

29 September 2026

Ms Ruth Owen
Tax Ombudsman
GPO Box 551
Sydney NSW 2001

By email: consultations@taxombudsman.gov.au

Dear Ms Owen,

Tax Ombudsman review: Work plan refresh – September 2026

The Tax Institute (TTI) welcomes the opportunity to contribute to the Tax Ombudsman's consultation on the Work plan refresh – September 2026 (**work plan**).

In the development of this submission, we have consulted with our National Technical Committees to provide feedback that is representative of our broader membership.

We welcome the proposed review topics and recognise the significance of all identified areas.

Priority areas

Of the review topics set out in the work plan, the following topics have been identified as priorities by our members, listed in no particular order:

- Issues Review: ATO's consultation arrangements
- Assurance Review: ATO's management of the test case litigation program
- Issues Review: ATO's administration of the Research and Development Tax Incentive

Proposed review topics

Beyond the priority areas, our members are of the view that it would be worthwhile for the Tax Ombudsman to consider reviews into the following topics:

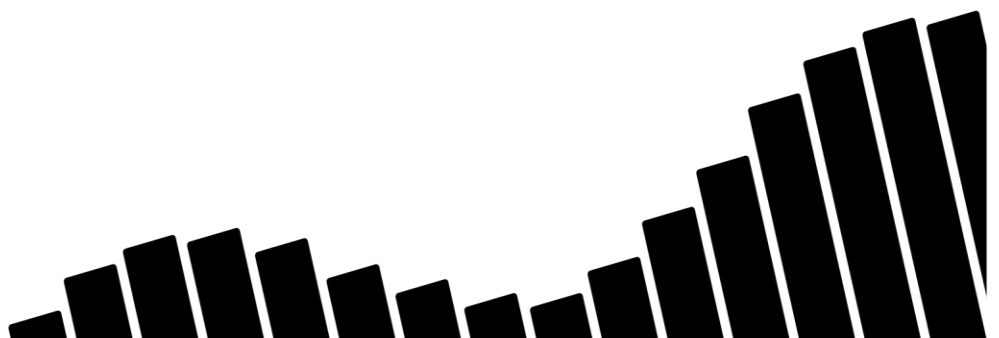
- **ATO audit timeframes and requests for extensions of the period of review.**

We note the prevailing trend of audits commencing at the end of review periods, and the use of default assessments, or the prospect of one, to obtain extensions to the period of review.

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- **Increased use of default assessments.**

We are concerned about the inappropriate use of default assessments, including where adjustments are made to only part of an assessment, and the effect this has on a taxpayer's onus of proof at objection and litigation.

- **ATO's publication of binding public advice and guidance (rulings and determinations).**

We are interested in whether the consultation process for this guidance is effective and how feedback is taken into account. We are also interested in the funding behind this function, and the reasons for the significant decrease over the past decade in binding advice in favour of non-binding advice, including the movement of substantive advice into the non-binding portions of otherwise binding guidance.

We have been pleased to work with the office of the Tax Ombudsman for many years and look forward to providing further input as the proposed reviews progress.

The Tax Institute is the leading forum for the tax community in Australia. We are committed to shaping the future of the tax profession and the continuous improvement of the tax system for the benefit of all. In this regard, The Tax Institute seeks to influence tax and revenue policy at the highest level with a view to achieving a better Australian tax system for all.

If you would like to discuss any of the above, please contact our Tax Counsel, John Storey on (03) 9603 2003.

Yours faithfully,

Tim Sandow

President