29 July 2026

The Treasury
Langton Crescent
Parkes
ACT 2600
Australia

By email: whistleblowing@treasury.gov.au

Dear Treasurer,

Review of Tax and Corporate Whistleblowing Frameworks in Australia

The Tax Institute welcomes the opportunity to make a submission to the Treasury in respect of its consultation regarding the review of tax and corporate whistleblowing frameworks (**Consultation Paper**).

The Tax Institute recognises the important role that effective whistleblower protections play in supporting the integrity of Australia's tax, corporate and professional regulatory frameworks. Individuals who become aware of misconduct or unethical conduct should be able to raise concerns through appropriate channels with confidence that they will be protected. We therefore welcome Treasury's review and the opportunity to contribute to the ongoing development of Australia's tax and corporate whistleblowing regimes.

We also acknowledge the Government's recent reforms to the tax whistleblower framework through the *Treasury Laws Amendment (Tax Accountability and Fairness) Act 2024* (**2024 Act**). These amendments expanded the tax whistleblower regime to protect disclosures made to the Tax Practitioners Board (**TPB**), extended protections for disclosures made to medical practitioners and psychologists and strengthened whistleblower protections more broadly. We welcome these enhancements as an important step in strengthening the integrity of the tax system and the tax profession.

However, despite these improvements we consider that some gaps and uncertainties remain. In particular, consideration should be given to the interaction between the breach reporting obligations under the *Tax Agent Services Act 2009* (Cth) (**TASA**) and the eligibility requirements for protection under the tax whistleblower regime. There may be circumstances where individuals who are required to report misconduct do not have access to corresponding whistleblower protections under the *Taxation Administration Act 1953* (Cth).

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Consultation timing

We note that the consultation period for this review has coincided with a number of other significant Treasury consultations, including the proposed minimum tax on discretionary trust distributions and the capital gains tax reforms relating to start-up investment. Each of these consultations raises substantial issues for our members, and the overlap has necessarily limited the depth of consultation that we have been able to undertake across all matters. The cumulative effect of concurrent consultations affects the breadth and depth of stakeholder input received across each consultation process.

As a result, this submission focuses on the key issues that we consider warrant further consideration and reform. In particular, we have concentrated on areas where there appear to be gaps, uncertainties or practical issues in the operation of the current framework. Accordingly, our comments do not seek to address every consultation question individually. Rather, this submission focuses on the principal issues that we consider are most important to the continued effectiveness of Australia's tax whistleblower regime.

Given these constraints, we would welcome the opportunity to engage further with Treasury and contribute additional feedback as the review progresses.

Scope of this submission

The Consultation Paper addresses both the tax and corporate whistleblower frameworks. Consistent with The Tax Institute's role and the expertise of our members, this submission focuses only on the tax whistleblower regime in Part IVD of the *Taxation Administration Act 1953* (**TAA**) and the implications for tax practitioners and their clients.

Our submission does not include comments on the corporate whistleblower regime in Part 9.4AAA of the *Corporations Act 2001* (Cth) (**Corporations Act**).

Summary of key themes and recommendations

The Tax Institute considers that the review provides an opportunity to strengthen and clarify Australia's tax and corporate whistleblower frameworks. In particular, we recommend:

- addressing the gap between the breach reporting obligations under the TASA and access to whistleblower protections under the tax whistleblower regime;
- improving consistency between the tax and corporate whistleblower frameworks, including harmonising key definitions and concepts where appropriate;
- clarifying and, where necessary, expanding the on-disclosure provisions in Part IVD so that a disclosure can be referred to the body with relevant jurisdiction over the conduct disclosed;
- clarifying the extent to which whistleblower protections apply to reasonable preparatory conduct undertaken in connection with making a disclosure;
- introducing a limited exception to the tax secrecy provisions to enable basic procedural feedback to be provided to disclosers without compromising taxpayer confidentiality;
- clarifying the interaction between whistleblower protections and contractual confidentiality obligations, including non-disclosure agreements;
- clarifying the interaction between tax whistleblower protections, legal professional privilege and the professional confidentiality obligations of advisers and practitioners;
- improving awareness of whistleblower rights and protections, including consideration of whistleblower policy requirements in the tax context;

- strengthening practical protections against retaliation and workplace harm where a whistleblower's identity becomes known or can be inferred;
- ensuring that any oversight arrangements adopted in respect of tax whistleblower matters include appropriate tax expertise, a clearly defined relationship with existing tax administration bodies and a central point of guidance for whistleblowers;
- considering a targeted compensation framework for whistleblowers whose disclosures result in verified enforcement outcomes or revenue recovery, while ensuring appropriate safeguards exist to discourage frivolous, vexatious or malicious claims; and
- increasing transparency through the publication of aggregated whistleblower data, outcomes and enforcement activity to improve accountability and public confidence in the regime.

Our detailed responses to the proposals are contained in **Appendix A**

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, at (02) 9602 2003.

Yours faithfully,

Tim Sandow

President

APPENDIX A

We have set out below our detailed comments and observations for your consideration.

Scope and Coverage of Protections

Whistleblower protections and breach reporting rules

Breach reporting rules under section 30-40 of the TASA require practitioners to report certain conduct by other practitioners. There is a common belief that by making such a report, practitioners are protected under the whistleblower protection rules. However, this may not be the case as protections under section 14ZZU of the TAA apply in limited circumstances and do not cover all breach reports.

Section 14ZZU of the TAA states that an individual is an 'eligible whistleblower' if the individual is, or has been, any of the following:

1. an officer of the entity as defined by the *Corporations Act;*
2. an employee of the entity;
3. an individual who provides services or goods to the entity, whether paid or unpaid;
4. an employee of a person who supplies services or goods to the entity, whether paid or unpaid;
5. an individual who is an associate of the entity as defined by section 318 of the *Income Tax Assessment Act 1936* (Cth) (**ITAA 1936**);
6. a spouse or child of an individual mentioned in any of the previous categories;
7. a dependent of an individual mentioned in any of the previous categories or their spouse; and
8. an individual prescribed by the regulations for this purpose in relation to the entity.

Schedule 2 to the 2024 Act amended the whistleblower protection rules by expanding the protection to include disclosures to the TPB, in addition to the existing protection for disclosures made to the Commissioner. While recent amendments have expanded protected disclosure channels to include the TPB, they have not broadened who qualifies as an eligible whistleblower.

The limitations of the existing framework are illustrated by the operation of the associate test in section 318 of the ITAA 1936. Under paragraph 318(1)(b), a partner in a partnership is an associate of another partner in that partnership. Accordingly, a practitioner who reports a reportable breach by a partner in the same firm may qualify as an eligible whistleblower because they are an associate of the practitioner whose conduct is reported. By contrast, a practitioner who reports a reportable breach by an unrelated practitioner to the TPB or the Commissioner, and who does not otherwise fall within any of the categories listed above, will not be an eligible whistleblower and will therefore not be entitled to whistleblower protections.

This creates an inconsistency in the framework whereby practitioners are subject to the same breach reporting obligations under TASA, but their access to whistleblower protections depends on the nature of their relationship with the practitioner being reported. As a result, practitioners who report unrelated practitioners may be required to disclose misconduct without the benefit of the protections that are available when reporting a partner or other associate.

Recommendation

Consideration should be given to extending the scope of the tax whistleblower regime to cover practitioners who make disclosures under the breach reporting obligations in section 30-40 of the TASA. This could include disclosures concerning unrelated practitioners, helping to ensure that individuals who are required to report misconduct have access to corresponding whistleblower protections under the TAA.

Harmonising key Definitions

The tax and corporate whistleblower regimes contain many similar protections, but important differences remain in the drafting of key concepts and definitions between the two frameworks. These differences may appear minor, but they can create practical uncertainty for individuals seeking to determine whether they qualify for protection, who they can make a disclosure to, and what protections are available to them.

Under section 1317AAA of the Corporations Act, the definition of 'eligible whistleblower' is broad. It includes employees, officers, contractors and associates of an entity, as well as their relatives, spouses and dependants.

Under section 14ZZU of the TAA, the definition is similar but expressed differently. It includes current and former employees, officers, contractors, and associates, and extends to a dependant of the person or the person's spouse. However, unlike the Corporations Act, it does not extend to 'relatives' more broadly.

Whistleblower protections are intended to encourage disclosures from individuals who may not be familiar with complex legislative frameworks. The effectiveness of a whistleblower regime is therefore enhanced where the rules are consistent, easy to understand and straightforward to apply. Greater alignment between the tax and corporate frameworks would reduce complexity and provide greater certainty for whistleblowers, employers and advisers alike.

Recommendation

We recommend that Treasury review the tax and corporate whistleblower regimes and align key definitions and concepts where appropriate to improve consistency, reduce complexity and make the regimes easier to understand and apply.

Referrals and on-disclosure of tax whistleblower information

The 2024 Act expanded the range of bodies that can receive protected tax whistleblower disclosures. These now include the TPB, the Taxation Ombudsman, and the Australian Charities and Not-for-profits Commission (**ACNC**). The amendments also allow these bodies to share whistleblower information with each other where necessary to perform their functions. We support these changes.

However, the amendments do not clearly address whether private-sector recipients of protected disclosures can refer those disclosures to another regulator or agency where that body is better placed to investigate the conduct. Under the TAA, protected disclosures may be made to a range of people, including partners, senior managers, auditors, trustees, registered tax agents, BAS agents, and other employees or officers responsible for tax matters.

In practice, a recipient may receive information that appears to be more appropriately dealt with by another regulator or agency. Before referring the matter, however, the recipient must consider whether the disclosure can legally be shared. The confidentiality provisions in Part IVD restrict when information that identifies, or could identify, a whistleblower can be disclosed.

This creates uncertainty where a disclosure falls within the jurisdiction of multiple regulators, or where it is unclear which regulator is best placed to investigate the conduct. For example, a disclosure about the conduct of a registered tax agent may fall within the TPB's jurisdiction, while the same disclosure may also raise issues relevant to the Australian Taxation Office (**ATO**). Similarly, a disclosure involving a registered charity may be relevant to the ACNC. A recipient who is unsure whether a referral is permitted, and who faces potential civil or criminal consequences for an unauthorised disclosure, may decide not to refer the matter at all. In those circumstances, the disclosure may never reach the regulator best placed to investigate the conduct.

A similar issue can arise where the conduct extends beyond the tax system. A similar issue can arise where the disclosed conduct extends beyond the tax system. In some cases, another regulator may be better placed to investigate the conduct, yet the restrictions in Part IVD may create uncertainty about whether the disclosure can be referred.

As a result, information may remain with the original recipient rather than reaching the authority best placed to act on it. This does not serve the interests of the whistleblower, the regulators, or the integrity of the tax system.

Consideration should also be given to creating an express referral mechanism for protected tax whistleblower disclosures. Such a mechanism could permit private-sector recipients to disclose relevant information to a regulator or agency with jurisdiction over the matters raised, either with the whistleblower's consent or where reasonably necessary to enable that regulator or agency to perform its statutory functions. This would provide greater certainty for recipients, reduce the risk that serious misconduct goes unreported to the appropriate authority, and ensure that confidentiality protections continue to operate consistently with the purpose of the tax whistleblower regime.

Recommendation

We recommend that the on-disclosure provisions in Part IVD of the TAA be clarified and, where necessary, expanded to provide greater certainty for recipients of protected tax disclosures.

At a minimum, the legislation should expressly permit private-sector recipients to refer protected disclosures to the Commissioner of Taxation, the TPB, the Tax Ombudsman, and the ACNC where those bodies have jurisdiction over the matters raised. Any such arrangements should be consistent with the information-sharing framework introduced by the 2024 amendments.

Providing clear referral pathways would help ensure that disclosures reach the most appropriate regulator, while maintaining appropriate protections for whistleblower confidentiality.

Practical barriers to using the regime

Access to information by former employees

The tax whistleblower framework recognises that former employees may be in a unique position to identify and disclose misconduct. Accordingly, former employees are eligible for protection under the current framework.

However, while former employees may qualify for protection, they often face practical challenges in supporting a disclosure or pursuing a claim for detriment. Unlike current employees, former employees generally do not have access to internal records, communications or documents that may be relevant to a whistleblower matter. This can create difficulties where evidence is required to support a disclosure or establish the circumstances surrounding a claim.

The problem may become more significant where a disclosure concerns events that occurred some time ago or where the former employee has had no ongoing relationship with the organisation after leaving. In these circumstances, access to information may depend entirely on formal court processes or regulator intervention.

While limited requests can be made under the *Fair Work Act 2009 (Cth)*, access is generally restricted to employee-related records and does not extend to broader material relevant to a whistleblower matter. There is no general statutory right for whistleblowers to obtain access to information needed to support their case outside formal court or regulatory processes.

The inability to access relevant information may discourage legitimate disclosures and make it more difficult for whistleblowers to enforce their rights.

Recommendation

We consider that there is merit in exploring mechanisms that would enable former employees to access information that is reasonably necessary to support a whistleblower disclosure or related claim, subject to appropriate safeguards and oversight by a regulator or other independent body.

Protection for preparatory conduct

Under the TAA, taxpayer information is generally protected by strict confidentiality rules. For example, Division 355 of Schedule 1 to the TAA makes it an offence to disclose protected information without authorisation. The whistleblower provisions in Part IVD of the TAA provide protection for making a disclosure. However, these protections mainly apply to the act of communicating the information, rather than the steps taken beforehand to collect or access it. This issue was highlighted in *Boyle v Director of Public Prosecutions (Cth)* [2024] SASCA 73, where the Court indicated that the protections did not extend to preparatory conduct, such as gathering or recording information prior to making a disclosure. It is important to note that Boyle arose under the *Public Interest Disclosure Act 2013 (Cth)*, as the whistleblower was an ATO officer. As a result, the reasoning applies by analogy to the tax whistleblower regime, rather than directly.

This suggests there may be a gap in protection. While a person may be protected for making a disclosure, they may still face legal risk for how they obtained or handled the information used to support it. This can create uncertainty and may discourage people from coming forward, particularly where they believe they need evidence to support their concerns.

Consideration could be given to clarifying whether the existing protections extend to reasonably necessary steps taken to prepare a disclosure, including handling information for that purpose. This may help provide greater certainty for whistleblowers.

Recommendation

Consideration could be given to clarifying the extent to which whistleblower protections apply to reasonable steps taken in preparing a protected disclosure, while maintaining appropriate safeguards against the misuse of confidential, privileged or commercially sensitive information.

Feedback to disclosers and the tax secrecy provisions

An individual who makes a protected disclosure to the Commissioner will generally receive little or no information about how that disclosure has been handled. This is because the tax secrecy provisions in Division 355 of Schedule 1 to the TAA prevent the Commissioner from disclosing protected information relating to the taxpayer who is the subject of the disclosure, including to the whistleblower.

We support the underlying policy rationale for these secrecy provisions. Protecting taxpayer confidentiality is fundamental to the operation of Australia's self-assessment tax system and should not be compromised. However, in the whistleblower context, the practical effect is that individuals who take significant personal and professional risks to report misconduct may receive no confirmation that their disclosure has been received, no indication as to whether it is being considered, and no notification when the matter has been finalised.

This issue is particularly acute in the tax whistleblower regime because of the interaction between Part IVD and the secrecy provisions in Division 355. While confidentiality obligations arise in other regulatory contexts, the breadth of the tax secrecy provisions significantly limits the information that can be provided to whistleblowers about the handling of their disclosures. It is not addressed by the existing confidentiality and anti-detriment protections available to whistleblowers.

The absence of even basic procedural communication can discourage disclosures and undermine confidence in the framework. It leaves whistleblowers uncertain about whether their concerns have reached the appropriate authority and whether any action is being taken. It may also affect their ability to decide whether to pursue other available avenues.

Other jurisdictions adopt a more balanced approach. For example, HM Revenue & Customs (**HMRC**) acknowledges receipt of whistleblower reports while making clear that taxpayer confidentiality obligations prevent it from providing substantive updates on any investigation or compliance action that may follow. A similar approach in Australia could improve confidence in the system without compromising taxpayer privacy.

Addressing this issue does not require disclosure of protected information. A limited exception allowing the Commissioner to provide procedural updates, such as confirming receipt of a disclosure, indicating whether the matter has been accepted for consideration, and advising when consideration has concluded, would provide reassurance to whistleblowers while preserving the confidentiality of the taxpayer's affairs.

Such updates would not require the Commissioner to disclose the substance of any action taken in response to a disclosure but would merely provide assurance that the disclosure has been received and appropriately considered.

Recommendation

We recommend introducing a limited exception to the tax secrecy provisions in Division 355 of Schedule 1 to the TAA to allow the Commissioner, and where relevant the TPB, Tax Ombudsman and ACNC, to provide a whistleblower with:

- confirmation that a disclosure has been received;
- high-level confirmation that the disclosure has been assessed and accepted for consideration, where appropriate; and
- confirmation when consideration of the matter has been finalised.

Any communication should be limited to procedural updates and should not disclose protected information relating to the taxpayer or entity that is the subject of the disclosure, including information about any investigation, compliance action, or outcome. This would improve transparency and confidence in the tax whistleblower framework while maintaining the integrity of taxpayer confidentiality protections.

Gaps in legal protection

Contractual confidentiality obligations

Many employees, contractors and professional advisers are subject to confidentiality obligations as part of their employment or engagement arrangements. These obligations often take the form of confidentiality clauses or non-disclosure agreements.

Under section 14ZZX of the TAA, an eligible whistleblower who makes a protected disclosure is protected from civil, criminal and administrative liability. This protection extends to claims for breach of contract because such claims are a form of civil liability.

However, these protections only apply where the requirements of the whistleblower regime are satisfied, and many individuals may not be aware that the existing protections can override contractual confidentiality obligations. This uncertainty may discourage individuals from making protected disclosures, even where the law is intended to protect them.

Greater clarity could improve confidence in the regime and encourage legitimate disclosures. Consideration should therefore be given to expressly stating that whistleblower protections prevail over contractual confidentiality obligations, including confidentiality clauses and non-disclosure agreements, where a protected disclosure has been made.

Recommendation

Greater certainty could be provided by clarifying either through legislative amendment or ATO guidance that whistleblower protections prevail over contractual confidentiality obligations, including non-disclosure agreements, where a protected disclosure has been made. Such clarification could be achieved through legislative amendment, regulatory guidance or both.

Legal professional privilege and professional obligations

The interaction between whistleblower protections and legal professional privilege remains uncertain in some circumstances. Similar issues may also arise in relation to other professional confidentiality obligations.

Legal practitioners and other professionals may become aware of potential misconduct through the course of providing professional services. In some cases, professional obligations may limit the circumstances in which information can be disclosed. At the same time, whistleblower protections seek to encourage the disclosure of misconduct and wrongdoing.

The relationship between these competing obligations is not always clear and may create uncertainty for professionals seeking to understand their rights and responsibilities.

Greater guidance in this area may assist both professionals and individuals seeking advice regarding the whistleblower framework.

Recommendation

Consideration could be given to providing greater clarity regarding the interaction between whistleblower protections, legal professional privilege and professional confidentiality obligations, whether through legislative amendment, regulatory guidance or both.

Awareness and implementation

Awareness of whistleblower protections

A whistleblower framework can only operate effectively if individuals are aware that the protections exist and understand how to access them.

Unlike the corporate whistleblower regime, the tax whistleblower regime does not require entities to maintain whistleblower policies or communicate whistleblower protections to employees and other eligible individuals. As a result, awareness of the tax whistleblower regime may be limited, particularly among employees who are unfamiliar with the legislative framework.

Without clear internal policies and guidance, individuals may not understand:

- what conduct can be disclosed;
- who disclosures can be made to;

- what protections are available; or
- how disclosures will be handled.

These uncertainties may discourage individuals from reporting misconduct or cause them to use reporting channels that do not attract protection.

Recommendation

Increased awareness of the tax whistleblower regime could be achieved through the introduction of whistleblower policy requirements for certain entities, together with measures to ensure that employees and other eligible individuals are informed of their rights, protections and available reporting channels.

Protection against retaliation and workplace harm

The tax and corporate whistleblower regimes contain important confidentiality protections designed to protect a whistleblower's identity. However, confidentiality protections do not always prevent a whistleblower from being identified in practice.

In smaller organisations, specialist teams or professional service environments, there may be only a small number of individuals with access to the relevant information. In these circumstances, it may be possible to infer the source of a disclosure even if confidentiality obligations have been strictly observed.

Research suggests that whistleblowers whose identities become known may face workplace exclusion, bullying, loss of opportunities, reputational damage and other forms of detriment. While protections against detrimental conduct exist, the practical consequences of being identified may arise before any remedy becomes available.

The effectiveness of a whistleblower framework therefore depends not only on protecting anonymity, but also on ensuring organisations take practical steps to prevent retaliation and support whistleblowers where identification risks arise.

Recommendation

Consideration could be given to strengthening protections for whistleblowers where there is a risk that their identity may become known or be inferred. This could include measures requiring organisations to:

- assess the risk that a whistleblower may be identified;
- limit access to sensitive whistleblower information;
- monitor for retaliation and workplace detriment;
- implement measures to reduce identified risks; and
- provide appropriate support where a whistleblower may be at risk of harm.

Such measures would help ensure that whistleblower protections operate effectively in practice, particularly where confidentiality protections alone may not be sufficient.

Regulatory oversight

Oversight of the tax whistleblower framework

The terms of reference for the review include regulatory oversight and whistleblowers' access to justice. Our comments are limited to the oversight of tax whistleblower matters.

Responsibility for tax whistleblower matters is currently spread across several bodies, including the Commissioner of Taxation, the TPB, the Taxation Ombudsman, and the ACNC, each of which administers its own processes.

As a result, there is no single body responsible for helping individuals understand their rights and protections under the tax whistleblower regime, monitoring how disclosures are managed across the various agencies, or assessing whether Part IVD of the TAA is operating effectively and as intended.

This can create practical difficulties for whistleblowers. An individual who is unsure which body is best placed to receive a disclosure, or who is dissatisfied with how a disclosure has been handled, may struggle to identify an appropriate source of guidance or assistance. While the 2024 Act expanded the range of eligible recipients and improved access to the regime, increasing the number of entry points without a clear coordinating function may add complexity for the individuals the framework is intended to protect.

Tax whistleblower disclosures also raise unique challenges because they often involve complex issues of tax law, tax administration, and professional obligations. Determining whether particular conduct constitutes misconduct or an improper state of affairs in relation to an entity's tax affairs may require specialist tax knowledge. Any oversight arrangements introduced following this review should recognise the specialised nature of tax matters and avoid duplicating the existing functions of the Commissioner, the TPB, the Taxation Ombudsman or the ACNC.

A coordinated oversight function could improve accessibility, consistency, and transparency within the tax whistleblower regime while ensuring matters are directed to the most appropriate agency for action.

Recommendation

We recommend that any oversight arrangements adopted for tax whistleblower matters:

- provide a single, clearly identified point of contact through which individuals can obtain information and guidance on their rights, protections, and options under the tax whistleblower regime;
- include personnel with appropriate tax technical and tax administration expertise;
- establish clear roles and responsibilities in relation to the Commissioner, the TPB, the IGTO, and the ACNC to avoid duplication and regulatory overlap;
- facilitate coordination between relevant agencies where disclosures involve multiple areas of jurisdiction; and
- be responsible for compiling and publishing aggregated tax whistleblower data to promote transparency, support policy development, and assist in evaluating the effectiveness of the regime.

System improvements and incentives

Compensation for whistleblowers

A number of countries have reward schemes for tax whistleblowers.

In the United States, whistleblowers may receive between 15% and 30% of the tax recovered in significant cases. In Canada, rewards of between 5% and 15% may be available for information that leads to the recovery of unpaid tax in offshore tax cases. In the United Kingdom, whistleblowers may receive between 15% and 30% of tax recovered in serious tax avoidance and evasion cases where substantial amounts are involved.

These examples show that financial incentives can encourage people to report significant tax misconduct. However, they also demonstrate the importance of carefully designing any reward system.

The United Kingdom approach is particularly relevant. Rewards are not automatic and are generally limited to serious, high-value cases. The tax authority retains discretion over whether a reward is paid and, if so, how much should be awarded.

We do not support a broad public reward scheme. Such a scheme could encourage false, speculative or malicious claims and increase the administrative burden on regulators.

At the same time, whistleblowers often face significant personal and professional consequences for coming forward, including reputational damage, loss of employment opportunities and financial hardship. Where a disclosure is independently verified and contributes to successful enforcement action or the recovery of revenue, it is reasonable to consider some form of compensation or recognition.

Any Australian approach should balance the need to encourage genuine disclosures with the need to discourage opportunistic or vexatious claims. If a compensation framework is introduced, it should be limited to verified disclosures that result in meaningful outcomes and include appropriate safeguards against misuse.

Recommendation

If Australia introduces a whistleblower compensation framework, it should:

- be limited to disclosures that are independently verified and contribute to successful enforcement outcomes or revenue recovery;
- focus on significant cases involving serious non-compliance;
- allow the relevant authority to determine whether compensation is appropriate and, if so, the amount to be paid;
- recognise the personal and professional impacts experienced by whistleblowers; and
- include safeguards to deter false, speculative, vexatious or malicious claims.

Transparency on whistleblower claims data and statistics

There is currently no consistent legislative obligation on tax regulators, including the ATO, and state and territory revenue authorities, to publish information on the use and outcomes of whistleblower frameworks. While some regulators, such as the Australian Securities and Investments Commission (**ASIC**), publish whistleblower-related statistics and reports, voluntarily. Reporting practices vary across jurisdictions and agencies and are not based on a consistent framework. By contrast, publicly available reporting on tax whistleblower disclosures and outcomes is comparatively limited.

The information available varies significantly but may include the number of disclosures received, the number of matters progressing to enforcement action, and the amount of revenue recovered as a result of those disclosures. The absence of a consistent and standardised reporting framework may reduce transparency and limit understanding of how effectively whistleblower regimes operate in practice.

Publishing more consistent and comparable data could improve transparency and build confidence in the framework, thereby encouraging more individuals to come forward. Consideration could be given to introducing a legislative requirement for relevant bodies to publish aggregated whistleblower data on a regular basis, for example through annual reporting.

Greater transparency would also provide policymakers, regulators and stakeholders with better information to assess the effectiveness of whistleblower programs, identify trends and support evidence-based reform.

Recommendation

We recommend the introduction of a consistent legislative reporting framework requiring the ATO, and other relevant Commonwealth agencies such as the Tax Ombudsman, the TPB and ACNC, to publish annual aggregated whistleblower statistics, including:

- the number of disclosures received.
- the number of disclosures assessed and investigated.
- the number of matters progressing to enforcement action.
- revenue recovered as a result of whistleblower disclosures.
- high-level information on outcomes and processing timeframes.

Any reporting framework should maintain whistleblower confidentiality while improving transparency, accountability and public confidence in the operation and effectiveness of Australia's whistleblower regime.