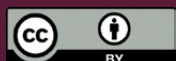


**Annual Report
2024-25**



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Australian Government

Enquiries

If you have feedback or queries regarding this annual report, please contact:

Ms Marcii Hudson
GPO Box 551
SYDNEY NSW 2001

The annual report is available online, go to transparency.gov.au or Taxombudsman.gov.au



The Tax Ombudsman acknowledges the Traditional Owners and Custodians of country throughout Australia and acknowledges their continuing connection to land, sea and community. We recognise the continuation of cultural, spiritual and educational practices of Aboriginal and Torres Strait Islander peoples. We pay our respects to the people and their Elders past, present and emerging.

Artwork used with permission from Kayannie Denigan, Luritja artist





GPO Box 551
Sydney NSW 2001

23 September 2025

The Hon Dr Daniel Mulino MP
Assistant Treasurer and Minister for Financial Services
Parliament House
CANBERRA ACT 2600

Dear Assistant Treasurer,

Annual Report for the financial year ended 30 June 2025

I am pleased to present to you the Annual Report of the Inspector-General of Taxation and Taxation Ombudsman (IGTO) for the financial year ended 30 June 2025.

The annual report has been prepared in accordance with all applicable obligations of the *Public Governance, Performance and Accountability Act 2013* including section 46 which requires you to table the report in Parliament. It also meets the reporting requirements of the *Inspector-General of Taxation Act 2003*.

In addition, as required under the *Public Governance, Performance and Accountability Rule 2014*, I certify that I am satisfied appropriate fraud prevention, detection, investigation and reporting mechanisms are in place to meet the agency's needs, including fraud risk assessments and fraud control plans, and that all reasonable measures have been taken to prevent, detect and respond to risks of fraud.

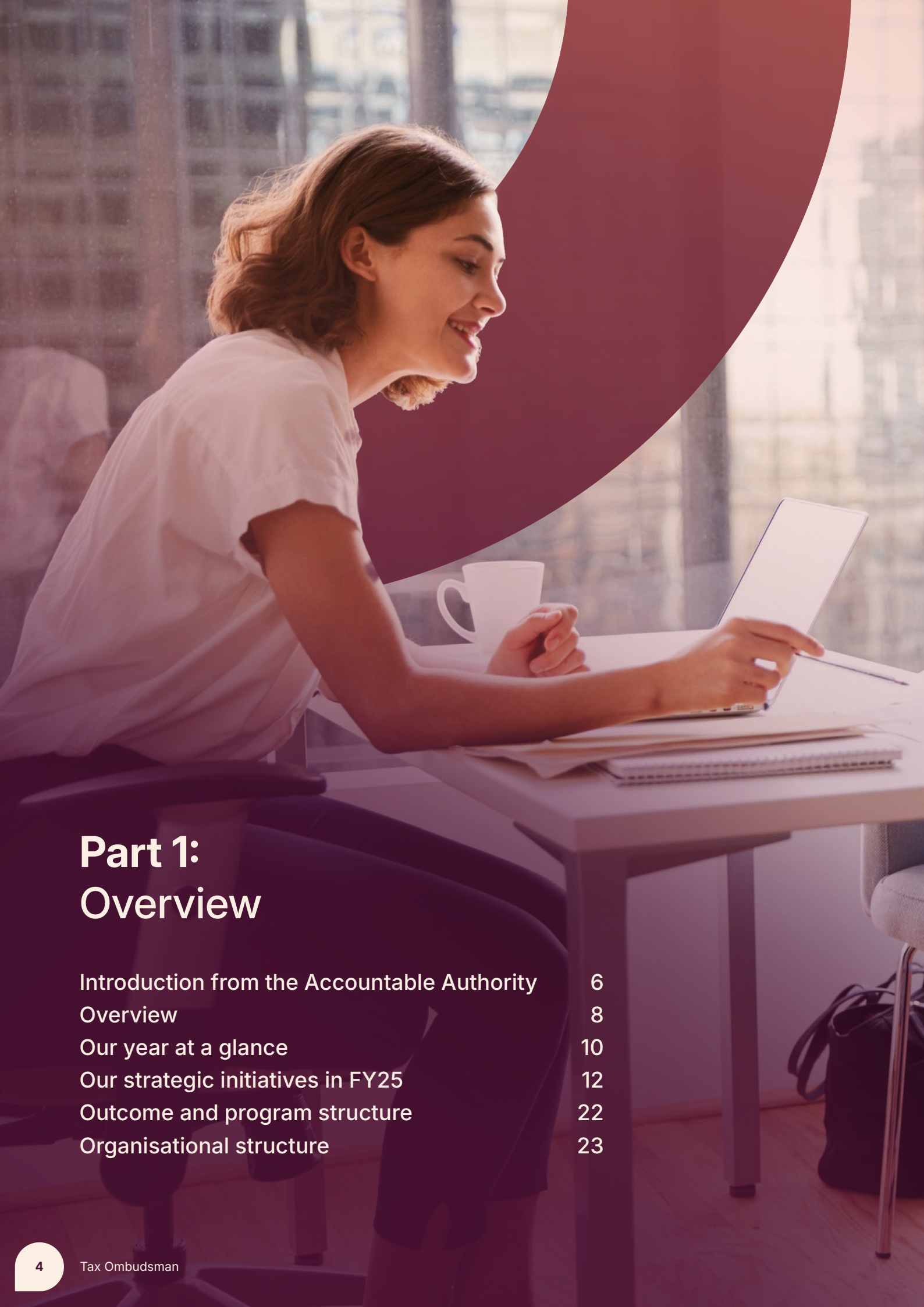
Yours sincerely,

A handwritten signature in black ink, appearing to read "Ruth Owen", with a long horizontal flourish extending to the right.

Ruth Owen CBE
Inspector-General of Taxation and Taxation Ombudsman

Table of contents

Part 1: Overview	4
Introduction from the Accountable Authority	6
Overview	8
Our year at a glance	10
Our strategic initiatives in FY25	12
Outcome and program structure	22
Organisational structure	23
Part 2: Performance report	24
Our annual performance statement	26
Financial performance statement	42
Part 3: Management and accountability	44
Corporate governance	46
Audit and Risk Committee	48
Risk management	50
External scrutiny	52
Asset management	52
Procurement	53
Part 4: Our people	56
Management of human resources	58
Staffing statistics	64
Part 5: Financial statements	70
Independent Auditor's Report	72
Financial statements	74
Part 6: Other mandatory information and appendices	96
Other mandatory information	98
Appendices	100
Part 7: Reference materials	102
Glossary	104
List of requirements	106
Shortened terms	111
Index	113



Part 1: Overview

Introduction from the Accountable Authority	6
Overview	8
Our year at a glance	10
Our strategic initiatives in FY25	12
Outcome and program structure	22
Organisational structure	23



Introduction from the Accountable Authority

I am pleased to present my first Annual Report as the Inspector-General of Taxation and Taxation Ombudsman. I am proud of the progress and achievements of my organisation in the last year. We play a vital role in contributing to the integrity and health of the tax and superannuation systems of Australia and provide an essential service to taxpayers needing resolution of their complaints.



In our Corporate Plan for 2025-28, I set out an ambitious agenda for how we should deliver against our purpose. We have mostly delivered against that plan and this report provides an update against every goal set and commitment made.

In the last year we have made significant improvements in how we manage taxpayer complaints as well as how we investigate and report on systemic issues. We have also made important changes to how we manage our organisation, driving efficiency, effectiveness and productivity. These achievements provide a sound platform from which we can continue to deliver value, better service for our customers and far greater influence and impact, for the benefit of the community.

Our key achievements in FY25

Complaints

- clearance of the backlog of complaints awaiting investigation and significantly improving the customer experience for new complaints
- developing a new complaints operating model, procedures and guidelines
- improving our phone service for complainants and public enquiries

Reviews

- refreshing our approach to systemic reviews, to be short and sharp and focused on practical recommendations, with reports that are accessible and easy to read

- completion of 3 reviews, including a well-received report on financial abuse within the tax system, which is being followed up with advice to Government on necessary legislative change

Relationships and awareness

- re-branding to the Tax Ombudsman to better help the community understand our role
- refreshing our website
- building stronger connections with tax practitioners, professional bodies, academics and community organisations to inform our reviews and work plans
- raising our visibility with speaking engagements at over 50 stakeholder events and conferences
- building a stronger working relationship with the ATO with a new protocol signed in December 2024

Organisational development

- contributing to an external review of our resourcing needs, informing advice to Government on finding a sustainable funding model
- increasing our productivity by over 30%
- addressing our people's feedback in the employee census by improving internal communications and change management
- starting to reshape our workforce with greater resources applied to where we can make most strategic impact

Legislation

- enhancement to our powers from the *Oversight Legislation Amendment (Robodebt Royal Commission Response and Other Measures) Bill 2024*.

We did not achieve all of our KPIs in FY25, although two were missed very narrowly. Most notably, our customer service levels still require further improvement. Our customer satisfaction results have remained flat and the feedback we have received highlights where we need to do better.

However, I remain excited at the opportunity to lead my organisation and strongly believe we should set our ambitions high for the impact we can make on behalf of the taxpaying community.

The year ahead

Building on the last year's achievements, we are in a stronger position to drive forward on our strategic agenda, which will be published in our refreshed Corporate Plan. The key themes from that plan include:

- improving customer service for people who raise a complaint with us
- doing more to make ourselves known and trusted within the wider community
- enhancing the quality and timeliness of our complaint investigations
- broadening and deepening our community and stakeholder engagement activities
- making better use of our data and insights to inform improvements to tax administration
- offering greater thought leadership on tax administration and reform
- increasing transparency and accountability
- making best use of our resources, including developing our workforce.

I would like to thank all of my team for their passionate commitment to our purpose and their contribution to our achievements in the last year; and to all our stakeholders and partners who have strongly encouraged and supported us and provided valuable insights into our work.



Ruth Owen CBE

Inspector-General of Taxation and
Taxation Ombudsman



Overview

Our purpose

Our purpose is to improve the fairness and integrity of tax and superannuation administration in Australia.

Our functions

The Office of the Inspector-General of Taxation was established as an independent, Commonwealth statutory agency in 2003. The agency's functions were later expanded in 2015 to include those of the Taxation Ombudsman. The two functions are separate but complementary, enabling us to use data and trends from complaints received to identify opportunities to recommend systemic improvements in the administration of the tax and superannuation systems.

Specifically, we have oversight of tax laws administered by the Commissioner of Taxation, as well as the *Tax Agent Services Act 2009*. The two agencies we oversee are the Australian Tax Office (ATO) and the Tax Practitioners' Board (TPB).

Our functions and powers are set out in the *Inspector-General of Taxation Act 2003 (IGT Act)* and parts of the *Ombudsman Act 1976*.

In 2025, we simplified our agency's branding to the 'Tax Ombudsman'. However, we continue to carry out the same responsibilities.

In February 2025, our powers to access information and systems were expanded following a recommendation made by the Robodebt Royal Commission. With the introduction of these new powers, officers within the ATO and TPB have a duty to co-operate with our investigations, and we now have direct access to all records, data and information we require without relying on requests. While we do not envisage these powers will be used frequently, the change is a positive step forward to demonstrate to the community that there are consequences for officials seeking to obstruct our investigations.

Our key activities

In delivering against our purpose, our key activities are to:



Investigate and help resolve complaints from taxpayers or tax practitioners on the administration actions of the Australian Taxation Office (ATO) or Tax Practitioners Board (TPB) in a timely and efficient way.



Review and make recommendations on systemic issues relevant to improving tax administration.



Provide independent advice to the Government and Parliament on tax administration.



Raise awareness of the role of our agency and promote the integrity of the tax system.



Case study

Unpaid superannuation to employee

Rachel's* employer had not paid any superannuation for her for a period of time. The ATO had not taken any action to recover any of the outstanding amounts. When Rachel submitted her complaint with us, the amount outstanding was \$9,500. This caused Rachel financial distress as she was concerned about her ability to have a comfortable retirement.

We investigated her complaint and suggested the ATO take some action. After our intervention, the ATO issued a Director Penalty Notice (DPN) to the director of the company for which she worked, making them personally liable for the debt. The DPN will allow the ATO to collect Rachel's unpaid super amount directly and pay it into her superannuation account, contributing to her financial stability in retirement.

*name changed to protect complainant confidentiality



Our year at a glance

1,608

complaints
received

1,703

complaint
investigations
resolved

98%

of backlog cases
cleared

 **89%**

of new complaints were
finalised within 100 days

 **43%**

more investigations
finalised compared to FY24

 **2**

new customer
service roles created

to enhance the
service provided to
customers by phone

 **19%**

reduction in the average
time to resolve a complaint

 **19%**

more complaints
requiring investigation
compared to FY24

 **58%**

of complainants
said they would use
our service again

 **67%**

of complaints were
received online

 **76%**

of complaints were from
unrepresented taxpayers

31%
increase in
productivity

50+
speaking
engagements
at stakeholder
events



3

systemic reviews
completed compared
to 1 in FY24

The ATO agreed to



100%

of our recommendations
in completed reviews





Our strategic initiatives in FY25

In FY25, we reset our strategic goals following the appointment of our new Agency head. These were published in our *Corporate Plan 2025-28* alongside priority delivery commitments for FY24. This section reports against each of those commitments.



Key activity 1:

Investigate and help resolve complaints from taxpayers or tax practitioners in a timely and efficient manner



Strategic initiatives

- Improve customer service levels to taxpayers raising complaints with us
- Improve communications to complainants
- Increase public awareness of our complaints service
- Work collaboratively with the ATO / TPB to resolve taxpayer complaints



2024-25 priority delivery commitments

- Clear the backlog of outstanding taxpayer complaint cases
- Develop and implement improvements to streamline the complaint investigation process
- Clear new complaint cases in a timely way
- Develop and adapt a new complaints operating model
- Refresh guidelines for working with the ATO on complaints

Comments

We gave customer service our top priority in FY25. Having started the year with a significant backlog of complaints, we cleared all but 14 outstanding cases and ensured we remained up to date with new complaints received.

This has reset the service standards that our customers can expect of us, although we are still working on an optimum complaint management process to maximise efficiency whilst also getting the best possible outcomes for our customers.

During the year we researched and developed a new operating model and introduced different features during the year, to streamline the time taken to investigate complaints.

This included agreeing a new set of guidelines (and response time benchmarks) with the ATO for how we work with them on the end to end complaints process. In future this will also include greater transparency where we disagree with the ATO and they do not act on our recommended next steps for individual complaints.

We created new customer service roles to enhance the service provided to customers by phone and at the early stages of an enquiry, before it is registered as a complaint for investigation.

The full revised operating model was in place by June 2025.



Key activity 2:

Review and make recommendations on systemic issues relevant to improving tax administration



Strategic initiatives

- Focus reviews on areas of broadest community interest
- Adopt a short, sharp and focused approach to reviews
- Enhance the impact of our reviews and recommendations
- Improve the accessibility of our written reports



2024-25 priority delivery commitments

- Develop and consult on an annual workplan of systemic reviews
- Develop and adopt a new process for conducting shorter, sharper reviews
- Adopt a new “easy to read” report writing style
- Follow up and report on the implementation of agreed recommendations

Comments

We have undertaken a fundamental set of changes in how we conduct systemic reviews.

We have committed to undertake 4 reviews per year, which ensures we are focusing on matters of importance to the community in a timely way.

This has required us to scope our reviews tightly to meet our timelines but without a compromise in outcomes.

We conducted a thorough consultation on our workplan in October 2024, enabling us to publish our next 4 reviews by November. This was repeated again in April/May 2025 to agree our FY26 priorities.

In seeking to make our reviews and reports more accessible to all, we have shifted to a much shorter and sharper report style. Our aim is to complete reports in 25-30 pages, presented in a way that is easy to read with succinct summaries.

We have received very positive feedback from the community and our stakeholders on our reporting. This means more people are reading our reports and their impact is growing.

Our most noteworthy report this year was on financial abuse within the tax system. This was a very shocking report on the prevalence of financial abuse.

We examined the opportunities for and limitations to how the ATO could address this insidious issue. We were privileged to build on much existing research and to work with some outstanding stakeholders, who helped us address an issue we have not looked into before. We will continue to work with those stakeholders to support the Government to bring forward policy and legislative reform on financial and economic abuse.

In refreshing how we undertake our reviews, we revised the guidelines we share with the ATO on how we work together on systemic reviews. These guidelines seek to ensure we work as efficiently and effectively as possible in seeking data and information from the ATO and develop recommendations that are achievable and address the root cause of the systemic issues we are addressing.

The guidelines also include a tightening of our procedures for monitoring the implementation of our recommendations and how we provide more transparency of the implementation timelines for recommendations agreed or the reasoning for why the ATO may disagree with our recommendations.



Key activity 3:

Provide independent advice to the Government and Parliament on tax administration



Strategic initiatives

- Increase transparency on what we do
- Improve accessibility of our written reports
- Keep Government and Parliament informed on the activities of the agency



2024-25 priority delivery commitments

- Design and share structured insights and intelligence from complaints data and trends
- Use all available levers to influence and achieve impact
- Provide regular updates to Ministers and officials
- Publish a Statement of Intent in response to a Statement of Expectations from the Assistant Treasurer

Comments

To fulfil our role in improving the integrity of the tax system, we want to enhance the impact and influence our work has. We believe that the greater transparency we can bring to our work in the tax system, the more impactful it will be enabling the community and our stakeholders to assess progress for themselves.

In our revised guidelines for working with the ATO, we have enhanced a number of areas where we propose to publish outcomes from our individual complaint investigations and systemic reviews. Notably this will be where we have reached a position where we have a fundamentally different point of view to the ATO or where our recommendations have not been agreed or progressed.

During FY25, we have provided regular updates to the Assistant Treasurer and his office on our progress and key findings on areas of concern.

We have sought to do the same with Parliament and have contributed to a number of Parliamentary inquiries, but we believe this is an area we need to continue to improve upon.

There are many means available to us to effect influence and to date our focus has been too reliant on the reports we produce from our systemic reviews. We have published several articles in tax profession journals and plan to do more in the year ahead.

Similarly, our plans to start reporting on key insights from our complaints data did not reach completion during FY25. This work had to be deprioritised to ensure we finalised our complaint backlog and implemented our new complaints operating model. However, the underpinning work we have done will support us to achieve this goal in FY26.

Our plans to publish a Statement of Intent in response to a Statement of Expectation from the Assistant Treasurer were not achieved before the May 2025 Election. We will re-engage with the new Assistant Treasurer to take on board his new expectations and publish a Statement of Intent in response.



Key activity 4:

Raise awareness of our oversight role and promote the integrity of the tax system



Strategic initiatives

- Increase public awareness of our complaints service
- Develop a public awareness campaign (subject to resources)



2024-25 priority delivery commitments

- Develop and implement a new communications strategy
- Use all available levers to influence and achieve impact

Comments

We believe that there is relatively low awareness and understanding of the role of our office within the community and within the tax profession. We plan to measure that during FY26 to test that belief and to track improvements from an evidenced baseline.

Although in recent years we have seen a steady increase in complaints received, we believe there is significant unmet demand of people dissatisfied with the service from the ATO and ATO complaints service who have not referred their case to us. This is having an impact on the health of the tax system and needs to be addressed, so that all taxpayers who need our service know about it and feel confident to lodge a complaint.

During FY25, we developed the beginnings of our communication strategy. We have hired new communication professionals to support our engagement within the sector and the community.

Our first priority is to build up our relationships with the tax profession and with all organisations and intermediaries to whom taxpayers turn for help. This includes community based organisations, tax clinics and financial counselling services. Ensuring these organisations understand our role and services is the first step in building awareness and raising our profile.

We have started to increase our use of LinkedIn as a means to engage with the tax profession. With new capacity and capability in our team, we will ensure this is a regular source of information and insights on our work. We will also look to extend our targeted use of other social media platforms to reach taxpayers and tax practitioners.

Our plans to drive up awareness of our services directly with the community were delayed until our complaints backlog was cleared. We want to ensure we can offer a good standard of service to anyone newly engaging with us.

The most important changes we made in the year to drive public awareness was our rebranding and refresh of our website. We have rebranded to refer to ourselves in public communications as the Tax Ombudsman, as this name has far greater resonance with the public than the Inspector-General of Taxation or IGTO. The rebranding commenced in April and by December 2025, we will ensure all our written communications are branded 'Tax Ombudsman'.

As we drive up community awareness and grow our use of social media, our core source of content will be our website. The website was refreshed in June 2025 using the new branding and simplifying access to our core resources. Further enhancements will be made during FY26.



Case study

Rectification of ATO error

Liu* made a payment of \$11,000 to the ATO to an incorrect account. When he contacted the ATO to notify them of the error, he was told that the money had been forwarded to ASIC. This is because the account in which the funds had been paid had been deregistered. Liu contacted ASIC in an attempt to recoup these funds. ASIC told him that they had no record of the money having been received. Liu felt that no-one was taking responsibility for this 'lost' money. He lodged a complaint with us and we conducted an investigation. We subsequently discovered that when the funds were transferred to ASIC, the ATO had made a clerical error which made identifying the money at ASIC difficult. We advised Liu of this error, and he was able to recoup the funds from ASIC and make good his payment to the ATO.

*name changed to protect complainant confidentiality



Key activity 5:

Build and maintain strong stakeholder relationships



Strategic initiatives

- Grow our influence in Government, the public service, and the tax profession
- Build trust with key stakeholders
- Develop alliances and partnerships with community organisations
- Adopt a strategy of 'no surprises' with all stakeholders



2024-25 priority delivery commitments

- Reset relationships with the ATO
- Refresh the Protocol and Guidelines for working with the ATO
- Develop key relationships across the Australian Public Service (APS)
- Leverage relationships with tax profession representative groups to reach tax practitioners, amplify our communications and increase our opportunities to listen and engage
- Leverage partnerships with community organisations to reach unrepresented taxpayers, amplify our communications and increase our opportunities to listen and engage

Comments

We are an independent integrity agency and it's important that we are and are perceived to be separate from the agencies we scrutinise – the ATO and TPB. However, our impact is most effective where we have good working relationships with both agencies and regular liaison.

At the start of the year, we recognised that relationships with the ATO were not productive and had reached a stalemate. We agreed with the ATO Executive that a reset of relationships would be worthwhile to ensure we had a common understanding of each other's priorities and that we worked together to the benefit of individual taxpayers and the wider community. How we work together can have a significant impact on how quickly, efficiently and effectively we can resolve taxpayers' complaints.

We agreed with the ATO, TPB, Treasury and Ministers a policy of "no surprises", respecting our and their need to be able to respond to each other's public announcements or publications.

In December 2024, we signed a new Protocol with the ATO resetting our mutual expectations and how we would work together, while respecting our respective independence.

New guidelines on complaints handling and undertaking systemic reviews followed the Protocol, including setting much clearer benchmarks of response times and points of escalation. We also have an agreement to recognise more quickly where we do disagree and to make that transparent to Parliament and the community.

In the last 12 months, we met with all of our stakeholders to build their understanding of what we do and how we want to work together. We attended and spoke at over 50 stakeholder forums, webinars and conferences.

This included meeting regularly with the key tax professional bodies – CPA Australia, Institute of Public Accountants (IPA), Chartered Accountants Australia New Zealand (CA ANZ), The Tax Institute (TTI), The National Tax & Accountants' Association (NTAA), Australasian Tax Teacher's Association (ATTA), Institute of Financial Professionals Australia (IFPA), Institute of Certified Bookkeepers (ICB) and attending some of their practitioner meetings to hear direct from practicing agents of the systemic issues they want us to be focused on.

Our review of financial abuse within the tax system also brought us into new networks of community and academic/research organisations examining this important issue and supporting victim-survivors of financial abuse. This proved critical to us having appropriate insight into the impact of financial abuse on those with lived experience as well as being able to build on a really outstanding set of research and analysis from others in our report and findings.

Many of the complaints we receive and issues raised with us are from or on behalf of small businesses. Small businesses have had tough trading conditions in recent years and many have found themselves with outstanding tax debt.

We have worked closely with the Council of Small Business Organisations of Australia (COSBOA) and the Australian Small Business and Family Enterprise Ombudsman (ASBFEO) to ensure we understand the experience and pain points of small businesses within the tax system and to work with them to resolve them.

We have sought to extend our networks within the Australian Public Service, including Treasury, Australian Public Service Commission (APSC), Department of Prime Minister & Cabinet (PM&C), Attorney-General's Department (AGD) and Department of Finance. This ensures that we stay well connected to policy and administrative reform related to tax and super as well as broader public service reform. We have remained active participants in the network of Commonwealth Integrity Agencies Group (IAG), the Australian and New Zealand Ombudsman Association (ANZOA) and the International Ombudsman Institute (IOI). We met twice during FY25 with all Inspectors-General across Commonwealth Government.

We have enjoyed productive engagement and sharing of good practice with our Australian peers, as well as learning from the UK, South Africa and Denmark, among others.

We are very grateful for the support and encouragement we have had from all our stakeholders, and their informed contributions to our work and their commitment to amplify our messaging through their communication channels.





Key activity 6:

Manage and develop our organisation to be as efficient and effective as possible



Strategic initiatives

- Develop our business management capabilities
- Develop a new operating model
- Prioritise how we spend our resources
- Develop our governance and disciplined decision making
- Develop new performance measures
- Review capability and workforce priorities
- Develop, engage and nurture our workforce
- Improve internal communications and change management



2024-25 priority delivery commitments

- Build capacity and productivity in core processes
- Introduce a new structure and new roles (subject to resources)
- Develop and adapt a new complaints operating model
- Develop and cascade new strategic KPIs for FY25 and FY26
- Participate in the external review of our funding and implement outcomes
- Undertake a capability review underpinned by a new learning and development plan
- Develop and implement a new internal communications and strategy plan
- Adopt a new approach to change management

Comments

In driving our aim to be a small team with a big impact, we recognised that requires us to be as efficient and effective in how we run our agency as we are in managing complaints and systemic reviews.

During the year we undertook or contributed to a number of reviews of our capacity and capability, looking at what we need to fulfil our statutory remit.

As part of the Budget 2024 process, the Government at the time agreed to undertake a review of our funding. This was led by the Treasury and undertaken by an external organisation. Having made operating losses in the last 2 years, our agency had been advising Government that funding for the agency was insufficient for us to fulfil our statutory remit.

The Treasury-led review did confirm this analysis including identifying where we have mismatches of resource requirements and capacity.

The review has led to ongoing discussions on our future funding levels. While our funding was under review, the Commonwealth Budget 2024 provided a one-off additional uplift of \$0.5m in FY25. We used this primarily to clear the backlog and improve customer service. Our Executive Committee monitored our spending very closely throughout the year to ensure we made best use of this one-off resource, and avoid an operating loss as in previous years. We set ourselves a goal to meet budget within a very tight tolerance of 1.5% and this was achieved.

At the same time, we committed to ensuring that we maximised the resources that we had and prioritised internal decisions accordingly.

In developing our new complaints operating model, we identified several ways to reduce the cost of investigating complaints as well as benchmarking ourselves against other Ombudsman and peer agencies. This led to some restructuring in the make-up and levels of our workforce, informed by work value assessments.

In particular, it led to a redistribution of staffing from complaints to reviews, which had been under-resourced for several years and is where we make our most strategic impact.

Following the external review, we undertook our own internal review of internal capabilities, highlighting skillsets that we require within our agency. This led to decisions to invest in new capabilities such as new customer service roles to better respond to customer enquiries by phone and email and enhanced triage of complaints; and a new communications team to grow the awareness of our services.

All of these reviews and changes led to a revised organisational structure and workforce plan by April which was implemented by June 2025. A more strategic workforce strategy to consider skills and capabilities will be developed in FY26 alongside a new Learning and Development plan, to invest further in the skills and expertise of our existing workforce.

Our employee census and staff feedback has consistently told us that we need to invest more in learning and development (especially management development), on internal communications and change management.

Given the scale of change in the last year, our team has responded extremely positively to our new strategy and plans. However, we recognise we can still do better in leading them through change and communicating the changes with them.

In December 2024 we developed a new change management framework, based on best practice and consulted our team on its approach. This was signed off in March and implemented on all future changes.

In January we also signed off a new internal communications strategy and cadence for our workforce. Recognising that most staff work remotely, we need to work extra hard at staying connected, sharing information and engaging all of our people. Like all organisations, this is an ongoing challenge. We have established new team meetings and town halls, new communication channels and refreshed our Sharepoint / document sharing site. We will continue to test the effectiveness of these approaches with our team and adapt as we go.

Once the complaints backlog had been cleared, we re-commenced staff training and development which had been on hold. This included career planning for our people impacted by change as well as resilience and wellbeing supports in particular for our complaints investigators and customer service officers.

Our staff carefully manage communications with customers raising complaints who can sometimes demonstrate anger and frustration.

In driving better business management disciplines in our organisation, we refreshed our governance and renewed the terms of reference for our Executive Committee. This Committee meets monthly and supports the agency head in all business decision-making and prioritisation decisions.

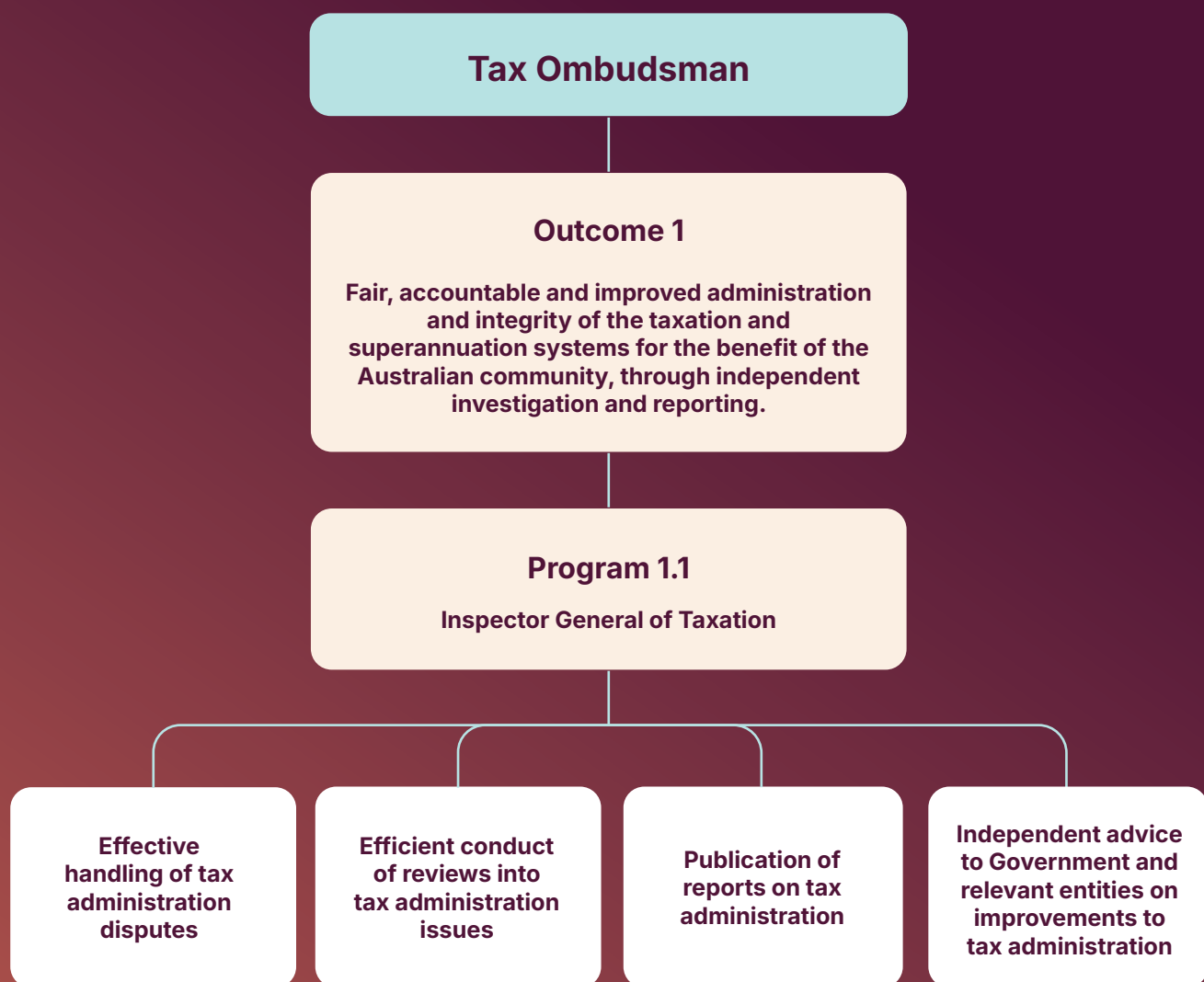
We also introduced a broader Change Management forum whereby the Executive Committee meet with all Team Leaders to ensure our strategy and change plans were well understood, informed by operational needs and blockers, and are cascaded effectively.

One of the key sets of decisions made by the Executive was to refresh the Key Performance Indicators for the agency and the Key Expected Results for all staff members. This is an important lever in driving performance and signaling priorities internally and externally. New KPIs were introduced during FY25 and research was undertaken to introduce new measures for FY26. This includes new measures on stakeholder satisfaction and community awareness.

New KERs were then cascaded to our individual staff members in November 2024 and refreshed for FY26.

Outcome and program structure

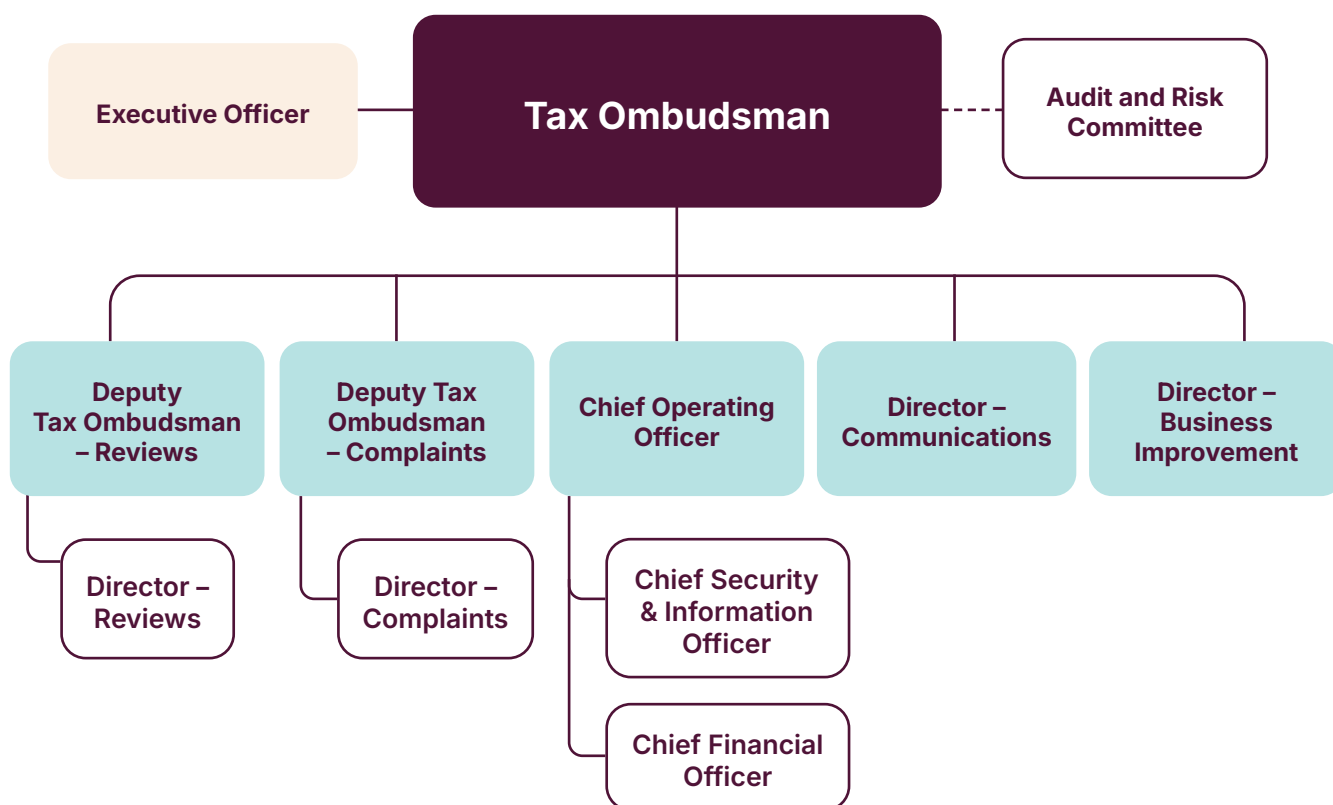
Here is a snapshot of the outcome and program administered by our agency during FY25, as defined within the Portfolio Budget Statements 2024-25:



Organisational structure

Our agency is an independent statutory agency which means that:

- our powers and responsibilities are defined by law;
- we operate independently of the ATO and TPB; and
- we report directly to Parliament.

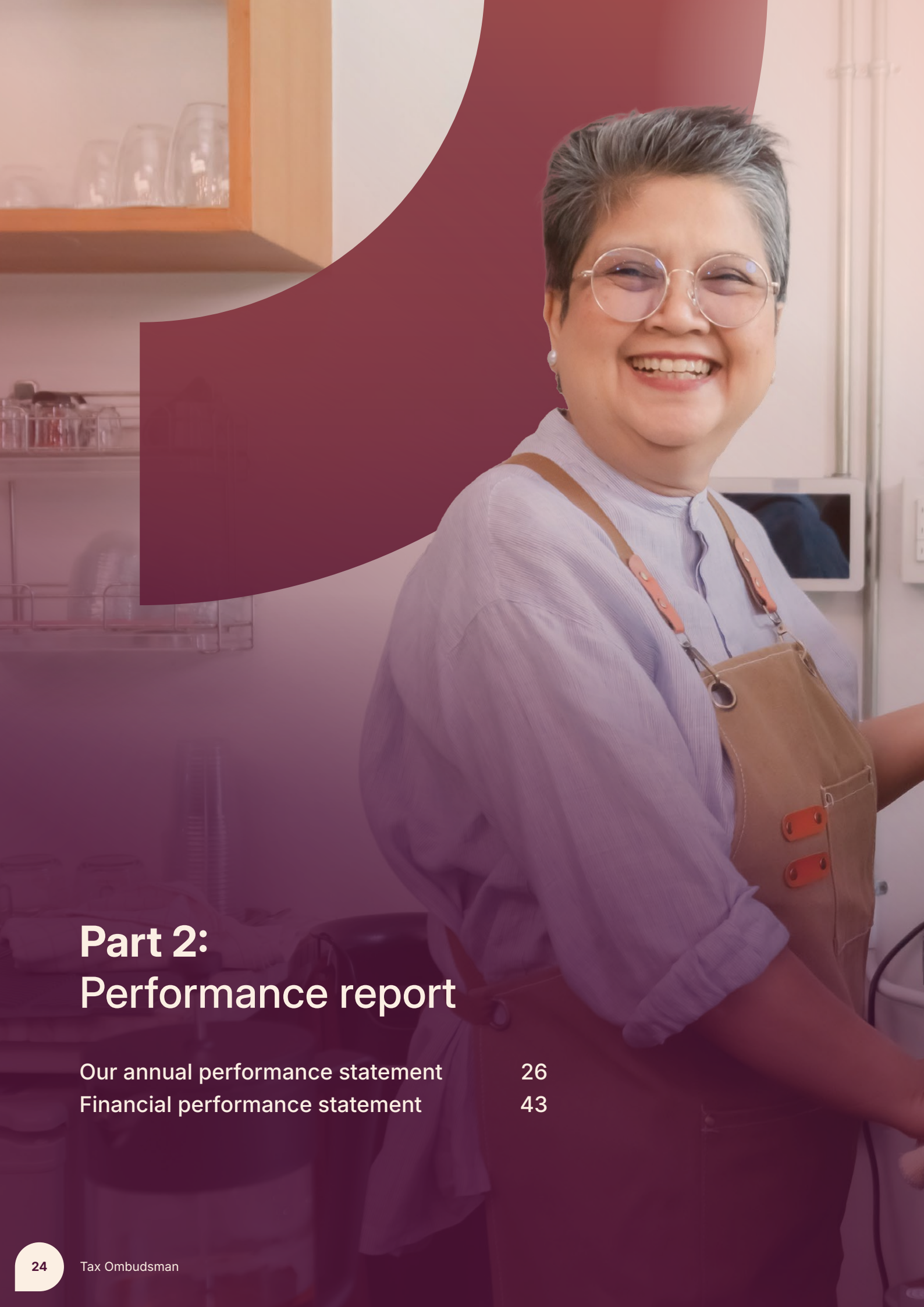


Accountable Authority

Ruth Owen CBE was appointed as the Inspector-General of Taxation by the Governor-General, commencing on 15 July 2024 for a term of 5 years.

Table 1.1 Details of Accountable Authority during the reporting period

Name	Position title/ Position held	Period as the Accountable Authority in FY25
Ruth Owen CBE	Inspector-General of Taxation	15 July 2024 to 30 June 2025
David Pengilley	Acting Inspector-General of Taxation	1 July 2024 to 14 July 2024
Duy Dam	Acting Inspector-General of Taxation	16 December 2024 to 2 January 2025 and 26 June 2025 to 30 June 2025



Part 2: Performance report

Our annual performance statement	26
Financial performance statement	43



Our annual performance statement

Statutory statement

I, Ruth Owen CBE, as the Accountable Authority, have prepared the FY25 annual performance statement for the purpose of paragraph 39(1) (a) of the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*. In my opinion, this annual performance statement is based on properly maintained records, accurately reflects the performance of the agency in FY25 and complies with subsection 39(2) of the PGPA Act.

Overall performance results

We measured our success against the 6 key performance indicators (KPIs) outlined in our *Corporate Plan 2025-2028*.

In FY25:

 **2 of 6**

KPIs were achieved













 **3**

KPIs were partially achieved

 **1**

KPI was not achieved

Table 2.1 Annual performance statement

Performance Measure	Target	Methodology	Result	Status
 KPI 1: Finalisation of outstanding complaint cases received before 1 October 2024				
Reducing waiting times by finalising outstanding complaint cases received before 1 October 2024	Finalise 99% of the complaints that were received before 1 October 2024 by 30 June 2025	The measure was tracked through our case management system	98%	 Partially achieved
 KPI 2: Turnaround times for finalisation of complaint cases received from 1 October 2024				
Clearing new complaint cases in a timely way	Finalise 85% of complaints received from 1 October 2024 within 100 days	The measure is of the % of complaints completed within 100 calendar days from the date of receipt to final closure of the complaint, measured through our case management system	89%	 Achieved
 KPI 3: Customer satisfaction survey results				
Customer satisfaction survey results	63% of complainants say they would use our service again	Based on responses to a customer survey issued to all customers using our complaints service, irrespective of the outcome of their complaint	58% of complainants said they would use our service again	 Not achieved
 KPI 4: Number of systemic reviews completed and published				
Number of systemic reviews completed and published	3 reviews completed and published	Manual data from our review workplan	3 completed, 2 published	 Partially achieved
 KPI 5: % of review recommendations agreed and implemented				
% of systemic review recommendations agreed and implemented	75% of recommendations agreed and implemented	Manual data based on reporting from the ATO and TPB	100% agreed; 0% implemented within the FY	 Partially achieved
 KPI 6: Live within budget				
Living within budget	Deliver services within approved budget of \$7.409m	Data from our / Treasury financial systems of net cost of service within approved budget. Approved budget includes approved operating deficit for FY25	Within 1.5% of FY25 budget	 Achieved



Key performance indicator 1

Finalisation of outstanding complaint cases received before 1 October 2024



Strategic initiative

Improve customer service levels to taxpayers raising complaints with us



Measure

Reducing waiting times by finalising outstanding complaint cases received before 1 October 2024



Target

Finalise 99% of the complaints that were received before 1 October 2024 by 30 June 2025

Result

Partially achieved (98% of cases finalised)

Clearance of our backlog of complaints was our top priority for the year. The backlog has now been cleared, although we missed our target by 14 cases, some of which are awaiting the outcome of litigation.

We started the year with a significant backlog of complaints which had built up from the COVID-19 pandemic period and had significantly impacted our service to the community. In response, we agreed a strategy and established a project to clear the 793 outstanding cases.

Agency wide resources were assigned to focus on the backlog, including delaying some planned initiatives and training for FY25. Between the date of the project commencing on 1 October 2024 and 30 June 2025, the backlog of outstanding complaint cases was reduced from 793 to 14 complaints.

Through our backlog clearance project, we learned a number of vital lessons which are being carried forward into our future operations. This includes how we can streamline some of our processes and more actively manage our caseload.



Key performance indicator 2

Turnaround times for finalisation of complaints received from 1 October 2024



Strategic initiative

Improve customer service levels to taxpayers raising complaints with us



Measure

Clearing new complaint cases in a timely way



Target

Finalise 85% of complaints received from 1 October 2024 within 100 days

Result

Achieved (89% of cases finalised)

Our success was due to two key factors.

1. Refreshing our complaint handling guidelines to improve our processes to ensure that complaints could be resolved quickly without compromising quality or our focus on empathic service delivery.
2. A new complaint operating model – to transform our approach to managing complaints and providing more efficient services to the community. The operating model drew upon best practice in the public and private sector. We looked to shift our ways of working and optimise resources, with the work done at the right level with the right skills. A core feature of the new model is the deployment of frontline customer service officers to manage the agency's phone lines.





Key performance indicator 3

Customer satisfaction survey results



Strategic initiative

Improve customer service levels to taxpayers raising complaints with us



Measure

Customer satisfaction survey results



Target

63% of complainants say they would use our service again

Result

Not achieved (58% of complainants said they would use our service again)

Following the closure of every complaint case, complainants are provided with an opportunity to rate their experience and state whether they would use our service again. The survey is voluntary and is managed by an external provider. The questions that are asked in the survey focus on whether, during the investigation process, we:

- were easy to contact
- kept you informed
- were knowledgeable and provided clear explanations
- were professional and respectful
- responded to you quickly
- supported you during your complaint
- understood your concerns and circumstances

Our customer satisfaction survey results for FY25 are below the standard we set for ourselves and reduced further from FY24 (at 59.8%). These results are largely due to the dissatisfaction expressed by our customers with the delays experienced with our service. With the backlog of complaints cleared, we anticipate an improvement in our survey results from FY26 onwards, and we are also focused on addressing feedback we receive from customers in our survey, such as how we communicate with them.

Despite the challenges presented during FY25, we continued to receive positive feedback from many taxpayers who used our services.

"Very thankful for the speed and effectiveness of your intervention, thank you"

"I was extremely happy with the assistance provided. It was timely, professional and the outcome was excellent. Thank you for being there."

"Without the help of the IGT0, I would not have received the favourable outcome I received. My sincere thanks and appreciation for your service."



Key performance indicator 4

Number of systemic reviews completed and published



Strategic initiative

Enhance the impact of our reviews and recommendations



Measure

Number of systemic reviews completed and published



Target

3 reviews completed and published

Result

Partially achieved – 3 reviews completed and 2 published

We commenced 4 reviews, completed 3 and published 2 reports during FY25. The third report was published two weeks after the end of the financial year, on 17 July. A fourth review examining the ATO's *registered agent phone line* was well advanced at the end of the financial year and is expected to be published in Q2 of FY26. This will see 4 reviews finalised between October 2024 and October 2025 – a significant achievement for the agency with real benefits for the community. This was the first year we had shifted to the new model of 4 reviews per year. Prior years had seen, on average, less than 1 review per year.

During FY25, we implemented improvements on how we identify and conduct systemic reviews to deliver more timely and useful recommendations to the ATO and to Government.

These key improvements included:

- creating a review selection framework for systematically identifying and consulting on potential review topics that lead to the development and publication of a work plan each year and a refresh of that work plan every six months to ensure it remains relevant
- developing and testing new guidelines that support the delivery of a shorter, sharper review process
- adopting a new in-house style guide based upon the Australian Government Style Manual for the development of review reports that are shorter, easy-to-read and more accessible for the community
- expanding the resourcing of our reviews team which had been under resourced in previous years.

These measures have enabled us to cover more topics and to make recommendations to the ATO more quickly to improve the tax system for everyone.

During the past year, we undertook comprehensive research, analysis and consultation with Government, the tax profession and the community culminating in the development of a reviews work program for FY26. Reviews from this work plan are not the only option available to us to surface issues of concern and identify opportunities for improvement. We will continue to monitor those issues not selected in the FY25 and FY26 work programs, and where appropriate, may choose to explore and investigate them further through other means.

Our 3 completed reviews were:

- *The Australian Taxation Office's administration and management of objections – phase 2* ([ATO administration and management of Objections](#))
- *Identification and management of financial abuse within the tax system* ([Identification and management of financial abuse within the tax system](#))
- *Letters from the ATO* ([Review: Letters from the ATO – Tax Ombudsman](#))

A brief summary of each completed review is provided in Table 2.2.

Table 2.2 Summary of completed reviews

The ATO’s administration and management of objections – phase 2	
Release date	31 October 2024
Scope and key findings	<p>This review was the second phase of an in-depth examination of how the ATO administers and manages objections – a critical step in the tax dispute process. This second phase focused on the key themes of improving accessibility and ease of lodgement, reducing administrative costs associated with high volume, low value objections and improving feedback processes to share learnings from objections to help the ATO improve its early engagement to minimise disputes.</p> <p>The review found that 55% of objections were self-initiated by taxpayers seeking to amend their own returns rather than to dispute ATO amendments. We conservatively estimated cost savings of between \$3 - \$4 million through finding better, more streamlined ways to address these objections. We also identified opportunities for the ATO to make online lodgements more readily available, especially for unrepresented taxpayers and other professionals who are not registered tax agents.</p> <p>We made recommendations to the ATO aimed at securing practical improvements in how objections are administered, including increasing accessibility to the ATO’s online lodgement facility, removing causes of delay through the streamlining of processes and increasing the level of engagement with taxpayers to speed up completion of matters.</p>



Identification and management of financial abuse within the tax system

Release date 3 April 2025

Scope and key findings This review highlighted how the tax system is being weaponised, with 1 in 6 women and 1 in 13 men experiencing some form of financial or economic abuse. During the conduct of this review, a range of shocking examples were uncovered of how perpetrators used coercive control to inflict tax debt on someone else, often their spouse or intimate partner. Many victim-survivors only found out about the abuse when they received a bill or penalty notice from the ATO, often when it was too late to remove the debt from their account.

The review examined the ATO's frontline capability for identifying and supporting victim-survivors of financial abuse and its limited powers to grant relief for victim-survivors or to hold perpetrators to account.

Recommendations arising from the report have been well received focusing on improving frontline staff training and capability, exploring and clarifying the laws around the ATO's powers to provide relief to victim-survivors in debt and opportunities to improve data sharing with other agencies.

We also highlighted how financial abuse in the tax system can also manifest within the child support system with victim-survivors left with underpaid or unpaid child support and potential welfare debt due to the manipulation of the tax system by the perpetrator. We worked closely with the Commonwealth Ombudsman, who undertook a parallel investigation into financial abuse within the child support system, published in June 2025 'Weaponising Child Support: when the system fails families'.

In April 2025, we were invited to make a submission to the UK's House of Lords Public Services Committee's inquiry regarding child maintenance. Our submission drew upon findings from our review including the difficulties that victim-survivors experience in evidencing financial abuse and trauma that comes with retelling the events multiple times.

Since our report the Government has made commitments to address financial abuse, including within the tax system and to follow up the Parliamentary Joint Committee on Corporations and Financial Services' report on 'Financial Abuse – an insidious form of domestic violence.' We are providing advice to Government on potential policy or legislative solutions and continue to engage with key stakeholders and agencies on this issue to support efforts aimed at combatting financial abuse and supporting victim-survivors.

Letters from the ATO

Release date 17 July 2025

Scope and key findings This review examined the ATO's processes for developing key template letters that are issued to taxpayers. Annually, the ATO issues more than 140 million letters to taxpayers. While most of these are simple reminders, there are many that inform taxpayers about their tax obligations and what they need to do to comply. We heard that some taxpayers find the ATO's letters "scary" and lacking in empathy, and the letters sometimes seem threatening or had an accusatory tone.

We found that the ATO has a comprehensive framework for developing such letters, but aspects of it, such as user testing, were not always applied. This can lead to technical language being used, which creates confusion and an inappropriate tone which can cause anxiety and stress for taxpayers.

Our recommendations to the ATO were aimed at improving the design process to improve consistency and quality of the letters produced. We recommended extended use of user testing with input from everyday Australian taxpayers as well as expert input into the development of its correspondence.



Key performance indicator 5

% of review recommendations agreed and implemented



Strategic initiative

Enhance the impact of our reviews and recommendations



Measure

% of systemic review recommendations agreed and implemented



Target

75% of recommendations agreed and implemented

Result

Partially achieved (100% of recommendations agreed in full, in part, or in principle; 0% implemented within the financial year)

Once we make recommendations to the ATO, they respond to us by either accepting (in full or in part) or not accepting our recommendations. For those recommendations that are agreed, the ATO provides us with its implementation plans within 8 weeks. In FY25, all recommendations were agreed. Given that our reports were mostly delivered in the second half of FY25, the proposed timetable for implementation of the recommendations starts from FY26.

We actively monitor and hold the ATO to account on the implementation of all agreed recommendations in a timely manner. The process includes multiple touchpoints at different levels within our respective agencies and includes:

- quarterly updates from the ATO about the status of recommendation implementation, including the opportunity to request further briefings where necessary;
- developing and maintaining an internal register to monitor implementation status and to identify where implementation may be delayed and the underlying reasons for such delays;
- engaging with the Commissioner of Taxation about the implementation of agreed recommendations, including writing annually to the Commissioner and the chair of the ATO's Audit and Risk Committee about implementation matters;
- publishing the timeframes for implementation of our recommendations (where agreed) within this report and on our website;
- following up with the ATO to understand if the implementation activity has addressed the original problem identified.

Table 2.3 Reviews - recommendation and implementation plans

The Australian Taxation Office's administration and management of objections – phase 2		
Recommendation	ATO response	Planned implementation date
1 The ATO: (a) prioritise the 'Optimising Disputes' project to deliver an online channel for taxpayers and tax professionals to lodge objections electronically;	Agree in principle	Q4 FY28
(b) capture and report on timeframes elapsing between objections first being received within the ATO and other key milestones leading to the first contact with a taxpayer or tax practitioner and through to resolution; and	Agree in principle	Q1 FY26
(c) explore options to differentiate objections lodged by professionals other than registered tax agents (such as accountants and legal professionals) within ATO systems to enhance overall reporting and analysis in objections work and outcomes	Agree <i>The full text of the ATO's response is available in the report.</i>	Q1 FY26
2 The ATO: (a) explore options to better streamline self initiated objections that are lodged for the purpose of seeking to make amendments to prior lodgements which are out of time, where those amendments are of low value or low risk to revenue; and	Agree in principle	Q2 FY26
(b) where no feasible options exist, provide a briefing to the Treasury and the Government about the time and resources devoted to self-initiated objections (particularly from individual taxpayers) and options for policy or legislative change to improve the overall taxpayer and administrative experience, in line with the recent changes for small business.	Agree in part <i>The full text of the ATO's response is available in the report.</i>	Q4 FY26
3 The ATO review options available to administratively reconsider audit decisions or assessments that were finalised in circumstances where the taxpayer did not have an opportunity to engage.	Agree in part <i>The full text of the ATO's response is available in the report.</i>	Q1 FY26
4 The ATO further develop its structured feedback framework between the objections function and all business lines to share feedback and learnings arising from objections matters, both at a case level and on a more systemic level and consider monitoring the impact of the improvements.	Agree <i>The full text of the ATO's response is available in the report.</i>	Q2 FY26

Table 2.3 Reviews - recommendation and implementation plans (continued)

Identification and management of financial abuse within the tax system		
Recommendation	ATO response	Planned implementation date
1 The ATO, in consultation with subject matter experts, community organisations and people with lived experience:	Agree	Q4 FY26
(a) develop and provide regular mandatory training to all ATO frontline officers and other staff who engage with taxpayers to support them in identifying and referring cases of financial abuse to a specialist team;		
(b) create a specialist, centralised team to be the point of referral for cases of alleged or potential financial abuse that are outside the skills and expertise of ATO frontline officers to manage;	Agree	Q4 FY26
(c) provide additional specialist training in financial abuse and trauma-informed practice to officers in that team, those in the Specialised Client Support team and the Advocate Help Desk;	Agree	Q2 FY26
(d) refresh its policies and procedures to include specific guidance on the identification and management of financial abuse within the tax system; and	Agree	Q3 FY26
(e) consider options to implement system indicators that alert ATO officers to potential financial abuse while minimising safety and privacy risks for victim-survivors.	Agree <i>The full text of the ATO's response is available in the report.</i>	Q3 FY26
2 The ATO:	Agree	Q4 FY26
(a) further develop its procedures and guidelines on the circumstances in which it will: <ul style="list-style-type: none"> • permanently remove a debt; • defer or discontinue recovery action; or • administer other types of relief for tax liabilities incurred because of financial abuse, to enable case officers to provide correct, consistent and complete advice and support to victim-survivors;		
(b) improve its written guidance and website communications to raise awareness amongst taxpayers and tax professionals about financial abuse, the types of support and relief that are available, and where to go for other forms of support such as community organisations, helplines and financial counsellors;	Agree	Q4 FY26
(c) consider options to obtain supporting information in circumstances where the taxpayer may not have direct evidence of financial abuse, including from trusted partners; and	Agree	Q3 FY26
(d) adopt a 'Safety by Design' framework and develop assessment tools to ensure that all relevant ATO teams have a lens of financial abuse when they design new internal policies or procedures, to minimise the potential for abuse of the tax systems.	Agree <i>The full text of the ATO's response is available in the report.</i>	Q4 FY26

Identification and management of financial abuse within the tax system		
Recommendation	ATO response	Planned implementation date
3 The ATO:	Agree	Q4 FY26
(a) undertake a review of its existing powers that may be applied to redistribute liabilities to perpetrators and develop staff guidance on how and when these powers would be used;		
(b) provide accessible communication channels for victim-survivors or third parties to report suspected financial abuse in the tax system; and	Agree	Q4 FY26
(c) consider whether any of the exceptions contained within Division 355 of Schedule 1 to the <i>Taxation Administration Act 1953</i> empowers it to disclose instances of domestic and financial abuse outside of the ATO and:	Agree	Q4 FY26
i. if the exceptions do not empower such actions, raise the matter with the Treasury for consideration as part of its current review of tax regulator secrecy exceptions; or	The full text of the ATO's response is available in the report.	
ii. if the exceptions do empower such actions, implement a process and guidelines to assist officers to identify and refer cases for consideration of potential external disclosure.		
4 The ATO:	Agree	Q2 FY27
(a) publish more data about the outcomes of the Child Support Lodgement Enforcement program;		
(b) engage with Services Australia and explore opportunities to increase the frequency of referrals and enhance the quality of information referred to increase the number of referrals which can be actioned for lodgement enforcement;	Agree	Q2 FY27
(c) assess the risk and prevalence of income underreporting by individuals with child support obligations and assess whether the ATO's current compliance approach is commensurate to the risk;	Agree	Q4 FY26
(d) consider its policy on debt relief where a victim-survivor has multiple Commonwealth debts and where those debts are caused by the same financial abuse; and	Agree	Q3 FY26
(e) develop a process for officers to share across business lines information received via a tip-off that potentially impacts child support or other social security benefits to enable a more holistic ATO response and appropriate support or resolution.	Agree	Q1 FY27
	The full text of the ATO's response is available in the report.	



Key performance indicator 6

Live within budget



Strategic initiative

Prioritise how we spend our resources

We have an obligation to manage the agency's budget responsibly and in accordance with government financial management frameworks. Under the PGPA Act, we must ensure the efficient, effective, economical and ethical use of public resources. This includes setting financial priorities, monitoring expenditure and taking corrective action to avoid overspending.



Measure

Live within budget



Target

Deliver services within approved budget of \$7.409m

Result

Achieved

We delivered our services within the budget of \$7.409m. Our financial statements are at Part 5.

This outcome reflects efficiencies realised through the adoption of a new operating model and targeted investments in growing capability and productivity across the agency. Cost-saving measures were implemented to support disciplined expenditure in a constrained funding environment, without compromising service delivery.

It is noted that without the one-off additional funding received in FY25, the agency would have recorded a third consecutive operating loss and net cash deficit.



Case study

Early release of super

Charlie* lived overseas but retained a superannuation fund in Australia. Due to COVID-19, there was a downturn in Charlie's business, resulting in Charlie and his spouse getting into financial difficulty and falling behind in their mortgage repayments. Rather than allow the bank to foreclose on the mortgage, Charlie borrowed some funds from a friend to stave off the bank. The friend required repayment within twelve months. Charlie applied to the ATO for an early release of superannuation on compassionate grounds. Despite several applications and providing all the requested information to the ATO, they continued to decline his applications.

Our investigation revealed the ATO had provided incorrect reasons for declining Charlie's applications. After we commenced our investigation, and by assisting the ATO to clarify the issues, the ATO was able to approve the application and Charlie's fund released benefits to him, securing both his home and business.

*name changed to protect complainant confidentiality

Other mandatory performance reporting for the agency

- Section 41 of the IGT Act requires our agency to report on the number of:
- complaints received each year; and
 - investigations we commenced and completed during the year; and
 - times that we issued a notice under Section 9 of the Ombudsman Act 1976.

A complaint is categorised as any external approach received by our agency requiring the registration of a complaint case, only some of which require investigation. Paragraph 7(1) (a) or (b) of the IGT Act defines the scope of our investigations as “action affecting a particular entity that:

- (i) is taken by a tax official; and
- (ii) relates to administrative matters under a taxation law; and
- (iii) is the subject of a complaint by that entity to the Inspector – General.”

Over the past four years, we have seen a nearly 22% increase in complaints received, likely due to the ATO’s resumption of debt and compliance activities following the COVID-19 pandemic. Notably, we also resolved more complaints in the last 12 months than ever before, reflecting our focused efforts to clear the backlog and improve our responsiveness.


Number of complaints received, investigations commenced and completed during the financial year

Table 2.4 Number of complaints received, investigations commenced and completed during the financial year

Financial Year	Number of complaints received	Number of investigations commenced	Number of investigations completed
FY25	1,608*	1,364	1,703
FY24	1,705	1,461	1,193
FY23	1,529	1,021	841
FY22	1,314	421	418

*Due to a change in measurement, complaints received for FY25 cannot be compared to previous years.

At a glance:

 **22%**
increase in
complaints received
over the past 4 years

 **1,703**
investigations
completed in FY25

**We have resolved
more complaints in
the last 12 months
than ever before**



The number of times that we have issued a notice under section 9 of the Ombudsman Act 1976 (as it applied by virtue of section 15 of our Act) during the financial year and details of the circumstances in which we issued each of those notices

We may issue notices to persons to require them to produce documents and attend an interview to answer questions when we believe that they are capable of furnishing information that is relevant to an investigation. These notices are issued under s 9 of the *Ombudsman Act 1976* (s 9 notice) which operates by virtue of section 15 of the IGT Act. A section 9 notice protects the recipient from penalties that may otherwise arise from disclosing confidential or secret information. They may be issued to current and former tax officials, amongst others. Recipients who do not comply with a s 9 notice may be criminally prosecuted for an offence which carries a sanction of up to 6 months imprisonment.

In FY25, we **did not** issue any notices under section 9 of the Ombudsman Act.



Case study

Downsizer contribution

John*, a low income retiree aged in his early 70s, sold his home and contributed \$300,000 to his Self-Managed Super Fund (SMSF) under the Downsizer Contribution Scheme before moving into aged care. While John submitted the correct documentation to his fund, the fund incorrectly reported the payment as a personal contribution. Four years later, John received an Excess Non-Concessional Contributions determination from the ATO meaning they did not recognise the contributions within the Downsizer Contribution Scheme. Attempts to amend the SMSF records were unsuccessful due to John deciding to close the SMSF shortly after the \$300,000 contribution was made. In addition, John also objected to the ATO's determination which was subsequently disallowed. The ATO was required to have the excess funds be removed from super, therefore having a negative impact on John's retirement funds.

Our investigation revealed the ATO had not considered all relevant information in their objection decision, but it could not be revisited since an objection decision, once made, cannot be remade. Our investigation also identified an alternative option for John. We had to escalate John's complaint to senior ATO officers which resulted in the alternative option being accepted, which would allow John to make a contribution to his fund.

*name changed to protect complainant confidentiality



Financial performance statement

Our FY25 financial statements are presented in Part 5 of this report. We received an unmodified audit report on the FY25 financial statements from the Australian National Audit Office on 16 September 2025. We ended FY25 with a net operating loss of \$302,692 (\$83,927 surplus after adjusting for depreciation and amortisation). This compares to a net operating loss in FY24 of \$778,751 (\$356,286 deficit after adjusting for depreciation and amortisation).

The operating loss and cash surplus in FY25 is primarily due to increased employee benefits with slight growth in staff numbers.

We have sufficient cash and reserves to fund our liabilities as and when they fall due.

A summary of our total resources is included in Appendix 2.

A summary of our expenses for outcomes is included in Appendix 3.



Case study

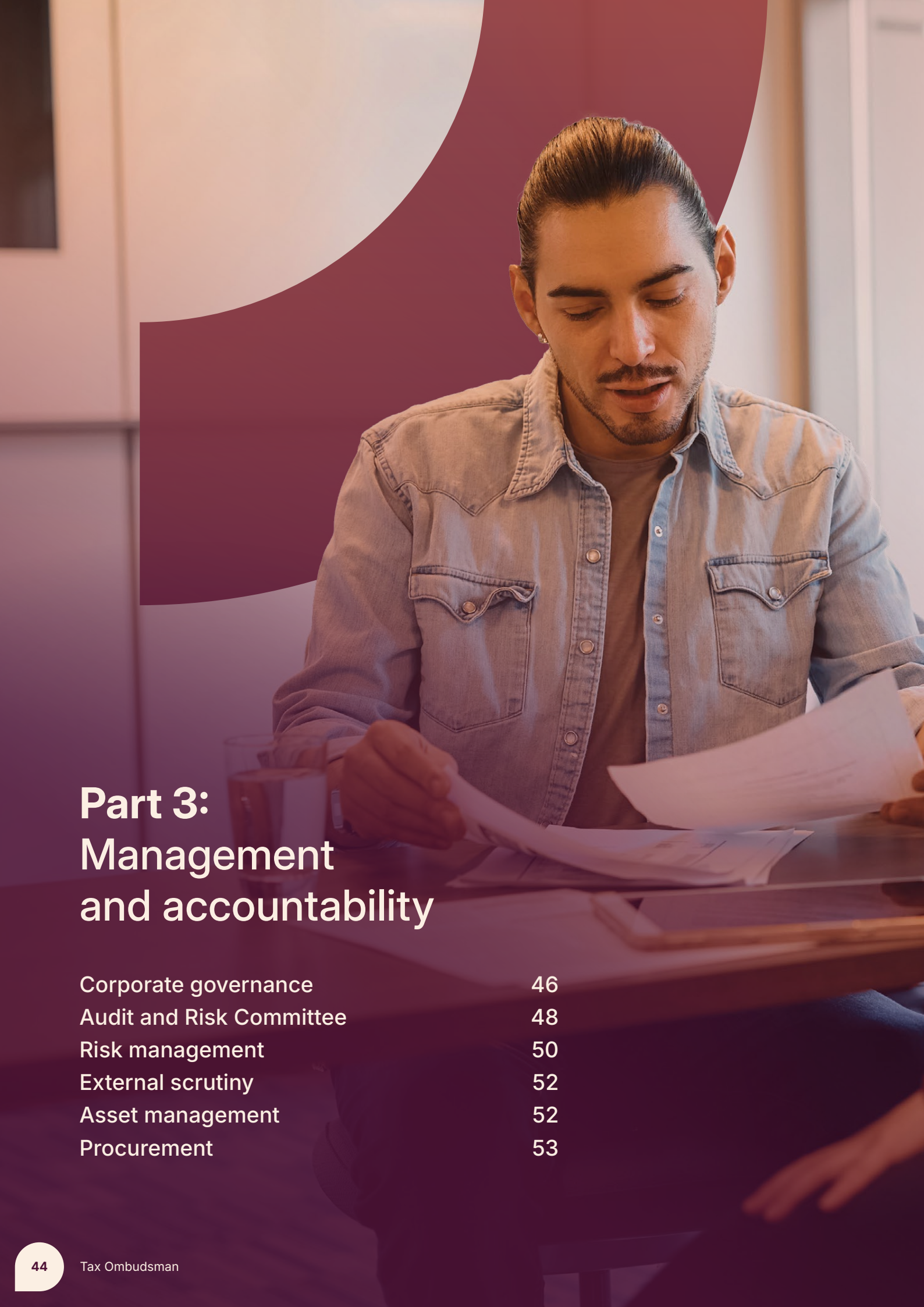
General Interest Charge (GIC)

Sian* contacted us as she considered that the ATO's decision not to grant any remission of GIC of approximately \$60,000 was unsubstantiated as the ATO failed to provide proper reasons. We found that the ATO's decision letter did not address the issues raised by Sian in relation to her personal circumstances and merely stated that the complaint did not meet the criteria for remission.

We recommended to the ATO that they reconsider all of the complainant's personal circumstances and compassionate grounds for GIC remission. The ATO reconsidered Sian's application for remission. Their subsequent decision provided a clearer and better explanation, showing how Sian's circumstances had been considered and granting partial remission of GIC of approximately \$23,000.

*name changed to protect complainant confidentiality





Part 3: Management and accountability

Corporate governance	46
Audit and Risk Committee	48
Risk management	50
External scrutiny	52
Asset management	52
Procurement	53



Corporate governance

Governance framework

As an independent statutory authority, we are separate from the ATO and the TPB. We are independent and autonomous in our day-to-day operations. However, we are required to report to the Assistant Treasurer and Parliament on certain aspects of our performance as set out in the IGT Act. As the Accountable Authority (AA) of the agency, the Inspector-General of Taxation is responsible for the operation and performance of the agency pursuant to the requirements of the PGPA Act.

The AA has issued instruments of delegation in respect of certain functions and responsibilities. A suite of Accountable Authority Instructions (AAIs), policies, procedures, plans and guidelines offer guidance to our officers in their exercise of powers under the instruments of delegation.

Executive Committee

The Executive Committee is the agency's most senior governance committee overseeing and driving strategic and operational outcomes for the agency.

In FY25, our Executive consisted of:

- the Tax Ombudsman
- the Deputy Tax Ombudsman – Complaints
- the Deputy Tax Ombudsman – Reviews
- the Chief Operating Officer
- the Chief Financial Officer
- the Chief Information and Security Officer
- the Director of Complaints
- the Director of Reviews
- the Director of Business Improvement
- the Executive Officer

Corporate governance practices

As a small agency, our corporate governance and administrative practices are proportionate to the size and scale of our agency. The Treasury provides a small range of shared services to the agency via a Memorandum of Understanding (MOU) including some limited financial, security and wellbeing services.





Audit and Risk Committee

Our Audit and Risk Committee (ARC) is an important element of the agency's governance structure. It provides advice and assurance to the AA.

The ARC is appointed by the agency head pursuant to the PGPA Act. Its membership is fully independent of the Executive and governed by its own charter. A copy of the ARC charter is available on our website via this link: [ARC Committee Charter 2025](#)

During the FY25 period, the members of the ARC comprised:

- **Mr Peter McGee**
(as Chair to Dec 2024)
- **Mr Bruce Turner AM**
(as Chair from Feb 2025)
- **Mr David Barry**
- **Ms Fiona Erhardt**

The ARC met on three occasions in FY25.

The remuneration of the ARC is set by the AA in accordance with an internal policy and is regularly reviewed to ensure remuneration remains competitive. In December 2024, the ARC remuneration was reviewed. Previously all members received \$1,300 per meeting. From December 2024, the Chair received \$1,800 (GST inc) per meeting, and other members still receive \$1,300 (GST inc) per meeting.

The ARC has a clear charter and schedule of agenda items to be reviewed during the year – in line with the PGPA Act. These include AAls, Fraud Corruption and Control Plan, Business Continuity Plan and Risk Management Policy and Framework. The ARC provides independent advice on our governance arrangements, financial and performance reporting, risk management, internal controls and compliance frameworks.

Further details on each member are provided in Table 3.1. The total annual remuneration represents payments made in FY25. All payments are made on a cash basis and on provision of valid invoices from each ARC member.

Table 3.1 Details of the Audit and Risk Committee's members

Member name	Qualifications, knowledge, skills and experience	Number of meetings attended / total number of meetings	Total annual remuneration
Bruce Turner AM (Commenced 30 March 2023; appointed as Chair on 17 February 2025)	Bruce has over 40 years' experience as a practitioner and leader in governance, risk management, compliance, fraud control, and assurance across the financial services and government sectors, including as Chief Audit Executive for the ATO (February 2007 – February 2012), Integral Energy, and State Rail. In July 2025, Bruce was awarded the Global Internal Audit Legacy Award from the Institute of Internal Auditors, of which he is a Fellow. Bruce is now retired but continues to Chair and participate in audit and risk committees and boards. Bruce is a fellow of the Australian Institute of Company Directors. He was appointed a Member of the Order of Australia in 2015.	3 out of 3	\$4,400
David Barry (Commenced 28 November 2012)	David has over 30 years' experience as a Risk, Compliance and Assurance Executive within ASX listed and professional services companies. He is a member of Chartered Accountants Australia and New Zealand, a graduate of the Australian Institute of Company Directors and a fellow of the Institute of Internal Auditors.	3 out of 3	\$3,900
Fiona Erhardt (Commenced 6 September 2017; appointed as Deputy Chair on 22 January 2025)	Fiona has over 30 years' experience leading finance teams at both an operational and corporate level in a big 4 accountancy firm, ASX listed companies and the not-for-profit sector. She specialises in risk management, governance, reporting/budgeting and finance transformation. She is a member of Chartered Accountants Australia and New Zealand and a graduate of the Securities Institute of Australia.	3 out of 3	\$5,200**
Peter McGee (Commenced 29 August 2011; retired as Chair and member on 3 December 2024)	Peter has a management background in corporate governance, enterprise risk management, general insurance and internal audit. He has spent over a decade in the government sector, including at senior executive levels, and over 20 years in risk management, compliance and governance areas within the insurance industry. He is currently a Risk Manager at Housing Australia, a federal government agency working to deliver programs to help more Australians access social and affordable housing or to buy a home.	2 out of 2	\$0*

*Mr McGee was not remunerated by reason of his ongoing employment with the APS.

** Ms Erhardt was paid for an invoice relating to FY24 meeting



Risk management

We have established and maintained appropriate systems of risk management and internal controls in accordance with section 16 of the PGPA Act through our Risk Management policy and framework.

Our framework is consistent with both the current international risk management standard AS/NZS ISO 31000:2018 Risk Management – Guidelines and the Commonwealth Risk Management Policy 2023. Our risk register was reviewed in the first half of 2025.

Our approach to managing risk is embedded in our everyday business and management practices and is core to our culture of proactive escalation of risk. Our team's awareness of risk management policies and procedures is maintained through training programs and communications. We hold regular discussions with officers to build awareness of risk management and their roles and responsibilities to identify, escalate and mitigate risks.



Internal audit

With the pace and complexity of change the agency experienced in FY25 – with the implementation of a new complaints operating model and a focus on the backlog project – the ARC endorsed the decision to take a short term view on internal audit activities, committing to two internal audits for FY25. These audits consisted of reviewing and testing our public/agency complaints portal, including potential threats relating to cyber security. These audit activities will continue into FY26.

No significant internal control issues or compliance breaches arose during the year which would have warranted any internal audit activity.



Fraud and corruption prevention

Our Fraud and Corruption Control Plan has been developed in accordance with the *Commonwealth Fraud Control Framework*. The Fraud and Corruption Control Plan is reviewed and updated every two years, or as new risks emerge, to ensure that it remains current and fit for purpose.

Our Fraud Risk Assessment forms the basis of the Fraud and Corruption Control Plan and has been developed with appropriate controls, prevention, detection and investigation, and reporting standards.

We have undertaken all reasonable measures to minimise the incidences of fraud. We have also worked with the ATO to enhance the fraud protection measures on our staff's access to ATO data and systems.

Our employees have mechanisms to report fraud or suspected fraud confidentially through a variety of means – including submitting an anonymous webform, in-person, in writing, via phone, or to a dedicated email inbox. These reports are dealt with or investigated by the Chief Operating Officer.

No cases of fraud were identified in FY25. Fraud information data is reported annually to the Australian Institute of Criminology by responding to questionnaires issued by that agency as required.



Integrity and ethical standards

We are a Commonwealth integrity agency within the *National Anti-Corruption Commission Act 2022*. We work in collaboration with other integrity agencies as part of the Commonwealth Integrity Agencies Group (IAG) and meet regularly to share best practice with other Inspectors-General across government. We have embedded integrity functions within our corporate enabling team to ensure we meet our obligations and to develop the maturity of our approach to integrity.

We expect the highest standards of behaviour and ethical conduct from our staff. We have policies and procedures in place that reinforce expectations and behaviours of employees as part of the APS Code of Conduct and Values, to ensure ethical standards are upheld in accordance with the *Public Service Act 1999*. We continue to strengthen and embed our pro integrity culture and practices through a program of improvements guided by the *APS Integrity Taskforce Report*, the *Integrity Good Practice Guide*, and the *Commonwealth Integrity Maturity Framework*.



Significant non-compliance issues with finance law

We are required to provide details of any statements to the Minister under paragraph 19(1)(e) of the PGPA Act that relate to non-compliance with the finance law and action taken to remedy the non-compliance.

No such statements were reported in the FY25 period.

External scrutiny

External audit

Other than the annual financial statement audit, there have not been any audits of our office undertaken by the ANAO in FY25.

Reports on operations

No reports in FY25 on the operations of our office were issued by the Auditor-General (other than the report on financial statements which is reproduced later in Part 5 of this report), a Parliamentary committee or the Commonwealth Ombudsman.

Judicial, administrative tribunal or Australian Information Commissioner decisions

No judicial, administrative tribunal or Australian Information Commissioner decisions were made that have had, or may have, a significant impact on the operations of our office.

Capability reviews

No capability reviews of the agency were released during FY25.

Asset management

The management of our assets is governed by the AAls and aligns with government best practice. The assets of the agency include cash or cash at bank, but Treasury manages all banking facilities on our behalf under a memorandum of understanding (MOU). This is an important operational feature and control in the context of the size of our agency.

The agency's approach to asset management is in line with the requirements to ensure public resources are managed effectively, efficiently and ethically. The agency manages an asset register, which is subject to regular stocktake to ensure the register is up to date. Assistance is provided by Treasury as part of the MOU with the processing of its asset acquisitions, depreciation, revaluations and disposals.

Our office maintains a capital management plan that sets out longer term asset requirements and funding sources for asset replacement and investment. This is integrated with the strategic planning and capital budget processes and has reference to our annual operating budget process.

Our fixed assets include office fit-out, a right-of-use asset, computer and telephony equipment, audio-visual equipment, and infrastructure.



Procurement

Our procurement is consistent with the requirements of the Commonwealth Procurement Rules (CPR) and aligns with the Treasury's policies and processes for MOU purposes. We have developed our own procurement manual to support our officers when undertaking procurement activities.

We publish information about significant procurements that our office expects to undertake the following year in an annual procurement plan available on the AusTender website at www.tenders.gov.au.

We are committed to continuous improvement in procurement practices and have published a statement of business ethics for suppliers and our officers, which complements the Commonwealth Supplier Code of Conduct. More information on our procurement processes can be found on our website: [Corporate Information – Taxombudsman.gov.au](#)

Exempt contracts

Our office is required to provide details of any contract or standing offer entered into during the period, with a value of more than \$10,000 (inclusive of GST) that has been exempted by the AA from being published in AusTender because it would disclose exempt matters under the *Freedom of Information Act 1982 (FOI Act)*.

No such contracts were entered into in this reporting period.

Commonwealth Strategic Commissioning Framework

In FY25, we took steps to bring core work in-house in line with the APS Strategic Commissioning Framework. Our targets for 2024-2025 aimed to bring \$184,205 of core work in-house in administration. This target was achieved with an actual reduction of \$184,205 in relevant supplier expenditure in 2024-25.

Australian National Audit Office access clauses

Our office is required to provide details of any contract entered into during FY25 of \$100,000 or more (inclusive of GST) that does not provide for the Auditor-General to have access to the contractor's premises.

No such contracts were entered into during the reporting period.

Initiative to support small business

We support small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (**SME**) and Small Enterprise participation statistics are available on the Department of Finance's website. We have engaged with SME suppliers through Department of Finance events such as 'Meet the Supplier' events to contribute to levelling the playing field where lesser known SMEs on government panels can better promote themselves.

Contract expenditure reporting

Consultants are engaged where there is a requirement for specialist expertise or independent research and assessment. Consultants are typically engaged to carry out defined reviews or evaluations, or provide independent advice, information or solutions to assist with our decision making.

Prior to engaging consultants, we take into account the skills and resources required for the task, the skills available internally, and the cost-effectiveness of engaging external expertise. The decision to engage a consultant is made in accordance with the PGPA Act and related regulations including the CPR and relevant internal policies.

In FY25, consultants were engaged to provide specialist expertise not available within our office. We are supported in part, by Treasury policies and procedures, and our own procurement manual, for selecting and engaging consultants.

Reportable consultancy contracts

During FY25, 7 new reportable consultancy contracts were entered into involving total actual expenditure of \$67,020 most of which were Information and Communication Technology (ICT) or cyber support services. In addition, 4 ongoing consultancy contracts were active during the period, involving total actual expenditure of \$282,349.

Table 3.3 reports on the suppliers to our agency who received 5% or more of our total consultancy contract expenditure.

Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website.

Table 3.2 Expenditure on reportable consultancy contracts current report period (2024–25)

	Number	Expenditure \$'000 (GST inc.)
New contracts entered into during the reporting period	7	67
Ongoing contracts entered into during a previous reporting period	4	282
Total	11	349

Table 3.3 Organisations receiving a 5% or more share of reportable consultancy contract expenditure current report period (2024–25)

Name of organisation	ABN	Expenditure \$'000 (GST inc.)	Proportion of total expenditure (%)	Spend category
PNP Solutions Pty Ltd – T/as ECLEVA	31 075 938 242	109	31	ICT development
HD IT	59 339 678 158	89	25	ICT support
101 Web Technology Pty Ltd	77 104 651 210	51	15	ICT web development
Orima Research	77 076 347 914	34	10	Customer research
Ark labs Pty Ltd T/a XRM ROI	57 232 536 922	21	6	ICT support
Red Cursor Pty Ltd	66 625 944 658	20	6	Cyber Security

Table 3.4 Expenditure on reportable non-consultancy contracts current report period (2024–25)

	Number	Expenditure \$'000 (GST inc.)
New contracts entered into during the reporting period	7	235
Ongoing contracts entered into during a previous reporting period	6	481
Total	13	716

Table 3.5 Organisations receiving a 5% or more share of reportable non-consultancy contract expenditure current report period (2024–25)


Name of organisation	ABN	Expenditure \$'000 (GST inc.)	Proportion of total expenditure (%)	Spend category
Investa Asset Management Pty Ltd	16 089 301 922	336	47	Property lease management
Cox Purtell Staffing Services Pty Ltd	42 063 258 524	75	11	Contracted staff
CBR Cyber Pty Ltd	36 643 307 171	52	7	Cyber security
Media Monitors T/A Isentia Pty Limited	11 002 533 851	45	6	Media monitoring
Aurion Corporation Pty Ltd	63 050 431 868	36	5	Payroll

Reportable non-consultancy contracts

During FY25, 7 new reportable non-consultancy contracts were entered into involving total actual expenditure of \$234,991. In addition, 6 ongoing non-consultancy contracts were active during the period, involving total actual expenditure of \$480,577.

Table 3.5 reports the top 5 suppliers in our agency who received 5% or more of our total non-consultancy contract expenditure.

Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website.



Part 4: Our people

Management of human resources
Staffing statistics

58
64





Management of human resources

We are a small team aiming to achieve a big impact on the fairness and integrity of the Australian tax system. Our strategic objectives are dependent on the skills and capability of our team.

While our office is based in Sydney, we operate on a hybrid workforce strategy where we actively recruit employees from across all states on the eastern seaboard. Our core business requires specialised capabilities and knowledge in public administration, tax, finance and law as well as strong customer service skills. Given current labour market trends, our hybrid model has proven successful. We have hired excellent additional talent and maintained a strong level of staff retention.

Our workforce is not only highly skilled - they also bring a true and genuine passion for helping the community and driving integrity in the tax system.

Performance management

Consistent with the *Inspector-General of Taxation Enterprise Agreement 2024-27*, formal performance reviews are conducted every six months for our APS staff, with all other levels participating in one formal review period each year. While Senior Executive Service (SES) and Executive Level (EL) employees are not subject to a formal assessment midway through the year, they are still subject to an informal review appraisal. In FY25 we made incremental progress in embedding a greater focus on performance management and the implementation of new key performance indicators and staff key expected results.

The principles of the Performance Development System (PDS) provide a basis for:

- supporting employee development
- recognising and rewarding good performance
- addressing under-performance
- assessing performance for the purposes of incremental salary advancement entitlements set out in the IGTO Enterprise Agreement 2024-2027
- embedding a culture of continuous improvement
- providing a mechanism for regular real time feedback between a manager and employee
- joint accountability for performance between a manager and employee.

Workforce composition

The agency head is a statutory appointment. All other officers are employed under the *Public Service Act 1999* and are required to adhere to the APS Code of Conduct and apply the APS Values. SES staff are employed under a determination and non-SES staff are employed under an enterprise agreement pursuant to the *Fair Work Act 2009*.

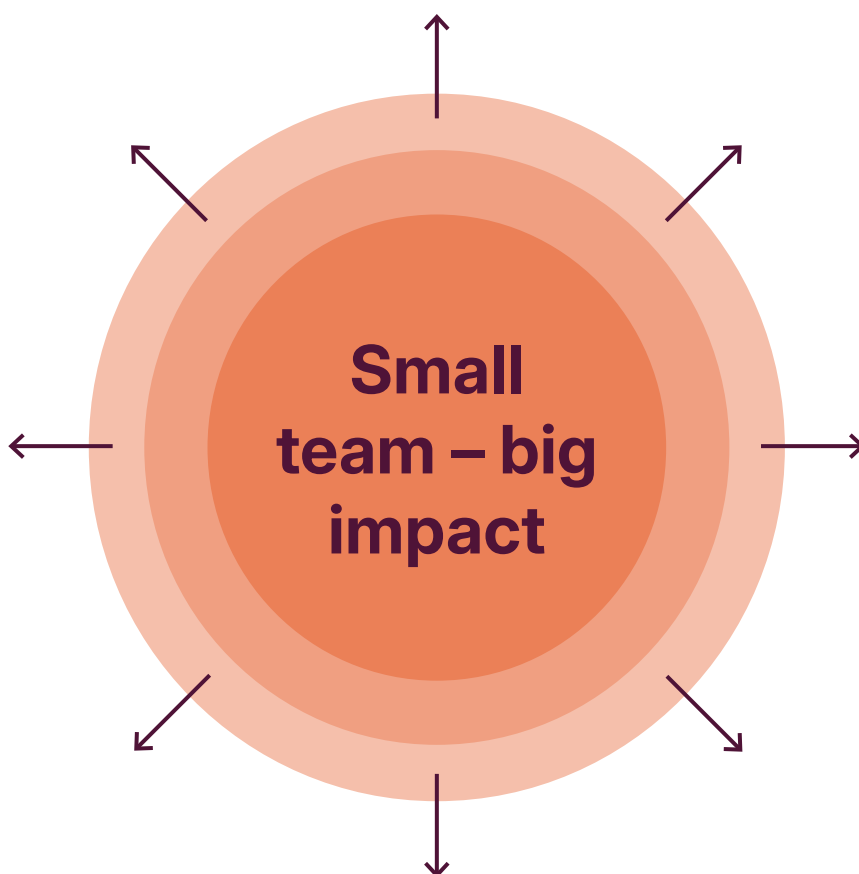
In FY25, the agency commissioned independent work value assessments which were core to implementing our new complaints operating model, in confirming the work was being done at the right level.

The assessments found that some roles were classified at the wrong level, compared to peer Ombudsman agencies. This resulted in us changing all our investigator roles to be APS5 and senior investigator roles to APS6. Additionally, the role of the Deputy Tax Ombudsman - Complaints was reclassified from SESB2 to SESB1 level in May 2025. These changes are important in ensuring that the work is being done consistent with the APS Work Level Standards and also enabled redeployment of resources to invest in critical new skills and capabilities, such as customer service and communications, to achieve our strategic outcomes.

Table 4.1 Australian Public Service Act employment arrangements current report period (as at 30/6/2025)

	SES	Non-SES	Total
Agency Determination 24(1)	3*	0	3
Inspector-General of Taxation Enterprise Agreement 2024–2027	0	29	29
Individual Flexibility Arrangement	0	2	2
Total	3	31	34

*1 SES member is on long term leave and is backfilled by acting arrangements. Our SES cap is 2 and remained at 2 for FY25



Executive remuneration

The agency head's remuneration is determined by the Remuneration Tribunal.

SES remuneration is set by the agency head as Accountable Authority, in accordance with their contractual terms and conditions. The agency head considers and compares APS wide data when setting remuneration for SES to ensure consistency with like agencies and positions. There were no changes to the salary ranges of SES remuneration during FY25.

All APS and EL employees have their remuneration and employee entitlements set in the *Inspector-General of Taxation Enterprise Agreement 2024–2027*. In addition, as set in the terms and conditions of employment for this cohort, there were two individual flexibility arrangements in place in FY25.

Table 4.2 Australian Public Service Act employment salary ranges by classification level (minimum/maximum) current report period (2024–25)

Classification level	Minimum salary	Maximum salary
SES Band 3	Not applicable	Not applicable
SES Band 2	276,754	303,926
SES Band 1	215,526	227,988
EL 2	156,237	186,120
EL 1	127,909	152,301
APS 6	98,060	123,315
APS 5	86,392	96,012
APS 4	77,318	84,456
APS 3	69,226	76,052
APS 2	61,131	67,656
APS 1	53,036	59,782
Other	Not applicable	Not applicable
Minimum/maximum range	53,036	303,926

Learning and development

We maintain a strong focus on supporting and developing our people in both their specialist fields and supporting their continued growth and development, in their roles and broader APS careers.

In FY25 we delayed some learning and development to prioritise clearing the complaints backlog. However, we were able to support our people through targeted learning and development opportunities including:

- certified professional development, such as tax technical updates from a variety of sources
- communication and negotiation skills
- training for investigators in both complaints management and supporting their wellbeing
- corporate skills development, such as finance, ICT and HR capabilities
- APS career workshops – to position our people for career progression and APS mobility

Where our people have completed a tertiary degree and hold a professional association membership relevant to their role (eg tax, law, finance), the agency reimbursed the employee, as per the *IGTO Enterprise Agreement 2024-2027*, up to \$1,000 each (GST exclusive) to maintain their ongoing professional memberships.



Wellbeing and workplace health and safety

Our organisation fosters and maintains a safe and healthy working environment in accordance with the *Work Health and Safety Act 2011* (WHS Act).

We take pride in our organisation's focus on employee wellbeing, safety and welfare and have implemented the following initiatives to support our people:

In FY25 our organisation made several changes to the way we operate – these changes were underpinned by consultation, collaboration and staff involvement. While our approach was guided by our obligations in the *IGTO Enterprise Agreement 2024-2027*, our approach and actions were built on ensuring everyone had a voice and their views and concerns were treated with care and respect. Through our change journey, our people had mechanisms for ongoing involvement and feedback and were consulted in every step of the process from design through to implementation.

We conduct exit interviews with all departing employees for feedback to the Executive and we monitor both planned and unplanned leave and the associated reasons to identify any trends or issues that our organisation could support or address.

Work health and safety (WHS) training and emergency management evacuation procedures are part of the mandatory training suite all our officers undertake.

During FY25, we received no accident reports. No notices were given under sections 90, 191, 195 or 198 of the WHS Act. No WHS investigations were undertaken during this year.

A comprehensive change management approach to support organisational changes impacting employees

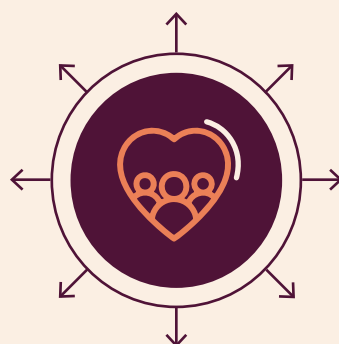
An agency dedicated workshop provided to all employees on "building resilience and sustainable wellbeing"

Regular communications to staff across various channels including meetings, weekly corporate communications and internal intranet content

Recognising and rewarding staff for performance

Dedicated agency training on conflict and negotiation skills

Regular communications and the ability for staff to connect and provide feedback through various channels including town halls, consultation discussions and anonymous feedback tools



Ability to anonymously report concerns or issues related to employee conduct or incidents through the implementation of a new 'speak out' functionality on our internal intranet

Dedicated agency connection events, including recognising employee milestones and achievements, and encouraging social activities and events

Ongoing employees covered by the *Inspector-General of Taxation Enterprise Agreement 2024-2027* are entitled to apply for a yearly allowance to maintain a healthy lifestyle

Resilience

We recognise that the nature of our work in complaints carries a heightened risk of employee stress and wellbeing issues. We aim to mitigate this risk by providing staff training on resilience and with one-to-one debriefs with managers. The nature of our work allows our staff to engage with our purpose, develop their skills and have a sense of achievement and satisfaction in performing an important function on behalf of the community.

Beyond the mandatory government requirement for investigators to hold a Certificate IV in Government Investigations, all investigators undertake mandatory training in:

- unreasonable complainant conduct – equipping our people with the skills to identify, manage, and support their wellbeing following an experience of unreasonable behaviour
- fundamentals of complaint handling – to build the skills and confidence in effectively handling customer complaints and appropriately engage with complainants.

Further, our agency has implemented an Unreasonable Complainant Conduct policy and embedded employee debriefing mechanisms into our everyday business operations to equip our people with the knowledge and tools to manage and support their long-term wellbeing.

In FY25, these mandatory programs and policies were supplemented with dedicated training for all employees in negotiation and conflict resolution skills.



Staffing statistics

Tables 4.3 to 4.8 detail staffing in the current (FY25) and previous (FY24) periods as at 30 June of each year.

Table 4.3 All ongoing employees
– current reporting period (2024-25) and previous reporting period (2023-24)

	Man/Male						Woman/Female						Other identification*						Total	
	2023-24			2024-25			2023-24			2024-25			2023-24			2024-25			2023-24	2024-25
	FT	PT	T	FT	PT	T	FT	PT	T	FT	PT	T	FT	PT	T	FT	PT	T		
NSW	16	0	16	17	0	17	4	3	7	6	2	8	-	-	-	-	-	-	23	25
Qld	-	-	-	-	-	-	-	-	-	1	0	1	-	-	-	-	-	-	-	1
SA	-	-	-	1	0	1	-	-	-	2	0	2	-	-	-	-	-	-	-	3
Tas	1	0	1	1	0	1	-	-	-	-	-	-	-	-	-	-	-	-	1	1
Vic	1	0	1	1	0	1	1	0	1	-	-	-	-	-	-	-	-	-	2	1
WA	1	0	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-
ACT	-	-	-	2	0	2	-	-	-	-	-	-	-	-	-	-	-	-	-	2
NT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
External Territories	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	19	0	19	22	0	22	5	3	8	9	2	11	-	-	-	-	-	-	27	33

FT = Full Time, PT = Part Time, T = Total

* Includes employees who are non-binary, uses a different term or preferred not to answer

Table 4.4 All non-ongoing employees
– current reporting period (2024-25) and previous reporting period (2023-24)

	Man/Male			Woman/Female			Other identification*						Total					
	2023-24			2024-25			2023-24			2024-25			2023-24		2024-25			
	FT	PT	T	FT	PT	T	FT	PT	T	FT	PT	T	FT	PT	T			
NSW	-	-	-	-	-	-	-	-	-	1	-	1	-	-	-	-	-	1
Qld	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SA	1	0	1	-	-	-	0	1	1	-	-	-	-	-	-	-	2	-
Tas	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vic	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
WA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ACT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
External Territories	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	1	0	1	-	-	-	0	1	1	1	-	1	-	-	-	-	2	1

Table 4.5 Australian Public Service Act ongoing employees
– current reporting period (2024-25) and previous reporting period (2023-24)

Man/Male									Woman/Female						Other identification*									Total	
2023-24				2024-25			2023-24			2024-25			2023-24			2024-25			2023-24	2024-25					
	FT	PT	T	FT	PT	T	FT	PT	T	FT	PT	T	FT	PT	T	FT	PT	T							
SES 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
SES 2**	1	0	1	1	0	1	-	-	-	-	-	-	-	-	-	-	-	-	1	1					
SES 1	1	0	1	2	0	2	-	-	-	-	-	-	-	-	-	-	-	-	1	2					
EL 2	3	0	3	2	0	2	1	1	2	2	2	4	-	-	-	-	-	-	5	6					
EL 1	6	0	6	5	0	5	1	1	2	3	0	3	-	-	-	-	-	-	8	8					
APS 6	6	0	6	10	0	10	3	1	4	2	0	2	-	-	-	-	-	-	10	12					
APS 5	2	0	2	1	0	1	-	-	-	1	0	1	-	-	-	-	-	-	2	2					
APS 4	-	-	-	1	0	1	-	-	-	1	0	1	-	-	-	-	-	-	-	2					
APS 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
APS 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
APS 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Total	19	0	19	22	0	22	5	3	8	9	2	11	-	-	-	-	-	-	27	33					

FT = Full Time, PT = Part Time, T = Total

* Includes employees who are non-binary, uses a different term or preferred not to answer

** SES2 role reclassified to SES 1 on 19 May 2025 and backfilled through acting arrangements

Table 4.6 Australian Public Service Act non-ongoing employees – current reporting period (2024-25) and previous reporting period (2023-24)

Man/Male									Woman/Female						Other identification*									Total	
2023-24				2024-25			2023-24			2024-25			2023-24			2024-25			2023-24	2024-25					
	FT	PT	T	FT	PT	T	FT	PT	T	FT	PT	T	FT	PT	T	FT	PT	T							
SES 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
SES 2**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
SES 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
EL 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
EL 1	-	-	-	-	-	-	0	1	1	-	-	-	-	-	-	-	-	-	1	-					
APS 6	1	0	1	-	-	-	-	-	-	1	-	1	-	-	-	-	-	-	1	1					
APS 5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
APS 4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
APS 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
APS 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
APS 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Total	1	0	1	-	-	-	0	1	1	1	-	1	-	-	-	-	-	-	2	1					

Table 4.7 Australian Public Service Act employees by full time and part time status – current reporting period (2024-25) and previous reporting period (2023-24)

Ongoing							Non-ongoing						Total	
2023-24				2024-25			2023-24			2024-25			2023-24	2024-25
	FT	PT	T	FT	PT	T	FT	PT	T	FT	PT	T		
SES 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SES 2**	1	0	1	1	0	1	-	-	-	-	-	-	1	1
SES 1	1	0	1	2	0	2	-	-	-	-	-	-	1	2
EL 2	4	1	5	4	2	6	-	-	-	-	-	-	5	6
EL 1	7	1	8	8	0	8	0	1	1	-	-	-	9	8
APS 6	9	1	10	12	0	12	1	0	1	1	-	1	11	13
APS 5	2	0	2	2	0	2	-	-	-	-	-	-	2	2
APS 4	-	-	-	2	0	2	-	-	-	-	-	-	-	2
APS 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
APS 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
APS 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	24	3	27	31	2	33	1	1	2	1	-	1	29	34

FT = Full Time, PT = Part Time, T = Total

* Includes employees who are non-binary, uses a different term or preferred not to answer

** SES2 role reclassified to SES 1 on 19 May 2025 and backfilled through acting arrangements

Table 4.8 Australian Public Service Act employment type by location – current reporting period (2024-25) and previous reporting period (2023-24)

	Ongoing		Non-ongoing		Total	
	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25
NSW	23	25	0	1	23	26
Qld	-	1	-	-	-	1
SA	0	3	2	-	2	3
Tas	1	1	0	-	1	1
Vic	2	1	0	-	2	1
WA	1	-	0	-	1	-
ACT	-	2	-	-	-	2
NT	-	-	-	-	-	-
External Territories	-	-	-	-	-	-
Overseas	-	-	-	-	-	-
Total	27	33	2	1	29	34

Indigenous employment

In FY25, we had one employee who identified as Indigenous. This is an increase from the previous reporting period.

FY25 at a glance:

 **33**

ongoing employees

▲ 22% compared to FY24

 **26**

NSW based employees

▲ 9% compared to FY24

We welcomed employees across three states

QLD, SA and ACT

 **38%**

of our workforce is female

Executive remuneration

Remuneration details for all key management personnel within the agency are set out in Table 4.9. Key management personnel comprise of key decision makers – the agency head, along with all SES, EL2 officers, the Chief Financial Officer and the Executive Officer.

Table 4.9 Information about remuneration for key management personnel for current report period (2024–25)

Name	Position title	Base salary received in FY25	Short-term benefits	
			Bonuses	Other benefits and allowances
Ruth Owen (commenced 15/7/24)	Inspector-General of Taxation	\$425,630	\$0	\$0
David Pengilley	Deputy Tax Ombudsman - Complaints (to 16/5/25)	\$256,474	\$0	\$0
Duy Dam	Deputy Tax Ombudsman – Reviews	\$209,779	\$0	\$53
Kim Williams	Chief Operating Officer (to 1/4/25)	\$139,864	\$0	\$1,771
Marcelle Hudson	Chief Operating Officer (from 17/3/25)	\$58,120	\$0	\$600
Helen Fong	Director of Reviews	\$97,969	\$0	\$1,200
Jarrold Joseph	Director-Complaints (to 19/5/25) Acting Deputy Tax Ombudsman - Complaints (from 19/5/25)	\$188,944	\$0	\$1,200
David Clancy	Director of Business Improvement	\$191,309	\$0	\$600
Darren Broers	Chief Information Security Officer	\$175,335	\$0	\$1,405
Julian Lim	Chief Financial Officer	\$146,502	\$0	\$19,549
Kayla-Renee Buckland	Executive Officer	\$152,040	\$0	\$856
Kuan-Kuan Tian*	Acting Director-Complex Disputes Unit (from 24/2/25 to 24/4/25)	\$94,185	\$0	\$0
Robyn Thomas*	Acting Director-Complaints (from 19/5/25)	\$15,129	\$0	\$0
Total		\$2,151,280	\$0	\$27,235

*base salary received while acting in key management personnel roles during FY25

				Total remuneration
Post-employment benefits	Other long-term benefits		Termination benefits	
Superannuation contributions	Long service leave	Other long-term benefits		
\$30,855	\$14,869	\$0	\$0	\$471,355
\$52,230	\$2,610	\$0	\$0	\$311,314
\$39,638	\$20,102	\$0	\$0	\$269,572
\$34,111	\$8,783	\$0	\$0	\$184,530
\$8,153	\$1,691	\$0	\$0	\$68,563
\$22,166	\$15,586	\$0	\$0	\$136,921
\$27,094	\$7,633	\$0	\$0	\$224,871
\$27,640	\$13,010	\$0	\$0	\$232,559
\$28,379	\$1,717	\$0	\$0	\$206,836
\$20,071	\$12,165	\$0	\$0	\$198,288
\$22,283	\$1,502	\$0	\$0	\$176,682
\$13,388	\$1,652	\$0	\$0	\$109,225
\$1,947	\$122	\$0	\$0	\$17,198
\$327,956	\$101,443	\$0	\$0	\$2,607,914



Part 5: Financial statements

Independent auditor's report
Financial statements

72
74





INDEPENDENT AUDITOR'S REPORT

To the Assistant Treasurer and Minister for Financial Services

Opinion

In my opinion, the financial statements of the Inspector-General of Taxation (the Entity) for the year ended 30 June 2025:

- (a) comply with Australian Accounting Standards – Simplified Disclosures and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2025 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2025 and for the year then ended:

- Statement by the Accountable Authority and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and their delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Inspector-General of Taxation and Taxation Ombudsman is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Simplified Disclosures and the rules made under the Act. The Inspector-General of Taxation and Taxation Ombudsman is also responsible for such internal control as the Inspector-General of Taxation and Taxation Ombudsman determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Inspector-General of Taxation and Taxation Ombudsman is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Inspector-General of Taxation and Taxation Ombudsman is also responsible for disclosing, as applicable, matters

related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Ann MacNeill

Acting Executive Director

Delegate of the Auditor-General

Canberra

17 September 2025



Financial statements

Statement by the Accountable Authority and Chief Financial Officer

In our opinion, the attached financial statements for the year ended 30 June 2025 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Inspector-General of Taxation will be able to pay its debts as and when they fall due.



Ruth Owen CBE
Inspector-General of Taxation
and Taxation Ombudsman
16 September 2025

Julian Lim
Chief Financial Officer
16 September 2025

Contents

Primary financial statements 76

Statement of comprehensive income	76
Statement of financial position	77
Statement of changes in equity	78
Cash flow statement	79

Overview 80

Notes to the financial statements 81

1. Departmental financial performance

1.1 Expenses	81
1.2 Own-source revenue and gains	82

2. Departmental financial position

2.1 Financial assets	83
2.2 Non-financial assets	84
2.3 Payables	86
2.4 Interest bearing liabilities	86
2.5 Other provisions	87

3. People and relationships

3.1 Employee provisions	88
3.2 Key management personnel remuneration	89
3.3 Related party disclosures	89

4. Funding

4.1 Appropriations	90
4.2 Net cash appropriation arrangements	91

5. Managing uncertainties

5.1 Contingent assets and liabilities	92
5.2 Financial instruments	92

6. Other information

6.1 Current/non-current distinction for assets and liabilities	94
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7. Budgetary commentary and explanation of major variances

7.1 Budget variance commentary	95
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Primary financial statements

Statement of comprehensive income

for the period ended 30 June 2025

	Notes	2025 \$	2024 \$	Original budget \$
NET COST OF SERVICES				
Expenses				
Employee benefits	1.1A	5,868,919	5,042,671	4,650,000
Suppliers	1.1B	1,183,512	1,797,847	2,317,000
Depreciation and amortisation	2.2A	603,031	594,718	463,000
Finance costs	1.1C	34,953	41,373	-
Write-down and impairment of other assets	1.1D	1,052	9,973	-
Total expenses		7,691,467	7,486,582	7,430,000
Own-source income				
Own-source revenue				
ANAO audit services received free of charge	1.2A	64,000	64,000	60,000
Other revenue	1.2A	1,275	1,414	-
Total own-source revenue		65,275	65,414	60,000
Gains				
Gains from sale of assets		-	11,618	-
Total gains		-	11,618	-
Total own-source income		65,275	77,032	60,000
Net (cost of)/contribution by services				
Revenue from Government	1.2B	7,324,000	6,677,000	7,324,000
Surplus/(Deficit)		(302,192)	(732,550)	(46,000)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassifications to net cost of services				
Changes in Asset Revaluation Surplus		(500)	(46,201)	-
Total comprehensive income/(loss)		(302,692)	(778,751)	(46,000)

The above statement should be read in conjunction with the accompanying notes.

Statement of financial position

as at 30 June 2025

	Notes	2025 \$	2024 \$	Original budget \$
ASSETS				
Financial assets				
Cash and cash equivalents	2.1A	20,000	33,694	20,000
Trade and other receivables	2.1B	3,780,717	3,483,684	3,052,000
Total financial assets		3,800,717	3,517,378	3,072,000
Non-financial assets¹				
Buildings	2.2A	1,625,094	2,182,175	3,717,000
Plant and equipment	2.2A	80,965	108,977	72,000
Computer software	2.2A	-	-	81,000
Other non-financial assets	2.2B	124,883	62,740	165,000
Total non-financial assets		1,830,942	2,353,892	4,035,000
Total assets		5,631,659	5,871,270	7,107,000
LIABILITIES				
Payables				
Suppliers		160,978	313,399	339,000
Other payables	2.3A	222,905	170,143	120,000
Total payables		383,883	483,542	459,000
Interest bearing liabilities				
Leases	2.4A	833,602	1,050,514	2,198,000
Total interest bearing liabilities		833,602	1,050,514	2,198,000
Provisions				
Employee provisions	3.1A	1,868,040	1,527,443	1,547,000
Other provisions	2.5A	171,371	164,316	153,000
Total provisions		2,039,411	1,691,759	1,700,000
Total liabilities		3,256,896	3,225,815	4,357,000
Net assets		2,374,763	2,645,455	2,750,000
EQUITY				
Contributed equity		1,480,573	1,448,573	1,481,000
Reserves		364,383	364,883	411,000
Retained surplus/(Accumulated deficit)		529,807	831,999	858,000
Total equity		2,374,763	2,645,455	2,750,000

The above statement should be read in conjunction with the accompanying notes.

Statement of changes in equity

for the period ended 30 June 2025

Notes	2025 \$	2024 \$	Original budget \$
CONTRIBUTED EQUITY/CAPITAL			
Opening balance			
Balance carried forward from previous period	1,448,573	1,416,573	1,449,000
Transactions with owners			
Contributions by owners			
Departmental capital budget appropriation	32,000	32,000	32,000
Total transactions with owners	32,000	32,000	32,000
Closing balance as at 30 June	1,480,573	1,448,573	1,481,000
RETAINED EARNINGS			
Opening balance			
Balance carried forward from previous period	831,999	1,564,549	904,000
Comprehensive income			
Surplus/(Deficit) for the period	(302,192)	(732,550)	(46,000)
Total comprehensive income	(302,192)	(732,550)	(46,000)
Closing balance as at 30 June	529,807	831,999	858,000
ASSET REVALUATION RESERVE			
Opening balance			
Balance carried forward from previous period	364,883	411,084	411,000
Revaluations	-	(41,413)	-
Changes in provision for restoration	(500)	(4,788)	-
Closing balance as at 30 June	364,383	364,883	411,000
TOTAL EQUITY			
Opening balance			
Balance carried forward from previous period	2,645,455	3,392,206	2,764,000
Comprehensive income			
Surplus/(Deficit) for the period	(302,192)	(732,550)	(46,000)
Revaluations	-	(41,413)	-
Changes in provision for restoration	(500)	(4,788)	-
Total comprehensive income	(302,692)	(778,751)	(46,000)
Transactions with owners			
Contributions by owners			
Departmental capital budget appropriation	32,000	32,000	32,000
Total transactions with owners	32,000	32,000	32,000
Closing balance as at 30 June	2,374,763	2,645,455	2,750,000

The above statement should be read in conjunction with the accompanying notes.

Accounting policy

Equity Injections

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) and Departmental Capital Budgets (DCBs) are recognised directly in contributed equity in that year.

Cash flow statement

for the period ended 30 June 2025

	Notes	2025 \$	2024 \$	Original budget \$
OPERATING ACTIVITIES				
Cash received				
Appropriations		7,225,767	7,311,245	7,324,000
Other cash received		1,275	130,944	-
GST received		135,125	224,039	-
Total cash received		7,362,167	7,666,228	7,324,000
Cash used				
Employees		5,475,560	4,972,082	4,650,000
Suppliers		1,325,046	1,651,552	2,257,000
Interest payments on lease liabilities		28,398	35,284	-
GST paid		123,829	156,886	-
Section 74 receipts transferred to OPA		219,126	547,680	-
Total cash used		7,171,959	7,363,484	6,907,000
Net cash from/(used by) operating activities		190,208	302,744	417,000
INVESTING ACTIVITIES				
Cash used				
Purchase of plant and equipment		18,990	8,796	32,000
Purchase of buildings		-	93,800	-
Total cash used		18,990	102,596	32,000
Net cash (outflows) from investing activities		(18,990)	(102,596)	(32,000)
FINANCING ACTIVITIES				
Cash received				
Contributed equity - departmental capital budget		32,000	32,000	32,000
Total cash received		32,000	32,000	32,000
Cash used				
Principal payments of lease liabilities		216,912	218,454	417,000
Net cash used		216,912	218,454	417,000
Net cash inflows from financing activities		(184,912)	(186,454)	(385,000)
Net increase/(decrease) in cash held		(13,694)	13,694	-
Cash and cash equivalents at the beginning of the reporting period		33,694	20,000	20,000
Cash and cash equivalents at the end of period	2.1A	20,000	33,694	20,000

The above statement should be read in conjunction with the accompanying notes.

Overview

The Inspector-General of Taxation (IGT) is an independent, Commonwealth statutory agency. It is a not-for-profit entity, operating out of a single office location in Sydney. The IGT contributes to the overall integrity and transparency of the tax system, by independently investigating taxation decisions, actions, systems, and laws of the Australian Taxation Office (ATO) and the Tax Practitioners Board (TPB). The IGT is also known as the Tax Ombudsman as it encompasses the dual functions of the agency as both the IGT and the Taxation Ombudsman.

The objective of the IGT is to improve the fairness and integrity of the taxation and superannuation administration through independent investigation of tax disputes, review investigations of systemic and broader community issues, reporting issues that are in the public interest and the provision of independent advice to the Government and its relevant entities.

The key activities of the IGT are:

- investigate and help resolve complaints from taxpayers or tax practitioners on the administration of the tax and super systems by the ATO or TPB in a timely and efficient way
- review and make recommendations on systemic issues relevant to improving tax administration
- provide independent advice to the Government and Parliament on tax administration, and
- raise awareness of the role of the IGT and promote the integrity of the tax system.

The basis of preparation

The financial statements are general purpose financial statements as required by:

- a. section 42 of the *Public Governance, Performance and Accountability Act 2013*; and
- b. Australian Accounting Standards including simplified disclosures for Tier 2 Entities under AASB 1060 issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial statements are presented in Australian dollars.

The continued existence of the IGT in its present form and with its present programs is dependent on government policy and on continuing appropriations by Parliament for the IGT policy advice, administration and programs.

Taxation

The IGT is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Events after the reporting period

Subsequent to year end, a SES incentive to retire payment of \$255,465 was made to one senior executive as part of a restructuring process. The amount was below the threshold requiring consultation with the Australian Public Service Commissioner, and this non-adjusting event does not affect the financial position as at 30 June (a non adjusting event under AASB 110).

1. Departmental financial performance

This section analyses the financial performance for the IGT the period ended 30 June 2025.

1.1 Expenses

	2025 \$	2024 \$
1.1A: Employee benefits		
Wages and salaries	4,381,138	3,896,080
Superannuation		
Defined contribution plans	538,156	449,804
Defined benefit plans	206,699	198,790
Leave and other entitlements	742,926	497,997
Total employee benefits	5,868,919	5,042,671

Accounting policy

Accounting policies for employee related expenses are contained in Note 3: People and relationships.

1.1B: Suppliers		
Goods and services supplied or rendered		
Consultants, contractors and secondees	390,737	518,225
Information communication technology	171,817	540,786
Service level agreement with Treasury	146,451	183,212
Travel	137,870	85,876
Property operating expenses	86,474	92,995
Seminars and conferences	69,223	96,039
Audit fees	64,000	64,000
Subscriptions and periodicals	30,691	39,085
Legal and insurance expenses	28,148	61,008
Membership and other fees	17,876	23,854
Advertising and printing	8,599	26,213
Relocation expenses	-	30,815
Other	20,766	26,079
Total goods and services supplied or rendered	1,172,652	1,788,187
Goods supplied	44,242	260,923
Services rendered	1,128,410	1,527,264
Total goods and services supplied or rendered	1,172,652	1,788,187
Other suppliers		
Workers compensation expenses	10,860	9,660
Total other suppliers	10,860	9,660
Total suppliers	1,183,512	1,797,847

	2025 \$	2024 \$
1.1C: Finance costs		
Interest on lease liabilities	28,398	35,284
Unwinding of discount	6,555	6,089
Total finance costs	34,953	41,373

The above lease disclosures should be read in conjunction with the accompanying notes 2.2A and 2.4A.

Accounting policy

All borrowing costs are expensed as incurred.

1.1D: Write-down and impairment of other assets		
Write-down and impairment of plant and equipment	1,052	1,695
Write-down and impairment of software	-	8,278
Total write-down and impairment of other assets	1,052	9,973

1.2 Own-source revenue

	2025 \$	2024 \$
1.2A: Other revenue		
ANAO audit services received free of charge	64,000	64,000
Other revenue	1,275	1,414
Total other revenue	65,275	65,414

Accounting policy

Resources received free of charge

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined, and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

Resources received free of charge are recorded as either revenue or gains depending on their nature.

Other revenue

Other revenue is related to contracts with other Commonwealth entities for various projects and are recognised at a point in time.

1.2B: Revenue from Government		
Revenue from Government	7,324,000	6,677,000
Total revenue from Government	7,324,000	6,677,000

Accounting policy

Revenue from Government

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when the IGT gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned.

Appropriations receivable are recognised at their nominal amounts.

2. Departmental financial position

This section analyses the Inspector-General of Taxation assets used to conduct its operations and the operating liabilities incurred as a result. Employee related information is disclosed in the People and Relationships section.

2.1 Financial assets

	2025 \$	2024 \$
2.1A: Cash and cash equivalents		
Cash on hand or on deposit	20,000	33,694
Total cash and cash equivalents	20,000	33,694

Accounting policy

Cash is recognised at its nominal amount. Cash and cash equivalents includes:

- a) cash on hand; and
- b) demand deposits in bank accounts with an original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

2.1B: Receivables		
Appropriation receivables		
From ordinary annual appropriation	3,751,814	3,434,455
Total appropriation receivables	3,751,814	3,434,455
Other receivables		
GST receivable from the Australian Taxation Office	28,903	49,229
Total other receivables	28,903	49,229
Total receivables (gross)	3,780,717	3,483,684
Total receivables	3,780,717	3,483,684

Accounting policy

Financial assets

Receivables and loans that are held for the purpose of collecting the contractual cash flows where the cash flows are solely payments of principal and interest, that are not provided at below market interest rates, are subsequently measured at amortised cost using the effective interest method adjusted for any loss allowance.

2.2 Non-financial assets

2.2A: Reconciliation of the opening and closing balances of property, plant and equipment and intangibles

Reconciliation of the opening and closing balances of property, plant and equipment for 2025	Buildings \$	Plant and equipment \$	Total \$
As at 1 July 2024			
Gross book value	2,474,442	117,221	2,591,663
Accumulated depreciation, amortisation and impairment	(292,267)	(8,244)	(300,511)
Total as at 1 July 2024	2,182,175	108,977	2,291,152
Additions			
Purchase or internally developed	-	18,990	18,990
Depreciation and amortisation	(314,043)	(45,950)	(359,993)
Depreciation on right-of-use assets	(243,038)	-	(243,038)
Write-down and impairments recognised in net cost of services	-	(1,052)	(1,052)
Total as at 30 June 2025	1,625,094	80,965	1,706,059
Total as at 30 June 2025 represented by:			
Gross book value	2,447,092	134,661	2,581,753
Accumulated depreciation, amortisation and impairment	(821,998)	(53,696)	(875,694)
Total as at 30 June 2025	1,625,094	80,965	1,706,059
Carrying amount of right-of-use assets	709,137	-	709,137

All revaluations are independent and are conducted in accordance with the revaluation policy stated below. In 2023–24 a full revaluation was conducted. A desktop review was completed for 2024–25 with no material revaluation or impairment identified.

As at 30 June 2025, the IGT had no contractual commitments for either the acquisition of property, plant and equipment or for the acquisition of intangible assets (2024: nil).

Accounting policy

Acquisition of assets

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor's accounts immediately prior to the restructuring.

Lease Right-of-Use (ROU) Assets

Leased ROU assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for by Commonwealth lessees as separate asset classes to corresponding assets owned outright, but included in the same column as where the corresponding underlying assets would be presented if they were owned.

Following initial application, an impairment review is undertaken for any right-of-use lease asset that shows indicators of impairment and an impairment loss is recognised against any right-of-use lease asset that is impaired. Lease ROU assets continue to be measured at cost after initial recognition. The IGT did not identify any indicators of impairment.

Asset recognition threshold

Purchases of property, plant and equipment are recognised initially at cost in the Statement of Financial Position, except for purchases costing less than \$2,000 and computer equipment of less than \$1,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Revaluations

Following initial recognition at cost, property plant and equipment (excluding ROU assets) are carried at fair value (or an amount not materially different from fair value) less subsequent accumulated depreciation and accumulated impairment losses. Cost is considered an acceptable fair value proxy for assets under construction. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially with the assets' fair values as at the reporting date. The regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments were made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised in the surplus or deficit. Revaluation decrements for a class of assets are recognised directly through surplus or deficit except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the last revaluation date was eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

Depreciation

Depreciable property, plant and equipment assets are written off to their estimated residual values over their estimated useful lives to the IGT using, in all cases, the straight-line method of depreciation. Leasehold improvements are depreciated on a straight-line basis over the lesser of the estimated useful life of the improvements or the unexpired period of the lease.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate. Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

Asset Class	2025	2024
Buildings	Lease terms	Lease terms
Plant and equipment	1-15 years	1-15 years

Impairment

Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the IGT were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

All tangible assets were assessed for impairment as at 30 June 2025.

Fair value measurements - validation process

Comprehensive valuations are carried out once every three years. In the intervening years, an annual materiality review is undertaken to determine whether the carrying amount of the assets is materially different from the fair value. The IGT appointed Jones Lang LaSalle (JLL) to undertake a full revaluation of all tangible property, plant and equipment assets as at 30 June 2024. A desktop review was completed by JLL for 2024-25 with no material revaluation or impairment identified.

2.2B: Other non-financial assets	2025 \$	2024 \$
Prepayments	124,883	62,740
Total other non-financial assets	124,883	62,740

Accounting policy

Prepayments

Prepaid expenses are recognised where an expense above \$2,000 was made to 30 June 2025 but the good, service or event causing rise to the expense is not due for receipt or occurrence until 2025–26.

2.3 Payables

2.3A: Other payables	2025 \$	2024 \$
Salaries and wages	134,801	94,689
Superannuation	25,085	16,988
Other	63,019	58,466
Total other payables	222,905	170,143

Accounting policy

Payables

Payables include trade creditors and accruals and are recognised at amortised cost. Liabilities are recognised to the extent the goods or services have been received (and irrespective of having been invoiced).

2.4 Interest bearing liabilities

2.4A: Leases	2025 \$	2024 \$
Lease liabilities	833,602	1,050,514
Total leases	833,602	1,050,514

Total cash outflow for lease for the period ended 30 June 2025 was \$245,310, \$216,912 in principal repayments and \$28,398 in interest payments (2024: \$253,737, \$218,454 in principal repayments and \$35,284 in interest payments).

Maturity analysis - contractual undiscounted cash flows		
Within 1 year	283,059	267,494
Between 1 to 5 years	587,515	870,574
Total leases	870,574	1,138,068

The above lease disclosures should be read in conjunction with the accompanying notes 1.1C and 2.2A.

Accounting policy

Leases

For all new contracts entered into, the IGT considers whether the contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Once it has been determined that a contract is, or contains a lease, the lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease, if that rate is readily determinable, or the department's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification to the lease. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or profit and loss depending on the nature of the re-assessment or modification.

2.5 Other provisions

2.5A: Other provisions	Provision for restoration obligations ¹ \$
As at 1 July 2024	164,316
Additional provision made	-
Revaluation	500
Unwinding of discount or change in discount rate	6,555
Total as at 30 June 2025	171,371

¹ Relates to the lease agreement for 201 Kent Street, Sydney.

3. People and relationships

This section describes a range of employment and post employment benefits provided to our people and our relationships with other key people.

3.1 Employee provisions

3.1A: Employee provisions	2025 \$	2024 \$
Leave	1,868,040	1,527,443
Total employee provisions	1,868,040	1,527,443

Accounting policy

Employee benefits

Liabilities for short-term employee benefits and termination benefits due within twelve months of the end of the reporting period are measured at their nominal amounts.

Other long-term employee benefits are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

Leave

The liability for employee benefits includes provision for annual leave and long service leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the IGT's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

In 2024-25, the liability for long service leave was prepared with reference to an actuarial assessment of leave provisions completed by the Australian Government Actuary in 2023-24. The actuarial assessment considered the likely tenure of existing staff, patterns of leave claims, payouts, future salary movements, attrition rates, and pay increases. The next actuarial assessment will be completed in the 2026-27 financial year.

Superannuation

Staff of the IGT in general are members of the Public Sector Superannuation Scheme (PSS) or the PSS accumulation plan (PSSap).

The PSS is a defined benefit scheme for the Australian Government. The PSSap is a defined contribution scheme. The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported by the Department of Finance's administered schedules and notes.

The IGT makes employer contributions to the employees' defined benefit superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government. The IGT accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final fortnight of the year.

3.2 Key management personnel remuneration

Key management personnel are those having authority and responsibility for planning, directing and controlling the activities, directly or indirectly, of the IGT. In 2024–25, the IGT has determined the key management personnel to be all members of its Executive Committee, the Chief Financial Officer and the Executive Officer to the Inspector General of Taxation and Taxation Ombudsman. Key management personnel remuneration is reported in the table below:

	2025 \$	2024 \$
Short-term employee benefits	2,178,515	1,836,059
Post-employment benefits	327,956	252,865
Other long-term employee benefits	101,443	59,588
Total key management personnel remuneration expenses¹	2,607,914	2,148,512

The total number of key management personnel that are included in the above table is 13 people for 10 roles (2024: 10 people for 8 roles).

¹ The above key management personnel remuneration excludes the remuneration and other benefits of the Portfolio Minister. The Portfolio Minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the entity.

3.3 Related party disclosures

Related party relationships:

The IGT is an Australian Government controlled entity. Related parties to the IGT are key management personnel including the Portfolio Minister and Executive, and other Australian Government entities.

Transactions with related parties:

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. Such transactions include the payment or refund of taxes, receipt of a Medicare rebate or higher education loans. These transactions have not been separately disclosed in this note.

Significant transactions with related parties can include:

- the payments of grants or loans;
- purchases of goods and services;
- asset purchases, sales transfers or leases;
- debts forgiven; and
- guarantees.

Giving consideration to relationships with related entities, and transactions entered into during the reporting period by the IGT, it has been determined that there are no related party transactions to be separately disclosed (2024: nil).

Funding

This section identifies the Inspector-General of Taxation funding structure.

4.1 Appropriations

4.1A: Annual appropriations

Annual appropriations for 2025

		Adjustments to appropriations			
	Annual Appropriation \$	Section 74 Receipts ¹ \$	Total appropriation \$	Appropriation applied in 2025 (current and prior years) \$	Variance ² \$
Departmental					
Ordinary annual services	7,324,000	219,126	7,543,126	(7,250,573)	292,553
Capital Budget ³	32,000	-	32,000	(20,888)	11,112
Total Departmental	7,356,000	219,126	7,575,126	(7,271,461)	303,665

¹ Adjustments to appropriations include GST related receipts retained under the section 74 of the PGPA Act. In 2024–25, the IGT has changed the presentation of appropriations disclosed in the appropriation note to include GST amounts retained under section 74 of the PGPA Act. In prior years, retainable GST under section 74 of the PGPA Act was excluded from the appropriation note.

² In 2024–25, \$7.324 million is reported as revenue from government and reported in the statement of comprehensive income. The \$0.293 million difference relates to unspent appropriations and s74 receipts.

³ Departmental Capital Budgets are appropriated through Appropriation Act (No.1). They form part of ordinary annual services and are not separately identified in the Appropriation Acts.

Annual appropriations for 2024

		Adjustments to appropriations			
	Annual Appropriation \$	Section 74 ³ \$	Total appropriation \$	Appropriation applied in 2024 \$	Variance ¹ \$
Departmental					
Ordinary annual services	6,677,000	348,900 ³	7,025,900	(7,098,771)	(72,871)
Capital Budget ²	32,000	-	32,000	(32,000)	-
Total Departmental	6,709,000	348,900	7,057,900	(7,130,771)	(72,871)

¹ In 2023–24, \$6.677 million was reported as revenue from government and reported in the statement of comprehensive income. The \$0.073 million variance was funded from prior year appropriations.

² Departmental Capital Budgets are appropriated through Appropriation Act (No.1). They form part of ordinary annual services and are not separately identified in the Appropriation Acts.

³ There is an additional amount of retainable GST receipts that have not been included in the Section 74 disclosure in the current financial year. This amount pertains to transactions that are outside the scope of the of the prior year's disclosure requirements under Section 74.

4.1B: Unspent annual appropriations ('recoverable GST exclusive')	2025 \$	2024 \$
Departmental		
Supply Act (No. 3) 2022-23 ¹	76,000	76,000
Appropriation Act (No. 1) 2023-24	-	3,434,455
Appropriation Act (No. 1) 2024-25	3,751,813	-
Cash at Bank	20,000	33,694
Total Departmental	3,847,813	3,544,149

¹ Supply Act (No.3) 2022-2023 includes unspent funds of \$0.076 million. The funds are subject to PGPA Act section 51 withholding quarantine and are considered legally available appropriations as at 30 June 2025.

4.2 Net cash appropriation arrangements

	2025 \$	2024 \$
Total comprehensive income/(loss) as per the Statement of Comprehensive Income	(302,692)	(778,751)
Plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) ¹	359,993	351,681
Plus: depreciation of right-of-use assets ²	243,038	243,037
Less: lease principal repayments ²	(216,912)	(218,454)
	83,427	(402,487)
Less: Changes in asset revaluation reserve	500	46,201
Net Cash Operating Surplus/ (Deficit)	83,927	(356,286)

¹ From 2011, the Government introduced net cash appropriation arrangements where revenue appropriations for depreciation and amortisation expenses ceased. Entities now receive a separate capital budget provided through equity appropriations and/or departmental capital budget funding. Capital budgets are appropriated in the period when cash payment for capital expenditure is required.

² The inclusion of depreciation and amortisation expenses related to ROU leased assets and the lease liability principal repayment amount reflects the impact of AASB 16 Leases, which does not directly reflect a change in appropriation arrangements.

5. Managing uncertainties

This section analyses how the Inspector-General of Taxation manages financial risks within its operating environment.

5.1 Contingent assets and liabilities

There were no quantifiable contingent assets or liabilities in 2025 (2024: nil).

Accounting policy

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

5.2 Financial instruments

5.2A: Categories of financial instruments	2025 \$	2024 \$
Financial Assets		
Financial assets at amortised cost		
Cash and cash equivalents	20,000	33,694
Total financial assets at amortised cost	20,000	33,694
Total financial assets	20,000	33,694
Financial Liabilities		
Financial liabilities measured at amortised cost		
Suppliers payable	160,978	313,399
Other payables	63,019	58,466
Total financial liabilities measured at amortised cost	223,997	371,865
Total financial liabilities	223,997	371,865

Accounting policy

Financial assets

In accordance with AASB 9 Financial Instruments, the IGT classifies its financial assets in the following categories:

- a. financial assets at fair value through profit or loss;
- b. financial assets at fair value through other comprehensive income; and
- c. financial assets measured at amortised cost.

The classification depends on both the entity's business model for managing the financial assets and contractual cash flow characteristics at the time of initial recognition. Financial assets are recognised when the entity becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash and derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon trade date.

Financial assets at amortised cost

Financial assets included in this category need to meet two criteria:

1. the financial asset is held in order to collect the contractual cash flows; and
2. the cash flows are solely payments of principal and interest (SPPI) on the principal outstanding amount.

Amortised cost is determined using the effective interest method.

Effective interest method

Income is recognised on an effective interest rate basis for financial assets that are recognised at amortised cost.

Impairment of financial assets

Financial assets are assessed for impairment at the end of each reporting period based on Expected Credit Losses, using the general approach which measures the loss allowance based on an amount equal to lifetime expected credit losses where risk has significantly increased, or an amount equal to 12-month expected credit losses if risk has not increased.

The simplified approach for trade, contract and lease receivables is used. This approach always measures the loss allowance as the amount equal to the lifetime expected credit losses.

A write-off constitutes a derecognition event where the write-off directly reduces the gross carrying amount of the financial asset.

Financial liabilities

Financial liabilities are classified as either financial liabilities at 'fair value through profit or loss' or other financial liabilities.

Financial liabilities are recognised and derecognised upon 'trade date'.

Financial liabilities at amortised cost

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective interest basis.

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

All payables are expected to be settled within 12 months except where indicated.

6. Other information

6.1 Current/non-current distinction for assets and liabilities

6.1A: Current/Non-Current Distinction for Assets and Liabilities	2025 \$	2024 \$
Assets expected to be recovered in:		
No more than 12 months		
Cash and cash equivalents	20,000	33,694
Trade and other receivables	3,780,717	3,483,684
Other non-financial assets	62,455	62,740
Total no more than 12 months	3,863,172	3,580,118
More than 12 months		
Buildings	1,625,094	2,182,175
Plant and equipment	80,965	108,977
Other non-financial assets	62,428	-
Total more than 12 months	1,768,487	2,291,152
Total assets	5,631,659	5,871,270
Liabilities expected to be settled in:		
No more than 12 months		
Suppliers	160,978	313,399
Other payables	222,905	170,143
Leases	262,225	216,912
Employee provisions	445,154	341,433
Total no more than 12 months	1,091,262	1,041,887
More than 12 months		
Leases	571,377	833,602
Employee provisions	1,422,886	1,186,010
Other provisions	171,371	164,316
Total more than 12 months	2,165,634	2,183,929
Total liabilities	3,256,896	3,225,815

7. Budgetary commentary and explanation of major variances

7.1 Budget variance commentary

The table below provides explanations for major variances between the agency's original budget estimates, as published in the 2024–25 Portfolio Budget Statements (PBS), and the actual financial performance and position for the year ended 30 June 2025. The budget is not audited.

Variances are considered to be 'major' if they are core to the agency's activities and based on the following criteria:

- the variance between budget and actual is greater than +/- 10% of the original budget for a line item and greater than +/- \$100,000; and
- an item is below this threshold but is considered important for the reader's understanding or is relevant to an assessment of the discharge of accountability and to an analysis of the agency's performance.

Variances relating to cash flows are a result of the factors explained for net cost of services, assets or liabilities variations. Unless otherwise individually significant, no additional commentary has been included.

The nature and timing of the Commonwealth's budget process can also contribute to variances.

Budget variance explanation	Affected statements and line items
<p>The net cost of service was \$0.26 million higher than Budget due to:</p> <ul style="list-style-type: none"> • an increase to employee benefits from higher pay rates as per IGT's Enterprise Agreement not fully budgeted for, partially offset by a de-crease to supplier expenses from lower information technology, consultant and contractor expenses relative to Budget; and • partially offset by an increase in depreciation due to timing differences between the budgeted and actual transition to the new lease and fit out at 201 Kent Street, Sydney. 	<p>Statement of Comprehensive Income</p> <ul style="list-style-type: none"> • Employee benefits • Suppliers • Depreciation and amortisation <p>Statement of Financial Position</p> <ul style="list-style-type: none"> • Non-financial assets • Leases • Employee provisions
<p>The timing differences on lease commencement also contributed to a decrease in the value of buildings compared to budget, while decreasing principal payments of lease liabilities.</p>	<p>Statement of Cash Flows</p> <ul style="list-style-type: none"> • Employees • Suppliers • Principal payments of lease liabilities
<p>Receivables increased against budget due to higher appropriation receivables.</p>	<p>Statement of Financial Position</p> <ul style="list-style-type: none"> • Receivables.
<p>Supplier payables decreased against budget due to lower accrued expenditure, partially offset by increases to other payables due to higher accrued salary and wages and leave payable on interagency transfers.</p>	<p>Statement of Financial Position</p> <ul style="list-style-type: none"> • Supplier payable • Other payables.
<p>Purchases of plant and equipment decreased against budget due to lower-than-anticipated capital acquisitions.</p>	<p>Statement of Cash Flows</p> <ul style="list-style-type: none"> • Purchase of plant and equipment.



Part 6: Other mandatory information and appendices

Other mandatory information	98
Appendices	100



Other mandatory information

Advertising and market research

We did not conduct or incur any costs relating to advertising campaigns during FY25. We conducted two market research projects this year to better understand our customer satisfaction and test the public awareness of our services. The first project was undertaken by ORIMA Research, the costs of which are disclosed in Table 3.3. We also engaged EY Sweeney during FY25 to undertake initial research to test the community's awareness of our agency's services and support.

Grants

No discretionary grant programs are administered by our agency.

Disability reporting mechanism

Australia's Disability Strategy 2021–2031 (the Strategy) is the overarching framework for inclusive policies, programs and infrastructure that will support people with disability to participate in all areas of Australian life. The Strategy sets out where practical changes will be made to improve the lives of people with disability in Australia. It acts to ensure the principles underpinning the United Nations Convention on the Rights of Persons with Disabilities are incorporated into Australia's policies and programs that affect people with disability, their family and carers. All levels of government have committed to deliver more comprehensive and visible reporting under the Strategy. A range of reports on progress of the Strategy's actions and outcome areas is available at www.disabilitygateway.gov.au/ads.

Disability reporting is included in the Australian Public Service Commission's State of the Service reports and the APS Statistical Bulletin. These reports are available at www.apsc.gov.au.

Freedom of information (FOI)

Entities subject to the Freedom Of Information Act 1982 (FOI Act) are required to publish information to the public as part of the Information Publication Scheme (IPS). This requirement is pursuant to Part II of the FOI Act. Our agency's Information Publication Scheme statement is available at IGTO Information publication scheme.

Climate action in Government operations

Ecological sustainable development and environmental performance

Our office has measures in place to improve its overall environmental performance and complies with the principles of ecologically sustainable development. We have an environmental policy to assist with managing the performance of our office-based activities. The owner of our leased office premises has active energy, waste management and water conservation strategies.

We encourage recycling by providing waste bins, segregating waste into paper and cardboard products as well as plastic, takeaway cups, and glass products. We also recycle toner printer cartridges.

Our office has a smart lighting system and water taps with energy saving functionality. Our ICT systems use a cloud-only technology provider that uses renewable energy sources and is carbon neutral. The office has printers with relatively low energy consumption and a 'Follow-Me' printing system to minimise paper wastage. We use 100% recycled paper that is certified carbon neutral and sustainable forest management certified.

We report to Government annually on our office's energy performance in accordance with the Energy Efficiency in Government Operations Policy. Our office's annual energy performance for FY25 will be reported to Government by 31 December 2025.

Emissions reporting

APS Net Zero 2030 is the Government's policy for the APS to reduce its greenhouse gas emissions to net zero by 2030 and transparently report on its emissions. As part of this, non-corporate Commonwealth entities are required to report on their operational greenhouse gas emissions.

The Greenhouse Gas Emissions Inventory presents greenhouse gas emissions over the FY25 period. Results are presented on the basis of Carbon Dioxide Equivalent (CO₂-e) emissions. Greenhouse gas emissions reporting has been developed with methodology that is consistent with the Whole-of-Australian Government approach as part of the APS Net Zero 2030 policy. Not all data sources were available at the time of the report and adjustments to baseline data may be required in future reports. Our Greenhouse Gas Emissions reports for FY25 are set out in the Tables 6.1 and 6.2 to the right.

Table 6.1 Greenhouse gas emissions inventory - location-based method FY25

Emission Source	Scope 1 t CO ₂ -e	Scope 2 t CO ₂ -e	Scope 3 t CO ₂ -e	Total t CO ₂ -e
Electricity (location based approach)	n/a	10.74	0.65	11.39
Natural gas	-	n/a	-	-
Solid waste^a	-	n/a	1.67	1.67
Refrigerants	-	n/a	n/a	-
Fleet and other vehicles	-	n/a	-	-
Domestic commercial flights	n/a	n/a	17.48	17.48
Domestic hire car	n/a	n/a	-	-
Domestic travel accommodation^b	n/a	n/a	5.38	5.38
Other energy	-	n/a	-	-
Total t CO₂-e	-	10.74	25.18	35.92

Note: the table above presents emissions related to electricity usage using the location-based accounting method. CO₂-e = Carbon Dioxide Equivalent.

n/a = not applicable

Note a: a portion of solid waste data was estimated based on the net lettable area occupied by the IGT.

Note b: IGT is reporting domestic accommodation emissions for the first time in 2024-25 as the quality and completeness of this data has improved.

Table 6.2 Electricity greenhouse gas emissions FY25

Emission Source	Scope 2 t CO ₂ -e	Scope 3 t CO ₂ -e	Total t CO ₂ -e	Electricity kWh
Electricity (Location Based Approach)	10.74	0.65	11.39	16,269.64
Market-based electricity emissions	10.78	1.46	12.24	13,309.38
Total renewable electricity consumed	n/a	n/a	n/a	2,960.26
<i>Renewable Power Percentage¹</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>2,960.26</i>
<i>Jurisdictional Renewable Power Percentage^{2, 3}</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>-</i>
<i>GreenPower²</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>-</i>
<i>Large-scale generation certificates²</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>-</i>
<i>Behind the meter solar⁴</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>-</i>
Total renewable electricity produced	n/a	n/a	n/a	-
<i>Large-scale generation certificates²</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>-</i>
<i>Behind the meter solar⁴</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>-</i>

Note: The table above presents emissions related to electricity usage using both the location-based and the market-based accounting methods. CO₂-e = Carbon Dioxide Equivalent. Electricity usage is measured in kilowatt hours (kWh).

¹Listed as Mandatory renewables in 2023-24 Annual Reports. The renewable power percentage (RPP) accounts for the portion of electricity used, from the grid, that falls within the Renewable Energy Target (RET).

²Listed as Voluntary renewables in 2023-24 Annual Reports.

³The Australian Capital Territory is currently the only state with a jurisdictional renewable power percentage (JRPP).

⁴Reporting behind the meter solar consumption and/or production is optional. The quality of data is expected to improve over time as emissions reporting matures.

Appendices

Appendix 1 – Relationship between the performance measures in the Portfolio Budget Statements 2025–26 and IGTO Corporate Plan 2025–28

Portfolio Budget Statements 2025–26	IGTO Corporate Plan 2025–2028
Effective handling of tax administration complaints	KPI 1 - Finalisation of outstanding complaint cases that were received before 1 October 2024 KPI 2 - Turnaround times for finalisation of complaints received from 1 October 2024 KPI 3 - Customer satisfaction survey results KPI 6 – Live within budget
Efficient conduct of reviews into tax administration issues	KPI 4 - Number of systemic reviews completed and published KPI 5 - % of review recommendations agreed and implemented KPI 6 – Live within budget
Publication of reports on tax administration	KPI 4 - Number of systemic reviews completed and published
Independent advice to Government and relevant entities on improvements to tax administration	A new measure has been developed for FY26

Appendix 2 – Entity resource statement

Entity resource statement 2024–25

	Actual available appropriation for 2024–25 \$'000	Payments made 2024–25 \$'000	Balance remaining 2024–25 \$'000
	(a)	(b)	(a) – (b)
Departmental			
Annual appropriations – ordinary annual services ¹	7,575	3,727	3,848
Prior year appropriations available – ordinary annual services	3,544	3,544	-
Total resourcing and payments for the IGTO	11,119	7,271	3,848

¹ Departmental Capital Budgets are appropriated through Appropriation Act (No.1). They form part of ordinary annual services and are not separately identified in the Appropriation Acts.


Appendix 3 – Expenses by outcomes

Expenses for Outcome 1

Outcome 1: Fair, accountable and improved administration and integrity of the taxation and superannuation systems for the benefit of the Australian community, through independent investigation and reporting.	Budget* 2024-25 \$'000	Actual expenses 2024-25 \$'000	Variation 2024-25 \$'000
	(a)	(b)	(a) – (b)
Program 1.1: Inspector-General of Taxation			
Departmental expenses			
Departmental appropriation	7,324	7,017	307
s74 External Revenue	60	0	60
Expenses not requiring appropriation in the Budget year ¹	46	675	-629
Total expenses for Outcome 1	7,430	7,691	-261
	2024-25	2023-24	
Average staffing level (number)	35	35	

* Full-year budget, including any subsequent adjustment made to the 2024-25 budget at Additional Estimates.

1. Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make good expenses, audit fees and write down and impairments.



Part 7: Reference materials

Glossary	104
List of requirements	106
Shortened terms	111
Index	113



Glossary

Activities	The actions/functions performed by agencies to deliver government policies.
Appropriation	An amount of public money that Parliament authorises for spending (that is, funds to be withdrawn from the Consolidated Revenue Fund). Parliament makes laws for appropriating money under the Annual Appropriation Acts and under Special Appropriations, with spending restricted to the purposes specified in the Appropriation Acts.
APS employee	A person engaged under section 22, or a person who is engaged as an APS employee under section 72, of the <i>Public Service Act 1999</i> .
Complaint	Expression of dissatisfaction made to or about an organisation, related to its products, services, staff or the handling of a complaint, where a response or resolution is explicitly or implicitly expected or legally required.
Consolidated Revenue Fund	The principal operating fund from which money is drawn to pay for the activities of the Government. Section 81 of the Australian Constitution provides that all revenue raised or monies received by the Executive Government forms one consolidated revenue fund from which appropriations are made for the purposes of the Australian Government.
Corporate governance	<p>The process by which agencies are directed and controlled. It is generally understood to encompass authority, accountability, stewardship, leadership, direction and control.</p> <p>The PGPA Act establishes a coherent system of governance and accountability for public resources, with an emphasis on planning, performance and reporting. It is the primary piece of Commonwealth resource management legislation. The PGPA Act applies to all Commonwealth entities and Commonwealth companies.</p>
Corporate plan	The primary planning document of a Commonwealth entity that sets out the objectives and strategies the entity intends to pursue in achieving its purposes over at least four reporting periods.
Complaints Service	The service offered by our agency to address complaints raised by the community about the administrative actions and decisions of the ATO or TPB, as well as systems relating to tax administration.
Financial results	The results shown in the financial statements of an entity.
Grant	An arrangement for the provision of financial assistance by the Commonwealth or on behalf of the Commonwealth and covered by the Commonwealth Grants Rules and Guidelines.
Tax Ombudsman website	Our website can be found at: www.taxombudsman.gov.au
Materiality	Takes into account the planned outcome and the relative significance of the resources consumed in contributing to the achievement of that outcome.
Non-ongoing APS employee	A person engaged as an APS employee under paragraphs 22(2)(b) or 22(2)(c) of the <i>Public Service Act 1999</i> .

Ongoing APS employee	A person engaged as an ongoing APS employee under paragraph 22(2)(a) of the <i>Public Service Act 1999</i> .
Operations	The functions, services and processes performed in pursuing the objectives or discharging the functions of the office.
Outcomes	The results, impacts or consequence of actions by the Commonwealth on the Australian community.
Portfolio Budget Statements	The Budget related papers detailing budget initiatives and explanations of appropriations specified by outcome and program by each agency within a portfolio.
Programmes	An activity or groups of activities that deliver benefits, services or transfer payments to individuals, industry/business or the community as a whole and are the primary vehicles for government agencies to achieve the intended results of their outcome statements.
Responsible Minister	The minister who is responsible for matters described under the Administrative Arrangements Order (AAO). Each Commonwealth entity and company has a responsible minister, which one depends on the matters that the entity or company deals with, or otherwise prescribed by the rules.

List of requirements

PGPA Rule reference	Part of report	Description	Requirement
17AD(g)	Letter of transmittal		
17AI	2	A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory
17AD(g)	Aids to access		
17AJ(a)	3	Table of contents (print only).	Mandatory
17AJ(b)	113	Alphabetical index (print only).	Mandatory
17AJ(c)	104-105, 111-112	Glossary of abbreviations and acronyms.	Mandatory
17AJ(d)	106-110	List of requirements.	Mandatory
17AJ(e)	Inside front cover	Details of contact officer.	Mandatory
17AJ(f)	Inside front cover	Entity's website address.	Mandatory
17AJ(g)	Inside front cover	Electronic address of report.	Mandatory
17AD(a)	Review by Accountable Authority		
17AD(a)	6-7	A review by the accountable authority of the entity.	Mandatory
17AD(b)	Overview of the entity		
17AE(1)(a)(i)	8-9	A description of the role and functions of the entity.	Mandatory
17AE(1)(a)(ii)	23	A description of the organisational structure of the entity.	Mandatory
17AE(1)(a)(iii)	22	A description of the outcomes and programmes administered by the entity.	Mandatory
17AE(1)(a)(iv)	8-9	A description of the purposes of the entity as included in corporate plan.	Mandatory
17AE(1)(aa)(i)	23	Name of the accountable authority or each member of the accountable authority	Mandatory
17AE(1)(aa)(ii)	23	Position title of the accountable authority or each member of the accountable authority	Mandatory
17AE(1)(aa)(iii)	23	Period as the accountable authority or member of the accountable authority within the reporting period	Mandatory
17AE(1)(b)	N/A	An outline of the structure of the portfolio of the entity.	Portfolio Departments Mandatory

PGPA Rule reference	Part of report	Description	Requirement
17AE(2)	N/A	Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change.	If applicable, Mandatory
17AD(c) Report on the performance of the entity			
Annual performance statements			
17AD(c)(i); 16F	26-41	Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule.	Mandatory
17AD(c)(ii) Report on financial performance			
17AF(1)(a)	42	A discussion and analysis of the entity's financial performance.	Mandatory
17AF(1)(b)	100-101	A table summarising the total resources and total payments of the entity.	Mandatory
17AF(2)	N/A	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	If applicable, mandatory.
17AD(d) Management and accountability			
Corporate governance			
17AG(2)(a)	46-51	Information on compliance with section 10 (fraud and corruption systems)	Mandatory
17AG(2)(b)(i)	2	A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared.	Mandatory
17AG(2)(b)(ii)	2	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud and corruption that meet the specific needs of the entity are in place.	Mandatory
17AG(2)(b)(iii)	2	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud and corruption relating to the entity.	Mandatory
17AG(2)(c)	46-51	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory
17AG(2)(d) – (e)	N/A	A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to non compliance with Finance law and action taken to remedy non compliance.	If applicable, mandatory
Audit Committee			
17AG(2A)(a)	48	A direct electronic address of the charter determining the functions of the entity's audit committee.	Mandatory
17AG(2A)(b)	49	The name of each member of the entity's audit committee.	Mandatory
17AG(2A)(c)	49	The qualifications, knowledge, skills or experience of each member of the entity's audit committee.	Mandatory
17AG(2A)(d)	49	Information about the attendance of each member of the entity's audit committee at committee meetings.	Mandatory
17AG(2A)(e)	49	The remuneration of each member of the entity's audit committee.	Mandatory

PGPA Rule reference	Part of report	Description	Requirement
External scrutiny			
17AG(3)	52	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory
17AG(3)(a)	52	Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity.	If applicable, mandatory
17AG(3)(b)	52	Information on any reports on operations of the entity by the Auditor General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman.	If applicable, mandatory
17AG(3)(c)	52	Information on any capability reviews on the entity that were released during the period.	If applicable, mandatory
Management of human resources			
17AG(4)(a)	58-63	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory
17AG(4)(aa)	64-67	Statistics on the entity's employees on an ongoing and non ongoing basis, including the following: (a) statistics on full time employees; (b) statistics on part time employees; (c) statistics on gender; (d) statistics on staff location.	Mandatory
17AG(4)(b)	64-67	Statistics on the entity's APS employees on an ongoing and non ongoing basis; including the following: • Statistics on staffing classification level; • Statistics on full time employees; • Statistics on part time employees; • Statistics on gender; • Statistics on staff location; • Statistics on employees who identify as Indigenous.	Mandatory
17AG(4)(c)	59	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the <i>Public Service Act 1999</i> .	Mandatory
17AG(4)(c)(i)	59	Information on the number of SES and non SES employees covered by agreements etc identified in paragraph 17AG(4)(c).	Mandatory
17AG(4)(c)(ii)	60	The salary ranges available for APS employees by classification level.	Mandatory
17AG(4)(c)(iii)	58-61	A description of non salary benefits provided to employees.	Mandatory
17AG(4)(d)(i)	N/A	Information on the number of employees at each classification level who received performance pay.	If applicable, mandatory
17AG(4)(d)(ii)	N/A	Information on aggregate amounts of performance pay at each classification level.	If applicable, mandatory
17AG(4)(d)(iii)	N/A	Information on the average amount of performance payment, and range of such payments, at each classification level.	If applicable, mandatory
17AG(4)(d)(iv)	N/A	Information on aggregate amount of performance payments.	If applicable, mandatory

PGPA Rule reference	Part of report	Description	Requirement
Asset management			
17AG(5)	52	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities	If applicable, mandatory
Purchasing			
17AG(6)	53	An assessment of entity performance against the <i>Commonwealth Procurement Rules</i> .	Mandatory
Reportable consultancy contracts			
17AG(7)(a)	53-55	A summary statement detailing the number of new reportable consultancy contracts entered into during the period; the total actual expenditure on all such contracts (inclusive of GST); the number of ongoing reportable consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory
17AG(7)(b)	54	A statement that " <i>During [reporting period], [specified number] new reportable consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of \$[specified million].</i> "	Mandatory
17AG(7)(c)	53-55	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged.	Mandatory
17AG(7)(d)	54	A statement that " <i>Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website.</i> "	Mandatory
Reportable non-consultancy contracts			
17AG(7A)(a)	53-55	A summary statement detailing the number of new reportable non-consultancy contracts entered into during the period; the total actual expenditure on such contracts (inclusive of GST); the number of ongoing reportable non-consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory
17AG(7A)(b)	55	A statement that " <i>Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website.</i> "	Mandatory
17AD(daa)	Additional information about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts		
17AGA	53-55	Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts.	Mandatory
Australian National Audit Office Access Clauses			
17AG(8)	53	If an entity entered into a contract with a value of more than \$100 000 (inclusive of GST) and the contract did not provide the Auditor General with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, mandatory

PGPA Rule reference	Part of report	Description	Requirement
Exempt contracts			
17AG(9)	53	If an entity entered into a contract or there is a standing offer with a value greater than \$10 000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	If applicable, mandatory
Small business			
17AG(10)(a)	53	A statement that "[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website."	Mandatory
17AG(10)(b)	53	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory
17AG(10)(c)	N/A	If the entity is considered by the Department administered by the Finance Minister as material in nature—a statement that "[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury's website."	If applicable, mandatory
Financial statements			
17AD(e)	72-95	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	Mandatory
Executive Remuneration			
17AD(da)	58-61, 68-69	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 2 3 of the Rule.	Mandatory
17AD(f)	Other mandatory information		
17AH(1)(a)(i)	N/A	If the entity conducted advertising campaigns, a statement that "During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity's website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance's website."	If applicable, mandatory
17AH(1)(a)(ii)	98	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, mandatory
17AH(1)(b)	N/A	A statement that "Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity's website]."	If applicable, mandatory
17AH(1)(c)	98	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory
17AH(1)(d)	98	Website reference to where the entity's Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	Mandatory
17AH(1)(e)	N/A	Correction of material errors in previous annual report	If applicable, mandatory
17AH(2)	53, 98-99	Information required by other legislation	Mandatory

Shortened terms

Acronym	Description or Term
AA	Accountable Authority
AAIs	Accountable Authority Instructions
ABN	Australian Business Number
ANAO	Australian National Audit Office
APS	Australian Public Service
APSC	Australian Public Service Commission
ARC	Audit and Risk Committee
ATO	Australian Taxation Office
BCP	Business Continuity Plan
CALD	Culturally and linguistically diverse
Commissioner	Commissioner of Taxation
CMS	Case management system
CPD	Continuing professional development
CPR	Commonwealth Procurement Rules
EL	Executive Level
Finance law	The PGPA Act, PGPA Rule, any other instrument made under the PGPA Act or an Appropriation Act
FOI Act	<i>Freedom of Information Act 1982</i>
FY22	Financial year ending on 30 June 2022
FY23	Financial year ending on 30 June 2023
FY24	Financial year ending on 30 June 2024
FY25	Financial year ending on 30 June 2025
GST	Goods and Services Tax
HR	Human resources
ICT	Information and communications technology
IGT	Inspector-General of Taxation
IGTO	Inspector-General of Taxation and Taxation Ombudsman
IGT Act	<i>Inspector-General of Taxation Act 2003</i>
IPS	Information Publication Scheme
KER	Key expected result
KPI	Key performance indicator
MOU	Memorandum of understanding
NACC	National Anti-Corruption Commission
Ombudsman Act	<i>Ombudsman Act 1976</i>
PBS	Portfolio Budget Statements

Acronym	Description or Term
PDS	Performance Development System
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
PGPA Rule	<i>Public Governance, Performance and Accountability Rule 2014</i>
Public Service Act	<i>Public Service Act 1999</i>
SES	Senior Executive Service
SME	Small and Medium Enterprise
Taxation law	(a) an Act of which the Commissioner has the general administration (including a part of an Act to the extent to which the Commissioner has the general administration of the Act); or (b) legislative instruments made under such an Act (including such a part of an Act); or (c) the <i>Tax Agent Services Act 2009</i> or regulations made under that Act.
TPB	Tax Practitioners Board
WHS	Work health and safety
WHS Act	<i>Work Health and Safety Act 2011</i>



Index

A

Accountable Authority, 6
Advertising and market research, 98
APS Net Zero 2030, 99
Asset management, 52
Audit and Risk Committee, 48

C

Corporate governance, 46
Corporate governance practices, 46
Fraud prevention and control, 51
Governance framework, 46
Internal audit, 50
Internal processes for managing risk, 50

D

Disability reporting, 98

E

Ecological sustainable development and environmental performance, 98
Executive Committee, 46
External scrutiny, 52

F

Financial statements, 70
Freedom of information, 98

I

Staffing statistics, 64

L

Learning and development, 61

M

Management of human resources, 58
Executive remuneration, 68
Performance management, 58
Remuneration of key management personnel, 60
SES remuneration, 60
Wellbeing and workplace health and safety, 62
Workforce composition, 59

O

Outcome and program structure, 22

P

Performance report, 24
Procurement, 53



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