

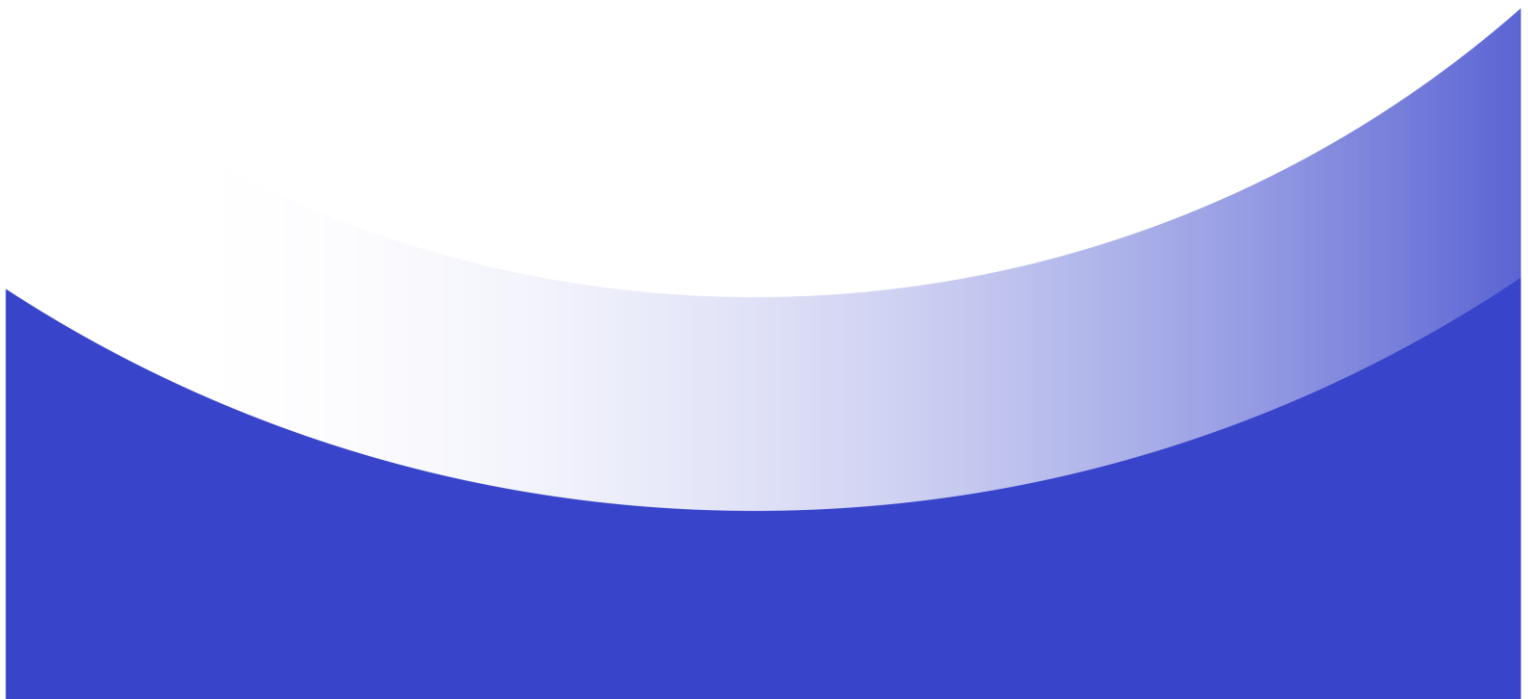


Australian Government
Australian Taxation Office

ATO Supplementary Submission

Inquiry into capability of law enforcement to respond to money laundering and financial crime

26 September 2025



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Introduction

1. The Australian Taxation Office (ATO) thanks the Parliamentary Joint Committee on Law Enforcement (the Committee) for the opportunity to make a supplementary submission to the inquiry into capability of law enforcement to respond to money laundering and financial crime (the inquiry).
2. This supplementary submission provides updates in relation to several issues raised in the ATO submission to the inquiry dated 1 August 2024 and should be read alongside this submission.

Part 1: How the ATO Works with Others

Prescribed Taskforces led by the ATO

3. The ATO would like to provide the following updates as to the outcomes of three prescribed taskforces relevant to this Inquiry: The Serious Financial Crime Taskforce (SFCT), the Shadow Economy Taskforce, and the Phoenix Taskforce which are set out in paragraphs 22 to 30 of our submission dated 1 August 2024.

Serious Financial Crime Taskforce

4. The SFCT was established on 1 July 2015 and is comprised of ten agencies.
5. From the start of operation until 30 June 2025, the SFCT has delivered results to deal with financial crime such as money laundering and tax fraud, including:
 - completion of 2,618 audits and reviews;
 - conviction and sentencing of 82 people;
 - raised liabilities of over \$2.99 billion; and
 - collections of \$1.1 billion.
6. In the 2023-24 financial year, the ATO made 282 information disclosures to the SFCT.

Phoenix Taskforce

7. The Phoenix Taskforce brings federal, state and territory agencies together to combat illegal phoenix activity.
8. From the start of operation until 30 June 2025, the Taskforce raised more than \$2.90 billion in liabilities from audits and reviews of illegal phoenix activities and returned more than \$1.24 billion to the community.
9. In 2024-25, the Taskforce:
 - completed over 1,500 audits and reviews;
 - collected more than \$137 million in cash, contributing to government spending on essential services; and

- received more than 3,714 referrals of suspected illegal phoenix activity through the Tax Integrity Centre.
10. In the 2023-24 financial year, the ATO made 225 information disclosures between agencies, helping to identify those engaging in or promoting illegal phoenix activity.

Shadow Economy Taskforce

11. The Shadow Economy Taskforce includes 11 agencies and has the purpose of tackling the shadow economy.
12. In the 2023-24 financial year, the ATO made 182 information disclosures to the Shadow Economy Taskforce.

Part 2: Enacted 'tranche two' reforms to AML/CTF legislation

13. The ATO in their submission to the inquiry dated 1 August 2024 makes a number of observations in paragraphs 44 to 49 and 58 around the proposed 'tranche two' reforms to extend the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*.
14. The ATO notes on the 24 November 2024 the Parliament of Australia passed the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* to: extend the anti-money laundering and counter-terrorism financing (AML/CTF) regime to additional services that are recognised by the Financial Action Task Force as posing high money laundering and terrorism financing risks. This legislation addresses the issues raised by the ATO in their original submission to the inquiry.
15. The ATO is committed to working with the Department of Home Affairs and AUSTRAC in relation to the implementation of tranche 2 reforms which come into effect on 1 July 2026.