was noted that this is the beginning of a dialog between DSP Strategic Working Group and this group, and members would like to see a 12 to 24-month roadmap of what will change in the digital space that will impact tax practitioners.

Environmental scan

(Links to strategic priority 4 – Increase trust and confidence in the tax, super and registry systems)

Members led the environmental scan group discussion, covering a range of issues including:

- known issues with trust tax returns (to which the ATO confirmed a fix is to be implemented early 2025)
- the confusion between Digital ID and myID
- messaging around the delivery of MTAS (to which the ATO agreed to provide an update at a future meeting).

Other Business

The ATO noted the following tabled papers:

- Access Manager
- Compromised Client Pilot Report
- Better Targeted Super
- 2025 group meeting schedule
- Group review of 2024.

QC 103754

Tax Profession Digital Implementation Group key messages 15 August 2024

Key topics discussed at the Tax Profession Digital Implementation Group meeting 15 August 2024.

Last updated 20 September 2024

Welcome and introduction

The co-chairs welcomed members to the Tax Profession Digital Implementation Group (TPDIG) meeting, noting apologies and confirming that there were no conflicts of interest declared.

ATO digital strategy

(Links to strategic priority – Safeguard the security of the tax, super and registry systems)

The Australian Taxation Office (ATO) continues to focus on delivery a range of new and improved digital services and platforms and strengthening the integrity of its systems. It is looking at improving what we do and not just a matter of replacing technology.

We aim to better understand the needs and priorities of taxpayers, ecosystem partners and staff over the next few years while managing expectations for delivery in a tight fiscal environment.

With fraud and identity crime continuing to rise, we are working on addressing and reducing these risks behind the scenes with real time, event-based taxation. Client-to-agent linking is one example of an implemented services that has reduced fraud.

Members were reminded to send through any ideas and suggestions for improvements and these will be directed to the Digital Strategy implementation team.

Member comments

Members highlighted some of the system challenges when interacting with the ATO.

They acknowledged that changes to systems require significant investment and where possible, technology proposals should come with the appropriate budget to ensure implementation.

Members commented on the decline in satisfaction of digital services and suggested that we consider working with agents to identify which parts of the system are broken and address those first.

Compromised client online access strength

A digital ID, such as myGovID, is the most secure way to access ATO online services and help protect agents and their clients against identity crime.

When a taxpayer accesses ATO online services through myGov, the sign in method they have used with the highest identity strength becomes their online access strength and will be used for all future access.

Members were reminded that when they have clients who feel their identity has been compromised, they should contact the ATO immediately. A 'strong' online access strength (currently a strong myGovID) restores real time access to ATO online services for individual victims of identity theft and pre-fill tax information for registered agents.

Member comments

Concerns were raised with the ATO's processes and call centre scripting that applies when agents notify the ATO of fraudulent client returns and refunds. This includes the requirement that agents lodge amended returns. The ATO will confirm its internal processes and call centre scripting.

Members also discussed the processes for clients without an Australian passport and for restoring a client's account where the client has established online access strength.

Guide for Access Manager

(Links to strategic priority – Improve tax performance for clients of tax practitioners)

A confidential discussion was undertaken on draft Access Manager best practice guidelines for Online services for agents and how this could align to SBR-enabled software. A guided discussion via breakout groups gathered feedback from members.

The ATO will distil the feedback and report back at a future meeting.

Online services for agents – practice mail

The ATO is currently undertaking a stocktake and review of the Online services for agents practice mail function. The purpose of this review

is to develop an informed set of recommendations to improve the practice mail experience.

The findings were presented from the review to date with member feedback back sought. The feedback will be used to inform the review recommendations.

Member comments

Practice mail was noted as the preferred channel for engaging with the ATO, although it has become difficult to use efficiently and may no longer be fit for purpose. Feedback was provided on several changes felt would improve the overall experience including:

- using practice mail as a secure two-way channel for communicating between the ATO and agents (submitting paper forms via practice mail instead of posting in forms)
- a site map of the topics available
- reviewing the topics in practice mail
- considering a triage system for practice mail topics to reduce calls
- adopting a fast key code approach to practice mail subjects.

It was noted that while all suggestions will be considered, there may be system and resource implications that prevent some suggestions from being adopted.

Members noted that improvements to practice mail and making it fit for purpose will improve agent confidence in the system.

The ATO confirmed they would provide members with updates on the progress of this work.

Modernisation of Trust Administration Systems

From 1 July 2024 the following changes to trust and beneficiary reporting were successfully delivered as part of the Modernisation of Trust Administration Systems (MTAS) project, impacting the 2023–24 financial year and onwards:

- The following 4 labels in the statement of distribution – which is part of the trust tax return (TTR)

- gross capital gain
 - capital losses applied
 - capital gains tax (CGT) discount applied
 - CGT small business concessions applied.
- A new trust income schedule that all trust beneficiary types who receive trust income will need to lodge with their tax return.
 - New data validations to the TTR form integrated into tax agent software, practitioner lodgment service.
 - Nudge messaging for Individual beneficiaries lodging via myTax or tax agent software.

The project communication strategy to support the 1 July 2024 changes delivered messages through industry stakeholder groups, ato.gov.au and industry newsletter/newsrooms/bulletins.

The dedicated [MTAS](#) page on ato.gov.au provides links to the all supporting materials and instructions. Any future changes to the MTAS will focus on improved data quality and availability.

Member comments

Members asked that any further changes be communicated earlier and that the ATO ensures messaging is consistent between web content and guidance material. They expressed concerns that agents and clients are not fully aware of the changes and don't necessarily understand the impacts for them. The ATO agreed to look at the best options for dissemination of messages.

It was acknowledged that the changes implemented are working as intended and have resolved some of the issues around franking credits.

Members were asked to send through any lodgment/reporting issues they are seeing to the ATO.

Environmental scan

Members led a facilitated group discussion on insights, trends, developments and direction that the ATO should be aware of as context for the operation of the system overall, these included:

- the Code of Conduct changes being proposed by the Tax Practitioners Board and the impacts they are having on the agent community
- record keeping within digital service provider (DSP) software
- EFT reconciliation report and the ATO's service (digital service provider members were asked to provide feedback to the ATO on the EFT reconciliation report)
- communication regarding the general purpose financial statement lodgments
- client lists being available for downloading through Online services for agents, (The ATO agreed to investigate why agents are not able to download client lists)
- substitute of accounting period returns
- entities changing to large pay as you go withholding
- use of Co-Pilot
- Proposal for DSPs to be registered as tax agents.

Other business

The group noted the following tabled papers:

- Tax Professionals Digital Services Experience survey – discussion summary and next steps
- Small Business Future Tax Administration
- Client-to-Agent Linking update
- DSP Strategic Working Group update
- Locking of inactive client records in Online services for agents.

Members were updated on the establishment of the Tax Profession Cyber Security Working Group and that its inaugural meeting is anticipated for October 2024.

The ATO acknowledged the contribution of external group co-chair Mike Behling. His tenure will cease at the conclusion of the meeting and Michal Wright of the Access Group has been appointed as the new co-chair.

QC 103047

Tax Profession Digital Implementation Group key messages 30 May 2024

Key topics discussed at the Tax Profession Digital Implementation Group meeting 30 May 2024.

Published 17 July 2024

Welcome and introduction

ATO Co-chair Melanie Casey and External Co-chair Mike Behling welcomed members to the Tax Profession Digital Implementation Group (TPDIG) meeting. Apologies were noted and no conflicts of interest were identified.

Tax Professional digital services experience – survey results

(Links to strategic priority – Recognise, empower and support current and future tax practitioners)

The ATO provided an update on the outcome of the Tax Professional Digital Services Experience Survey that was conducted in February 2024. This is the second time this survey has been conducted, with the first done in 2022.

With 1,400 responses received and the introduction of free text fields, new insights are being drawn from the survey responses which included:

- Satisfaction with digital services highly correlates with overall satisfaction with the ATO.
- Satisfaction with the digital service experience has decreased, particularly for BAS agents and younger tax professionals.

- The client-to-agent linking process has had an impact on tax professional's digital experience.
- Tax professionals are increasingly concerned around keeping client information secure.
- The top 3 drivers of agent satisfaction with their digital service experience are
 - receiving helpful and prompt assistance when contacting the ATO about their digital services
 - having the opportunity to provide input into the ATO's design and development of digital services
 - the ability to use their digital services effectively.

During the session, the ATO led 3 break-out discussions to explore member's thoughts and initial responses with respect to specific results of decreased satisfaction, cyber/information security, and consultation and engagement.

The ATO explained that survey results and discussion insights will be used to inform the direction of future digital service strategies.

Member comments

Members provided the following feedback and observations:

- In relation to help and support, the feasibility of an online live help chat within Online services for agents was raised, however it was noted that while the ATO has used one in the past for Tax Help, there are challenges in being able to adequately resource it.
- The timing of the survey likely impacted the results given challenges with client-to-agent linking and de-linking of BAS agents at that period but noted that accidental delinking seems to have decreased.

The fraud ecosystem

(Links to strategic priority – Protect the high levels of engagement and integrity in the tax, super and registry systems)

The ATO led a discussion on fraud typologies explaining that there are a broad spectrum of fraud typologies and that it is not just about

dollars but about information. Fraud also includes the 'stealing of information to do other things'.

The ATO provides Trusted Access to digital systems as they recognise that agents and their staff require access to do their job and service their clients effectively.

Fraud typologies include:

- Identity theft or takeover through myGov ID.
- Fraud on the client, fraud on the ATO.
- Linking clients without authorization.
- Facilitation of Financial crime.

Discussion occurred around cyber security and many agents' misconceptions about their own level of security. It was suggested that members could help by making sure they communicate across their practices/association what their members need to do to comply – such as mandatory style training, for example, integrity training.

Member comments

Members provided the following feedback and observations:

- They could benefit from the ATO preparing cyber security/fraud policies to use and share with their members.
- Members asked for greater transparency on what the agent community are doing so that they could then assist by training their agents in what to do.
- The ATO needs to change the narrative around agent led fraud as most agents are doing the right thing.
- Members requested the ability to use Access Manager to set up payment plans which are currently prohibited. The ATO agreed to look at Access Manager Permissions to understand what might be feasible.

Tax Profession Cyber Security Working Group

(Links to strategic priority – Safeguard the security of the tax, super and registry systems)

The ATO outlined the partnered approach they are taking with the tax practitioner community around cyber security with the establishment of the Tax Professional Cyber Security Working Group.

An Expression of Interest is underway to identify appropriate members for the working group, which is likely to commence in August with a focus on:

- Threats – scams, fraud, identity theft
- Protection – access controls, virus protection
- Plans – procedures, reporting
- Education and engagement – communication and culture
- Specific programs of interest – myGovID, client-to-agent linking

This group will work together with the ATO's Cyber Security Stakeholder Group to ensure the 2 groups are aligned and not duplicating areas of focus.

Member comments

Members provided the following feedback and observations:

- Tax Practitioner Stewardship Group (TPSG) members suggested that they are not certain their professional association members are reading the cyber security information they are sharing with them.
- The new working group needs to be very practitioner-focused and practical in nature.
- Discussion occurred around what could be done to ensure agents compliance with cyber security obligations, such as mandatory training, nudge reminders. This discussion will be picked up in the new working group.

Environmental scan

(Links to strategic priority – Increase trust and confidence in the tax, super and registry systems)

Members led the facilitated group discussion on insights, trends, developments and direction that the ATO should be aware of as context for the operation of the system overall, these included:

- Trust changes coming through for Tax Time.

- Accuracy of taxable payments annual reports reporting.
- Updating Director's details with Australian Securities and Investments Commission and the Australian Business Registry.
- Locking of inactive client records in Online services for agents.
- Clients receiving a lower-than-expected refund due to offsetting.

Digital service delivery for Tax Time 2024

(Links to strategic priority – Recognise, empower and support current and future tax practitioners)

The ATO outlined several digital impacts for Tax time:

- correspondence preferencing
- limiting BAS amendments (original lodgment plus 4 amendments)
- pop-up warnings when linking to an already linked client
- new subjects into practice mail
- pre-generated reports with the older reports no longer being available after 1 July.
- self-assessed income tax exempt form for not for-profits and associated Access Manager permissions
- decommissioning of AUSKey credentials
- enhanced pre-fill to include Australian Government benefit payments
- self-education expenses to be reported under a new label
- Modernising trust administration systems (MTAS) improvements to the lodgment experience for trustees and beneficiaries to meet their reporting obligations, including administration and processing of reporting obligations.

Member comments

Members were not aware of changes to the self-education label with items at D5 now being captured in item D4 work-related self-education expenses.

Digital improvements framework

(Links to strategic priority – Improve tax performance for clients of tax practitioners)

The ATO led the update on the digital improvements framework. It was highlighted that suggested improvements to Online services for agents were received from multiple channels.

Around 50 proposed improvements have undergone a scoping and triage process to be categorised into priority groupings.

The ATO agreed to keep members informed as to how implementation of the framework progresses.

Member comments

It would be helpful to know the improvements the ATO is considering so members can work within their own association membership on the narrative.

Other business

The group noted the MTAS tabled paper.

The ATO reminded members about the Terms of Reference for online platforms and the use of BOTs/scrapers over Online services for agents will not be tolerated.

Members raised concerns around Single Touch Payroll and not being able to see what information was in the final report although noted this was not a significant issue.

It was noted that there appears to be an increase in taxpayers not receiving notifications of when things are being sent to their myGov accounts. The ATO requested that members send through specific examples of this so that they could be followed up on as this was not a known issue.

Looking forward

(Links to strategic priority – Recognise, empower and support current and future tax practitioners)

The ATO led a discussion on the future direction of the TPDIG and whether it was meeting its objectives or changes were required.

The ATO acknowledged the time investment of members and expressed their appreciation for the time members gave.

It was agreed that the group provides an opportunity for the three main players: ATO, agents, digital service providers (DSPs), to come together to discuss a broad range of topics impacting the profession and practitioners.

It was noted that there may be more of an opportunity to utilise DSPs in solving some of the digital challenges the ATO experiences.

While there is some overlap with the TPSG, topics do have a digital focus that are of value for discussion.

It was suggested that the TPDIG could be used as part of Post Implementation Review processes for key projects like Client-to-agent linking and provide learnings of where programs may not have been successful.

The ATO confirmed that membership to the TPDIG is merit based but will explore opportunities to engage younger members/members new to the profession where appropriate.

Attendees

Attendees list

Organisation	Attendee
ATO	Melanie Casey (Co-chair), Individuals and Intermediaries
ATO	Andrew Watson, Individuals and Intermediaries
ATO	Anita Chaganti, Enterprise Solutions and Technology
ATO	Benjamin Lurje, Individuals and Intermediaries
ATO	Carl Bennett, Individuals and Intermediaries

ATO	Claire Miller, Enterprise Solutions and Technology
ATO	David Mendoza, Individuals and Intermediaries
ATO	Kylie Smith, Individuals and Intermediaries
ATO	Laurel Griffin, Individuals and Intermediaries
ATO	Sarah Vawser, Individuals and Intermediaries
ATO	Sonia Lark, Enterprise Solutions and Technology
Australian Bookkeepers Association	Peter Thorp
BAS Agent	Kerrie Jarrius
Chartered Accountants Australia and New Zealand	Karen Liew
CPA Australia	Bill Leung
Digital Service Providers Australia New Zealand	Mike Behling (Co-chair)
Institute of Certified Bookkeepers	Matthew Addison
Institute of Public Accountants	Tony Greco
KPMG	Anne Pengilly
MYOB	James Roberts
National Tax and Accountants' Association	Rodney Wilson

Pitcher Partners	Scott Laing
TaxLab	Karl Farrand
Tax Practitioner	Kerri Selby
Tax Practitioners Board	Debra Anderson
The Access Group	Michael Wright
The Tax Institute	Andrew Shead

Apologies list

Apologies list

Organisation	Member
ATO	David Baker, Individuals and Intermediaries
ATO	Natalie Ross, Enterprise Solutions and Technology
ATO	Sonia Corsini, Individuals and Intermediaries
ATO	Steve Dardo, Strategy and Support
Accrivia	Alison Johnson
Chartered Accountants Australia and New Zealand	Michael Croker
Crypto Tax Calculator	Shane Brunette
Tax Practitioner	Keith Clissold

QC 102783

Tax Profession Digital Implementation Group key messages 13 March 2024

Key topics discussed at the Tax Practitioner Digital Implementation Group meeting 13 March 2024.

Published 17 April 2024

Welcome and introduction

Co-chairs Melanie Casey and Mike Behling welcomed members to the Tax Profession Digital Implementation Group (TPDIG) meeting. The group welcomed new members Bill Leung, CPA Australia and Jason Roberts, MYOB and thanked exiting members Neville Birthisel, Institute of Financial Professionals Australia and Kath Anderson, ATO.

Modernisation of Trust Administration Systems

(Links to strategic priority – Empower tax practitioners to add value to their clients through sustainable operations)

The Australian Taxation Office (ATO) led discussion on the Modernisation of Trust Administration Systems (MTAS). The project is a multi-phased, ATO-wide strategy aimed at improving the integrity of the tax system by working with digital service providers (DSPs) to improve the quality, accuracy and transparency of trust and beneficiary data. The update included proposed Tax Time 2024 changes relating to the MTAS project and communication plans to support these changes.

Member comments

Members noted the project is being implemented in collaboration with DSPs, including co-design with the DSP working group. This is a

significant matter for DSPs, it impacts many forms and requires a substantial amount of time and investment.

2024 Tax Professional Digital Series Experience Survey

(Links to strategic priority – Improve tax performance for clients of tax practitioners)

The ATO shared preliminary findings from the biennial tax practitioner digital services experiences survey. The survey forms an important part of the ATO's evidence-based, systematic approach to drive improved digital experiences for tax professionals. The survey was issued to 10,000 agents (65% tax agents and 35% BAS agents) and over 1,000 responses have been received to date. The final report will be provided to the group.

Member comments

Members agreed that due to the timing of the survey, results may have been impacted by client-to-agent linking and changes to Online services for agents. Members are interested in the post-implementation review of client-to-agent linking when the final report is issued.

Client-to-agent linking and verification

(Links to strategic priority – Improve tax performance for clients of tax practitioners)

The ATO led discussion on client-to-agent linking and verification, including the planned delivery of new messaging in Online services for agents in April to deter the de-linking of BAS agents. The ATO also gave an update on the client-to-agent linking working group.

The ATO has been rolling out client-to-agent linking fraud protection changes to businesses since the pilot in June 2022, and from November 2023 the ATO expanded linking to all Australian business number entities, excluding sole-traders.

The ATO understands this is an important matter for agents and wants to provide visibility of next steps. The ATO reiterated the purpose of client-to-agent linking is to address fraud and provide protection

against bad actors for agents and their clients. To date, over 122,000 clients have completed client-to-agent linking via online nomination or ATO assistance channels. There have been no instances of fraudulent takeover of agents' clients since the introduction of the changes.

The ATO acknowledged professional associations have been advocating for their clients and providing feedback throughout the process. The ATO noted that while fraud risk has been mitigated it is keen to understand if there are other things that can be done, and consultation and feedback is continuing.

Member comments

Members raised concerns over the de-linking of BAS agents, and agents adding themselves to incorrect accounts. The ATO will introduce enhanced messaging in April and will continue to monitor this risk.

Members expressed concern that the Tax Practitioners Board will be reactive in resolving inappropriate agent opportunistic behaviour.

Members discussed core behaviour relating to clients who are unable to provide agents with their tax file number and the need to ensure proposed nudge messaging will address this. Members noted that the wording of the nudge messaging was developed in consultation with key members of the TPDIG.

Improve small business tax performance

(Links to strategic priority – Improve small business performance and level the playing field)

The ATO led a workshop of TPDIG and Tax Practitioner Stewardship Group members to explore opportunities to improve small business tax performance. The ATO is keen to consider what can be done within the current systems and processes, and to provide opportunities to collaborate on future ideas to improve small business tax performance.

Member comments

Members provided the following key insights:

- education and awareness is important, there is no one size fits all approach

- targeted communications to agents are beneficial but too often guidance falls short
- new businesses present the opportunity to get clients into good processes and prevent future issues
- more touch points are needed as this creates greater engagement
- more business-to-business tax information is needed to enable businesses to make informed and confident decisions
- there is a need to create real-time insights
- incentives are a complex problem and care should be taken not to pitch incentives at the wrong time, wrong place, or at the wrong levels.

Environmental scan

The group discussed insights, trends, developments including:

- the taxable payments annual report
- locked client accounts which are not linked to compromised clients
- Division 7A of the *Income Tax Assessment Act 1936*
- visibility of the IT environment and future ATO IT plans
- digital security.

Other business

The group endorsed the updated TPDIG charter and noted the following updates:

- Payday Super
- ATO use of hyperlinks in unsolicited SMS.

Tax Profession Digital Implementation Group key messages 21 November 2023

Key topics discussed at the Tax Profession Digital Implementation Group meeting 21 November 2023.

Published 12 January 2024

Welcome and introduction

Co-chairs Melanie Casey and Mike Behling welcomed members to the Tax Profession Digital Implementation Group (TPDIG) November meeting and confirmed the agenda and confirmed there were no conflicts of interest.

Six new members were welcomed to their 2-year membership tenure and 4 returning members were thanked for their continuing contribution to the group.

Members were provided with an outline of the group's purpose and expected outcomes.

Action item update

20230821-01 – ATO IT projects – status and forward plan

Agenda item will be tabled for further discussion during a later meeting in 2024.

20230821-02 – Strengthening digital systems

Closed.

2030 Tax Practitioner Experience Strategy

Strategic Goal 2 – Safeguard the security of the tax, super and registry data, and IT systems

Strengthening digital systems – Online access strength

The Australian Taxation Office (ATO) advised members fraudulent behaviours are evolving and we are planning a range of initiatives to strengthen ATO digital system integrity. We are committed to improving the client and tax professionals experience and continue to look at ways we can improve current processes maintaining the security of client records and the information we hold.

We have measures in place to protect against fraud as well as resources for clients to use in protecting their information. A digital ID, such as myGovID, is the most secure way to access our online services and we encourage clients to use this where possible.

Strong online access is now available for your individual and sole trader clients using ATO online services. This is to better protect their identity and increase their online security when transacting with us.

Strong online access only applies to ATO online services, it does not impact your clients myGov account or other linked services. More information is available for you and your clients at [Online security](#).

Member comments

The current experience of linking to myGovID is not ideal.

The ATO advised work is being done with Services Australia to make improvements.

A member agreed myGovID is a must for higher level of security but wanted to know how the profession can champion an increase in online security for their clients.

It was noted that increasing a client's credentials is not an easy task, as agents are unable to assist individual clients in the process. Many clients don't have passports, limiting the ability for the client to strengthen their credentials.

Cyber working group – Introduction and workshop

The ATO proposed the establishment of a special purpose Tax Profession Cyber Security working group to commence in 2024.

The group aims to bring together stakeholders who have a shared interest, responsibility and/or expertise in managing cyber security within the digital ecosystem that underpins the tax, super, and registry systems in response to the ATO's key focus on managing cybersecurity as outlined in the ATO Corporate Plan 2023–24.

The Tax Profession Cyber Security working group will be a working group comprising of members from the:

- ATO
- Tax Practitioners Board
- tax profession
- software industry.

It is a subsidiary of the TPDIG.

A workshop activity was facilitated whereby members provided feedback on the role, scope, and potential membership of this working group.

Members were supportive of the establishment of this working group in 2024 but advised that the scope of the group needed to be tighter and focus primarily on building foundation level cyber security capability across the tax profession.

Digital activity statement transition

The ATO discussed the shift of clients away from paper to a contemporary digital experience over the past 5 years and the requirement for ongoing improvements for clients.

There are 4.6 million activity statements issued by paper with 85% of these clients having an agent link, 40% of that group have the agent as a postal address and 4.1% are lodged by paper.

They discussed the need to shift of clients away from using paper to a more contemporary, digital experience. There are various reasons for the shift but primarily they are due to the high cost to maintain, large numbers of client errors and avoidable telephone interactions. Currently over 300,000 paper preference clients have incorrect postal addresses, with undeliverable activity statements, that generate failure to lodge penalties and general interest charges accruing for the client.

To gain insights on both client and agent experience in this matter, group members were asked to consider key issues inhibiting digital interactions with these clients, and what support we can provide to assist clients to shift to digital interactions.

Member comments

It was noted the paper activity statements serve as reminders to pay, a reason why clients still want paper.

Clients are unable to tell the difference between a genuine interaction from the ATO versus a scam. Receiving a paper notification is evidence the interaction is genuinely from the ATO.

Clients prefer paper notifications as the paper statement has the correct payment reference number for that activity statement, noting that the payment reference numbers do change.

User access in software

The ATO facilitated a discussion and workshop activity to gain a shared understanding of potential vulnerabilities in the current practitioner lodgment service and explore options to address them in the short term.

Members articulated several potential vulnerabilities in the current service offer and provided a range of suggestions.

The ATO will undertake further analysis, develop an action plan and report back to the group in 2024.

Client-to-agent linking

The ATO provided an update on the deployment of the client-to-agent linking that went live to all entities with an Australian Business Number (ABN), excluding sole traders, on Monday 13 November. Members were thanked for their invaluable feedback throughout consultation on this work and advised the feedback enabled the development of communication products, tailored support material for both agents and clients to help with the transition phase.

Additionally, members were advised that consultation is being planned and discussions will begin next year on the system and software approach for the next phase including individuals and sole traders.

Functions available from 4 October 2023 for all entities with an ABN include client nomination – Online services for agents on-demand report.

This report provides a real-time on-demand report that allows agents to view the status of agent nominations for their practice.

Functions available from 13 November 2023 for all entities with an ABN include:

- nomination expiry period extended to 28 days
 - An agreement was reached by the working group to extend the nomination expiry date from 7 days to 28 days to cater for the size of the next deployment population and operating practices of tax agents.
- Registered agent number (RAN)-to-RAN transfer for larger practices
 - This enhancement was developed based on feedback from the pilot group. It allows agent practices with multiple RANs to transfer clients between RANs without the clients needing to provide an agent nomination. This will support large firms.
- Income tax agents access to fringe benefits tax (FBT) account
 - This enhancement allows income tax agents to access FBT view without requiring the client to re-nominate is beneficial and will save time.

Member comments

A request was made for an information session for all relevant consultative forums to provide an update on the next implementation of client-to-agent linking. This would ensure that all stakeholder forums get the same information.

It was mentioned that clients will not change agents due to the work required.

Enhancement of communications and messaging is required.

Late lodgments due to BAS Agents being delinked and having to request to be relinked to client, especially with superannuation role.

BAS agents are exhausted with all the changes (delinking of BAS Agents) and are looking to exit the industry.

Strategic Goal 3 – Improve tax performance for clients of tax practitioners

New ato.gov.au

The ATO provided members with an update and live demonstration on the new website platform and the progress towards delivery in early December 2023.

The current ato.gov.au website sits on an aging platform, which is approaching end of service life. The ATO has procured a new website platform and we are progressing towards delivery of a new website.

The ATO has conducted significant external engagement against all client segments and worked closely with internal stakeholders to design the new website. There will be a comprehensive campaign to let the community and websites users know of the change. Key points to note:

- home page is popular topics – which will be driven by the ATO’s priorities
- saved links will still work on the new website
- one or 2 more releases to fix some bugs (issues we know about and have received feedback on).
- machine learning – search engine will get smarter with more usage.

We are doing extensive validation to ensure the new website is performing as expected before we launch. This includes a ‘Public Beta’ period where the community can explore the new site.

Public Beta commenced early November 2023 and will stay in Beta until we are confident all the issues are resolved.

We encourage you to explore the refreshed website and provide feedback by the survey link in the banner.

Member comments

Will all links from the original website automatically carried over?

The ATO confirmed, yes, all links will be carried over.

A member noted access to printing guidance material and PDF is good but cautioned that the option to print and download from a URL is not ideal, advising people will get nervous about using this option.

It was noted the search functionality has greatly improved but a question was asked if AI will be used on the new ato.gov.au platform.

The ATO advised AI will not be implemented in the short term.

Action item	20231121-01
Due date	November 2023

Responsibility	David Ensbey, ATO
Action item details	<p>To provide members with details of functionality with QC codes</p> <p>Quick codes (QC) are the unique identifiers at the bottom of each ato.gov.au web page. If you know the quick code, you can search using 'QC' and the number to access specific pieces of content. The only QC function is to support a quick search capability.</p>

Strategic Goal 4 – Increase trust and confidence in the tax, super and registry systems

Environmental scan

External co-chair Mike Behling asked members to raise issues that are currently impacting the tax profession from the digital perspective, these included:

- compromised client identity
- software development and education; the impact on the profession
- BAS agent profession impacted by staffing and resourcing issues
- significant outages in Online services for agents – updates to be posted more frequently.

Action item	20230821-01
Due date	November 2023
Responsibility	Kath Anderson, ATO
Action item details	<p>Staff competency versus behaviour and restriction to system under HR laws.</p> <p>Need to look at system constraints from ATO perspective – as HR said agent was unable to restrict work of the staff member.</p>

Action item	20230821-02
Due date	November 2023
Responsibility	Peta Lonergan, ATO
Action item details	<p>Practice Statement PSLA 2007/1GA you have the ability generally attempt you can disregard in general circumstance. Support staff don't understand – just lodge.</p> <p>Has the ruling been extended/revised? Take offline for the right area out of session</p>

Strategic Goal 5 – Empower tax practitioners to add value to their clients through sustainable operations

Data minimisation and outcomes from DSPANZ focus group

Digital Service Providers Australia New Zealand (DSPANZ) member Michael Wright updated the group on progress made by a DSPANZ Working Group to develop data retention guidance for digital service providers (DSPs).

DSPs are seeking guidance on their obligations in relation to data retention, particularly for former clients, that is those who no longer pay a software subscription fee to the DSP.

TPDIG members noted and supported the progress that has been made to date with the draft DSPANZ submission – ‘Data Minimisation and Retention Best Practice Guidance for Australian Digital Services Providers’.

Members were advised that the submission when finalised is guidance only and is not binding for DSPs.

The ATO advised that while it supports the need for DSPs to responsibly manage data, we re-affirm the position that record keeping obligations ultimately rest with the taxpayer.

Strategic Goal 6 – Improve small business performance and level the playing field

Improve Small Business tax performance

The ATO advised members that a key focus area in the ATO Corporate Plan is to improve Small Business tax performance. Updates on the pilots underway to test the hypotheses of what could improve tax performance and streamline the tax experience for small business was presented.

The current pilots are testing a series of hypotheses surrounding right time payment and reporting to support small business meet their obligations (noting the OECD principles in Tax Admin 3.0 – aligning the time between when a tax event occurs with reporting and payment); and making guidance more consumable at the time small business needs it, through embedding it into the natural systems used by small business.

- Right Time GST Payments
- Right Time GST Reporting
- Monthly GST and PAYGW Reporting
- Guidance in Software (building confidence and certainty into natural systems) – Division 7A.

Member comments

A member suggested the ATO could conduct pilots before implementation to test the benefit to business and the drive for this.

Some warned:

- there is a need to be careful with the impact on small business, as most small business operators have been through a really tough economic time, which is not yet over
- business may not want to do monthly reporting due to the cost – unless it was integrated into their natural systems.

Some suggested:

- a software package could include a nudge tool into their programs to remind small business of their obligations
- simplify business accounting systems to help business to manage their own monthly reporting which will allow their agent to then focus on quarterly obligations and adjustments, which avoids additional costs.

Action item	20231121-01
Due date	March 2024
Responsibility	Michael Morton, ATO
Action item details	Provide TPDIG members with an update on outcomes from the pilots, post evaluation in 2024

QC 73791

Tax Profession Digital Implementation Group key messages 21 August 2023

Key topics discussed at the Tax Profession Digital Implementation Group meeting 21 August 2023.

Last updated 6 November 2023

Welcome and introduction

Co-chairs, Melanie Casey and Mike Behling welcomed all members to the Tax Profession Digital Implementation Group August meeting and confirmed the agenda, noted apologies, and confirmed there were no conflicts of interest.

Action item 20230530_03 was closed with an email that was distributed to members prior to the meeting.

Action item update

20230530_01 – Tax time communication plan

Closed

20230530_02 – BAS Agent access to Superannuation Guarantee accounts

Closed

20230530_03 – Correspondence distributed to clients from the ATO not visible to Tax practitioners

Closed

Members noted this item is key priority for BAS agents and the ATO advised Pay Day Super project includes looking at this function. Members advised they will take this up as an item at the Tax Practitioner Stewardship Group meeting.

2030 Tax Practitioner Experience Strategy

Strategic goal 2 – Safeguard the security of the tax, super and registry data, and IT systems

ATO digital strategy 2022–25

The ATO provided an update on the improving small business performance initiative in the ATO digital strategy, noting:

- what has happened since last consultation about the strategy
- what has changed since the last consultation
 - shift from tax administration
 - Moving towards digitalisation – reporting and lodgments occur at predetermined intervals and payments occur at specific periods or following an automated/human assessment
 - Increased digitalisation – automated reporting and lodgment through business management software. Increased partnership with software developers, introduced government digital identity, validated data sharing, for example pre-fill for lodgments
 - Digitalisation – payment at the time of taxable events or at ‘right-time’, smarter fraud prevention and early detection of non-compliance with support for those unable to be digital.
- Priorities for the next 12 to 18 months include:

- Continuing to deliver on the ATO Digital Roadmap
- Developing a method to measure effectiveness and efficiency of digitalisation
- New ato.gov.au website going live in November 2023.

The ATO thanked members for their interest in the release as well as their contributions during consultation, reinforcing the ATO's commitment to further engage with members in the future.

Action item	20230821_001
Due date	TBA
Responsibility	ATO
Action item details	The ATO to consider providing regular updates showing key projects. What has been delivered and what is coming up. Professional Associations can support the ATO by promoting this to the wider community.

Strengthening digital systems

The ATO advised members we are undertaking a number of initiatives as part of the ongoing focus of strengthening digital systems. From November 2023, a change will be deployed to ATO Online for individuals. For those individuals that access ATO Online for individuals using their myGovID, their future online access will default to myGovID from this date. Information on the change will be presented in ATO Online for individuals and a campaign encouraging users to use myGovID for ATO Online services for Individuals will be delivered in November 2023.

Members discussed

Members advised the ATO to be clear with messaging about this login change.

Member asked if this change is also for Online services for business.

The ATO advised this change impacts only individuals.

Action item	20230821_002
Due date	TBA
Responsibility	ATO
Action item details	Future Tax Profession Digital Implementation Group (TPDIG) agenda item discussing compromised client procedures.

myGovID & RAM update

The ATO provided an update on myGovID, advising majority of digital users are opting to move towards adopting stronger identification with face verification, with an increased use of myGovID.

In the lead up to June 2023, the following enhancements provided users with more visibility and control over their account, with the ability to:

- verify their driver's license
- view connected devices
- update their name and choose between verified names.

The ATO advised there is work being done to relieve irritants in the RAM system, noting some of the irritants will be challenging to fix.

Members discussed

A member asked if business emails are more secure than private email accounts, such as gmail and hotmail accounts.

- The ATO advised it is better for individuals to set up using private email accounts as when employees move jobs and lose access to a business email account, they are unable to access their myGovID when setting up on a new device. The ATO also advised when using email, it is best to set up multifactor authentication.

A member stated it was unclear who was the leading government agency for the identity program, asking if the ATO was the leading agency.

The ATO advised Department of Finance leads the identity program.

Action item	20230821_003
Due date	TBA
Responsibility	ATO
Action item details	Provide members with link to Department of Finance's Digital identity program.

Data minimisation and retention

External co-chair and Digital Service Providers Australia and New Zealand (DSPANZ) Secretary presented an update to members on the progress of work being actioned by the DSPANZ Strategic Working Group focus group to investigate retaining and minimising taxation data.

The focus group has surveyed service provider members to identify classifications of tax data, clarify what should be in scope, and gauge views on data formats and retention timeframes.

The agenda item has been raised here to gather insights with the potential to support the development of principles, common across tax practitioners and digital service providers.

As an outcome, the DSPANZ focus group are at the review stage of preparing industry guidance or a 'white paper' for DSPs on data retention and minimisation focusing on minimum DSP industry requirements.

Strategic goal 3 – Improve tax performance for clients of tax practitioners

Improving the forms experience and eliminating cheques

The ATO advised it is refreshing the 2024 ATO channel strategy to ensure it remains fit for purpose towards 2030.

Various initiatives are underway to support clients to use preferred channels, including ATO forms improvements, and cheque elimination by 2030.

The ATO advised members that tax and BAS agents and DSPs that wish to be involved in future consultation for channel transition

activities to maximise benefits for our clients and the profession and minimise unintended consequences.

Members discussed

A member asked if practitioners are required to end date bank account details.

- The ATO advised its systems take the information supplied in the latest return as the most up to date. If the field on return is blank work is being done on a warning to be provided.

A member advised the ATO that taxpayers are hesitant to update their bank details at the time of lodgment, as they are concerned money will be withdrawn if their return is a debt.

- The ATO advised members of the importance to update bank details, explaining that money will not be withdrawn, and the details will only be used to credit a refunded amount.

Artificial intelligence and ChatGPT

The ATO advised members ChatGPT is an artificial intelligence (AI) model which can provide a variety of human conversations, writing and editing, math and reasoning, programming, debugging and more. It is the fastest growing app in history, within 5 days of its release over 1 million users had accessed the app. The app currently has almost 2 billion users with an average of 60 million visits per day in Australia. It is very popular.

A demonstration of ChatGPT live was shown to highlight the functions. Members were warned to check answers obtained from the app and not to use the tool in place of human decision making. The app could help practitioners by assisting them to engage the appropriate resources in an efficient manner. It also has potential to break vague questions into parts to provide a fast response. Large Language Models like ChatGPT, in addition to being used as off the shelf for general purposes, can also be finetuned with one's domain data to become a domain specialist.

Members discussed

Members were impressed by the minimal cost to generate information quickly but advised they would be cautious to use the technology.

Strategic goal 4– Increase trust and confidence in tax, super and registry systems

Membership refresh

The ATO provided an update on the TPDIG membership refresh, advising:

- process was run to refresh membership of both tax and BAS agents as well as digital service providers (DSP)
- we encouraged applications from both existing and prospective members
- TPDIG expression of interest (EOI) criterion was advertised extensively across DSP and tax and BAS agent newsletters, social media channels, including LinkedIn and ato.gov.au
- ATO chair filmed a promotional video which was released through digital channels prior to the start of the EOI
- the EOI was open for 3 weeks, with applicants needing to provide a written application and curriculum vitae
- merit based process; assessment was conducted by a panel of 3 ATO directors with recommendations made to ATO TPDIG chair
- outcome from the process – 9 successful applicants; 4 DSPs and 5 tax and BAS agents, being a blend of new and existing members
- commencement of new membership will begin in November.

ATO co-chairs thanked long standing exiting members, who have contributed to the group for many years.

All exiting members chose to end their tenure with this group. Exiting members were thanked for their contributions and invited to share their own reflections over their journey as part of this important consultative forum.

Environmental Scan

External co-chair sought input from members, asking to highlight and discuss what is being experienced, trends and items that are currently impacting the tax profession from the digital perspective.

These included:

- myGovID

- Basic users cannot change addresses or bank account details, would like to see a change. Administrators should have the power to authorise others to act on their behalf.
- Getting basics through the process of applications or approval through the ATO is complex.
- Occupation codes issues implications and what steps ATO might put in place to avoid future issues where valid, published, codes are not accepted by the lodgment services.
- Modernisation of Trust Administration Systems – Professional bodies have not been included in any discussions regarding this project. It appears that only developers have been engaged.
- Information around the div 7A prompts in software, it was thought that this kind of prompting would also be good for rental property issues where claims are often error prone.

The secretariat captured these items to help inform future agenda discussions.

QC 73598

Tax Profession Digital Implementation Group key messages 30 May 2023

Key messages from the Tax Profession Digital Implementation Group meeting 30 May 2023.

Last updated 12 July 2023

Co-chairs Melanie Casey and Mike Behling welcomed the group to the May 2023 meeting, with Mike adding he hopes members enjoy a professional meeting with good discussion.

2030 Tax Practitioner Experience Strategy

Strategic Goal 1 – Protect the high levels of engagement and integrity in the tax, super and registry systems

Optimising disputes – services for tax practitioners

ATO presented the early thinking and concepts of the Optimising Disputes project at the ATO's Services for Tax Practitioners digital service provider event in Canberra, November 2022. As the item generated interest at that event, although the project is currently on hold, the ATO wanted to engage with Tax Profession Digital Implementation Group (TPDIG) members early to gauge:

- member feedback and interest on the concepts presented, such as digital substantiation for objections, as well as processing out of time amendments via myTax and third-party software, as well as understanding what upgrades are important to better improve the overall experience for end users
- interest in nominating for a working group when the project resumes.

The ATO advised the aim of the project is to provide more intuitive forms, which will ultimately provide more timely outcomes and an overall better user experience. The working group will be helpful to work through issues and concerns as well as form functionality.

Member comments

- A member queried if the ATO will be looking for digital service providers (DSPs) to include this as a feature in their programs?

The ATO acknowledged there will need to be clarity about what is required of DSPs and commercial viability will be a consideration. Further engagement will occur as the project progresses and service levels and functions are scoped.

- A member asked what is in place and available for incorrect and improper use of this function and what steps can be taken to ensure this is not another easy pathway for fraud.

The ATO advised there is an awareness of the security requirement, and we will ensure this will be a component of the design.

- A member advised that authorisation levels will need to be considered

- A member informed that the project's scope is not quite clear and requires better articulation as there are layers to this type of project undertaking.

The ATO took the feedback on notice.

Strategic Goal 2 – Safeguard the security of the tax, super and registry data and IT systems

Client Agent Linking

ATO provided an update on the progress of the client agent linking project.

Topics discussed include:

- overview of small business consultation and user testing
- current options for further deployment to business
- how we will engage going forward and the role of a special purpose working group.

Member comments

- Members raised particular scenarios on how they or their clients would need support.

The ATO advised we are still working on how to support clients and agents. Particular scenarios and support options will be discussed further in the working group.

Strategic Goal 4 – Increase trust and confidence in the tax, super and registry systems

Member refresh

ATO provided an update on the membership refresh, which will begin from Friday 30 June 2023.

Members formally endorsed the new TPDIG charter conditionally. A further inclusion to the charter in relation to confidentiality will be made later and will be informed by changes made to the TPSG charter.

Lodgment deferral in Online services for agents

ATO provided an update regarding the implementation of the recently launched lodgment deferral function, which went live on 21 April 2023 following a 3-week private beta period.

ATO advised members of targets archived:

- approximately 500,000 tax file numbers have been processed, 78% of these have met our low-risk guidelines and been approved within 48 hours
- approximately 6,200 agents have used the new function
- feedback has been positive in respect to efficacy and ease of use.

Focus of communication is to shift to preparing agent for the decommission the legacy lodgment deferral process; the date for the decommissioning will be determined in collaboration with the industry via Stewardship groups.

Member comments

- Members noted that they are enjoying the new experience, especially the quicker turnaround times; however, when manual review feedback is provided information cannot be provided back via the same platform.
- Member suggested enhancement of feature to enable agents to search client name in deferral history, enhance bulk search functionality, request supported assistance as well as pre-population of client information.
- A member noted there is still a requirement to input some client information as well as the lack of options to give different reasons for different clients.
- Member informed that agents are still using the spreadsheet due to unawareness.

The ATO took all feedback on notice.

Environmental scan

Co-chair Mike Behling sought input from members, asking to highlight and discuss what is being experienced, trends and items that are currently impacting the tax profession from the digital perspective.

Items discussed included:

- DSP industry is suffering post COVID-19 – companies are going through restructures, working with fewer staff.
- DSPs currently have a reduced capacity to build discretionary digital services. Focus is on 'must do' items.
- Tax practitioners struggling to recruit qualified staff and as a result are stressed and overworked.
- BAS agents require access to Superannuation Guarantee accounts in online services for agents.
- Tax time stationery and legislation not yet passed; ATO will advise out of session if there are unexpected delays.
- The Digital environment needs to be strengthened to protect against fraud.

The secretariat captured these items to help inform future agenda discussions.

Other business

Members were offered the opportunity to raise other business, with the following items being raised:

- ATO systems are preventing refunds from being issued, they should delay the refund post release of the locked account.
- Locked down accounts to be reopened can be a huge impost, can they be locked for a specific amount of time rather than locked forever?

The ATO advised this is a well-known issue, however it is not tenable to unlock the accounts due to data breaches. Future enhancements to the digital identity framework will help to improve the experience for individuals who have had personal information stolen via third party data breaches.

Action item update

20230530_01 – Tax time communication plan

Members discussed proposed changes that will be effective once legislated. ATO to provide an update on the contingency plan should the legislation not be passed to members out of session.

20230530_02 – BAS Agent access to Superannuation Guarantee accounts

ATO co-chair has begun investigations.

20230530_03 – Correspondence distributed to clients from the ATO not visible to Tax practitioners

Emailed member requesting for examples – nothing provided at this stage.

QC 73020

Tax Profession Digital Implementation Group key messages 7 March 2023

Key topics discussed at the Tax Profession Digital Implementation Group meeting 7 March 2023.

Last updated 28 April 2023

Welcome and introduction

ATO co-chair Melanie Casey welcomed the group to the first meeting for 2023 together with co-chair Michael Behling. Mike added that he is keen to ensure the group maintains robust, productive dialog throughout the year ahead.

2030 Tax Practitioner Experience Strategy

Strategic Goal 2 – Safeguard the security of the tax, super and registry data and IT systems

Client agent linking

The ATO advised members:

- The project is part of the wider program of work aimed at securing the environment.

- To date the program has been rolled out to public and multinational businesses and the Top 500 Private and Wealthy groups. Government entities were recently added, noting many are not linked to an agent.
- We are committed to understanding the impacts on agents and the support needed. We have been consulting with the association representatives about further rollouts focusing on small business needs.
- Based on feedback from the pilot group and Phase 2 roll out, we have been continuing to develop client experience changes that balance the need to maintain the security that is being implemented but maximise the client and agent experience of the nomination process (for example, enabling agents to see who has nominated them).
- Individuals and non-corporate entities are not in scope for this phase of the program and will require a different design.

Members' comments

- Was the option of the agent having to initiate the linking process explored prior to landing on the current process?

The ATO advised that Professional Associations were invited to identify alternative solutions, however, as this process impacts taxpayer data, it needs to be client/taxpayer initiated.

- How does the taxpayer nominate the agent for a specific role and is the old agent notified?

The ATO confirmed the agent would add themselves to the role they were being authorised to do and advised the old agent is not notified.

- The exception processes must be a focus area, including processes for bulk transfers and large clients with many associated entities.

Action item	20230307-02
Due date	May 2023
Responsibility	Ziva White, Individuals and Intermediaries
Action item details	Client Agent Linking update

	Out of session with group members to understand and work through the issues in relation to myGovID and RAM accesses.
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Cyber security awareness and practice

The ATO provided an overview on their Cyber Security Stakeholder Group (CSSG) advising members:

- the ATO are not the experts on Cyber Security – we work together with stakeholders engaging in the tax and superannuation ecosystem to investigate methods to improve cyber security across our business and implement strategies to combat emerging cyber threats
- we maintain a strong relationship between stakeholders delivering services via increasingly digital channels in the tax and superannuation systems
- we understand cyber security as a shared responsibility and contribute to stronger defences and quicker responses
- we engage with the community through education and awareness campaigns that provide industry best practices for safe cyber hygiene
- education and communication with the tax professionals, superannuation bodies, and digital service provider communities form a large part of the scope for the CSSG.

A key focus for the CSSG group in 2023 will be on:

- targeted education and awareness on safe cyber security practices and where to find tools and resources
- how to recognise malicious cyber activity which directly impacts tax professional, superannuation, government, and industry bodies.

The large data breaches that occurred during the latter part of 2022 highlighted how malicious actors can undertake cyber-crimes against even the largest of corporations. Noting there may be future threats that flow on from these data breaches, particularly around the disclosure of customers' personal information, the ATO will continue to facilitate information sharing with members to promote the importance of having a data breach plan, [online security](#) and cyber best practice, based on advice from the [Australian Cyber Security Centre](#)  (ACSC).

Social media impersonation scams

We are seeing an increase in fake social media accounts [impersonating the ATO](#) including staff across Facebook, Twitter, TikTok, Instagram and other platforms.

Our official accounts are only on Facebook, Twitter and LinkedIn.

The best way to verify that it is really the ATO is to:

- Check how many people follow the account. Our verified Facebook and LinkedIn accounts have over 200,000 followers, and our Twitter account has over 65,000 followers.
- Check activity on the accounts. Our social media channels have been operating for around 10 years – if it is a newly created account, or only has a few posts, it's not us.
- Look for the grey tick next to our username (@ato_gov_au) on Twitter and the blue tick next to our name (Australian Taxation Office) on Facebook.
- make sure any email addresses provided to you end with '.gov.au'.

Strategic Goal 4 – Increase trust and confidence in the tax, super and registry systems

Lodgment deferral in Online services for agents

The ATO advised members the new deferral feature in Online service for agents addresses one of the most significant issues raised during the lodgment program review, deferral requests.

Members were advised on the delivery time for the feature:

- live private beta function and load testing until 31 March 2023
- ongoing development of support materials to assist the profession
- widely available to the profession by end of April 2023
- decommissioning legacy process, to be determined.

Members' comments

- Has the ATO has considered performance and technology issues, wanting to know how agents can contact the ATO when issues arise.

The ATO confirmed both processes and scripting for telephony staff have been updated.

- Is the new feature available for basic myGovID users and where does the feature fit into Access manager?

The ATO advised the functionality for deferrals will be added to the client registration access, standard and above IP2.

Members advised they thought this project was a great initiative and an example where the ATO was using technology to assist members of the profession.

Action item	20230307-01
Due date	May 2023
Responsibility	Claire Miller, Enterprise Solutions and Technology
Action item details	<p>Update basic myGovID restrictions information on ato.gov.au</p> <p>Include information on ato.gov.au to reflect that lodgment deferral requests in Online services for agents will not be able to be undertaken using a basic ID.</p>

Expanding the use of STP data to address SG non-compliance

The ATO is undertaking work to match, at scale, Member Account Transaction Service contributions to Single Touch Payroll (STP) reporting at the employee level. This will be used to enhance our ability to identify SG shortfalls and protect retirement savings. While we use these data sets to identify non-compliance now, we are looking at how we can build off this work to use the data to help employers understand how and when they got off track for their employees.

We will be in a better position to help and support employers who are getting off track with their SG obligations and continue to maintain a low tolerance for employers who are not doing the right things and not engaging with the ATO to remediate any SG non-payment.

Trends of incorrect reporting will be identified, and we will work with our stakeholders to identify opportunities to improve quality of reporting from either funds or employers.

Our existing compliance regime will continue and will not be affected whilst the work is being done to optimise the use of our data. However, over time we would expect that the need for employees to complain about unpaid super should reduce as we increase our ability to identify and respond to non-payment in a more contemporaneous way.

The key focus for employers and agents is to ensure:

- reporting and payment are timely, complete, and accurate
- use of the STP corrections framework to correct mistakes as soon as you notice them
- payroll governance processes are appropriate for your business and reviewed regularly.
- that SG payments are received by the employees' super fund by the due date – this is especially relevant if you use a commercial clearing house.

Members' comments

It will be important for the ATO to provide clarity on the compliance approach

Additional guidance and education are required for employers in relation to their SG obligations.

Membership refresh update

Melanie Casey and Benjamin Lurje provided an update on the membership refresh, advising that the charter is being revised to ensure the focus of the group is purposeful and clear. Members were asked to consider and provide their opinions on:

- composition and size of the group
- diversity and balancing of new and existing voices.

Members' comments

More grass roots BAS agent representation in the group was recommended.

Additional representation from larger groups.

Membership opportunity to be promoted more widely in the community to seek different, relevant voices.

A mix of virtual meetings and face-to-face co-design sessions was recommended.

Environmental scan

Mike Behling sought input from members, asking to provide what is being experienced, trends and items impacting the tax profession from a digital perspective.

The secretariat captured these items to help inform future agenda topics.

Other business

Members were offered the opportunity to raise other business, with the following items being raised:

- With the Budget coming up in May, please advise of tax changes for the current year, specifically items going through Parliament and assuming the changes will be built into the forms for 2023 year.
- A member queried whether OECD Pillar 2 would be something likely to be an Online services for agents function or via PLS software?

The ATO advised this topic will be a forward agenda.

Action item update

20221125_01 – Channel Strategy

This item has been carried forward and will be presented at a future meeting.

20221125_02 – Prefill expansion opportunities

This item has been closed; member contacted directly.

QC 72232

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