Monthly Tax Update

July 2026

In this edition of Andersen in Australia's **Monthly Tax Update**, we provide recent legislative updates and outline the latest developments in the areas of corporate tax, individual tax, indirect tax and international tax. We also examine the ATO's recent activities, publications, rulings and other guidelines and discuss the latest Australian tax cases.

Legislation Update

Business registries and Director ID reforms receive assent

The Treasury Laws Amendment (Business Registries Stabilisation and Uplift) Act 2026 has completed passage through Parliament and received Royal Assent on 30 June 2026 as Act No 57 of 2026.

The Act introduces amendments designed to strengthen the operation and regulation of the Director Identification Number (Director ID) regime by linking Director IDs with ASIC's Companies Register. The changes are intended to improve enforcement and provide greater protection against unlawful activities, including illegal phoenix activity.

The Act also includes measures to support ASIC's ongoing administration of business registers and ensure their stability. These amendments give effect to the government's decision to discontinue the Modernising Business Registers program and reverse the related legislative changes introduced under that program.

Treasury Laws Amendment (Delivering an Efficient and Trusted Tax System) Act 2026 receives assent

The Treasury Laws Amendment (Delivering an Efficient and Trusted Tax System) Act 2026 has completed passage through Parliament and received Royal Assent on 30 June 2026 as Act No 58 of 2026.

The Act introduces measures to remove the $2 threshold for tax deductions on gifts to Deductible Gift Recipients (DGRs), modernise TFN reporting for beneficiaries of closely held trusts, exclude certain tobacco and gambling-related activities from the R&D Tax Incentive and increase the Medicare levy low-income thresholds for the 2025–26 income year.

- Removal of $2 threshold for DGR donations
  Schedule 1 amends s 30-15 of the Income Tax Assessment Act 1997 to allow taxpayers to claim deductions for gifts or contributions to DGRs regardless of whether the amount is less than $2.

  The measure, which was recommended by the Productivity Commission as part of reforms to encourage increased philanthropic giving, applies to gifts and contributions made on or after 1 July 2024.

- Modernisation of TFN reporting for closely held trusts
  Schedule 2 changes the timing requirements for trustees of closely held trusts reporting beneficiary TFNs to the Commissioner where a beneficiary has quoted their TFN.

  Trustees will now be required to report TFNs by the earlier of the trust tax return lodgement date or due date, replacing the previous requirement to report within one month after the end of the quarter in which the TFN was quoted. The change applies to income years commencing on or after 1 July 2026 and is intended to improve ATO data matching and pre-filling capabilities.

  The amendments do not alter existing TFN withholding obligations and clarify the Commissioner's notification requirements where a reported TFN is incorrect.

- Exclusion of tobacco and gambling activities from the R&D Tax Incentive
  Schedule 4 excludes R&D activities relating to tobacco and gambling from the R&D Tax Incentive for income years commencing on or after 1 July 2025.

  The exclusion applies to both core R&D activities and supporting R&D activities, except where the activity is conducted solely to generate new knowledge about minimising harm from gambling services, gambling or gambling-like practices.

Legislation Update (Cont.)

Treasury Laws Amendment (Delivering an Efficient and Trusted Tax System) Act 2026 receives assent (Cont.)

- Increase to Medicare levy low-income thresholds
  Schedule 5 increases the Medicare levy low-income thresholds and phase-in ranges for the 2025–26 income year, as announced in the 2026 Federal Budget.

  The updated thresholds apply to individuals, senior and pensioner tax offset (SAPTO) eligible taxpayers, and families, with adjustments also made for families based on the number of dependent children or students.

- Other minor and technical amendments
  Schedule 3 makes various technical amendments to Treasury portfolio legislation, including amendments to the Superannuation Industry (Supervision) Act 1993 allowing a Public Trustee acting for an SMSF member to approve a person to act as trustee or director of a corporate trustee and receive remuneration for those services.

The Act also includes other minor amendments to maintain the operation and administration of Treasury portfolio legislation.

Technical social security, family assistance and child support amendments

A Bill containing a range of technical amendments to social security, family assistance and child support legislation has been introduced into Parliament and has been referred to the Senate Community Affairs Legislation Committee for report by 28 July 2026.

The Social Security and Other Legislation Amendment (Technical Changes No 2) Bill 2026 aims to support automated decision-making, clarify the use of ATO income information across family assistance and child support programs, expand review rights for certain family assistance debt offset decisions and make various administrative improvements.

Key measures include:

- Automation of advance payment arrangements
  Schedule 1 will amend social security and family assistance legislation to simplify advance payment administration. The amendments will remove discretionary requirements that currently limit automated decision-making for certain advance payments and allow applications to be made through approved channels, including online, in person and by telephone. The changes will commence by proclamation or, if not proclaimed earlier, 12 months after Royal Assent.

- Changes to family assistance review arrangements
  Schedule 2 will allow certain family assistance decisions to be revisited after an application has been made to the Administrative Review Tribunal (ART) where new or previously unconsidered information affects a person's entitlement. The amendments will also update related ART guidance, appeals processes and review pathways for child care provider decisions. These changes will commence the day after Royal Assent.

- Use of ATO income data for family assistance and child care subsidy administration
  Schedules 3 and 4 will enable certain family assistance and Child Care Subsidy processes to use ATO income information provided after tax return lodgement but before formal assessment. The changes will support Family Tax Benefit reconciliation, claims and Single Income Family Supplement determinations, as well as further reconciliations where updated income information becomes available. These measures will generally commence the day after Royal Assent.

- Child support administration reforms
  Schedule 5 will expand the use of ATO income information in child support assessments and support automated provisional income determinations. The measures will apply from 1 July 2027.

Legislation Update (Cont.)

Technical social security, family assistance and child support amendments (Cont.)

- Merits review of family assistance debt offset decisions
  Schedule 6 will introduce merits review rights for certain tax and family assistance entitlement debt offset decisions, transfer relevant decision-making powers to the Secretary and allow legislative instruments to exclude certain classes of people from offset arrangements, including on financial hardship grounds.

- Paid Parental Leave superannuation amendments
  Schedule 7 will ensure Paid Parental Leave superannuation contributions are calculated using a person's final entitlement where Parental Leave Pay is later adjusted. It will also clarify when employer debts may arise under the scheme. These amendments will commence the day after Royal Assent.

- Other technical amendments
  Schedules 8 and 9 contain further minor and technical amendments relating to urgent payment arrangements, social security review processes, legislative references and the operation of earlier technical amendments.

Statute Update Bill 2026 progresses to Senate committee

The Statute Update Bill 2026 which was introduced on 25 June 2026 has passed the House of Representatives and has been referred to the Senate Legal and Constitutional Affairs Legislation Committee for inquiry and report by 7 August 2026.

The omnibus Bill proposes minor technical amendments to Commonwealth legislation to correct errors, remove redundant provisions and support the effective interpretation and administration of the law. The amendments are not intended to alter substantive rights.

Key amendments include:

- Customs Tariff Act 1995 — repealing concessional duties that are no longer operative under closed schemes.
- Superannuation Industry (Supervision) Act 1993 — updating provisions to ensure consistent offence terminology.
- Income Tax Assessment Act 1936 — repealing provisions relating to the former Business Services Wage Assessment Tool Payment Scheme, which closed on 31 December 2018.
- Income Tax Assessment Act 1997 — clarifying the definition of "financial entity".

The Bill also proposes the repeal of obsolete Acts and legislative provisions.

Bill introduced to remove age-based uplift to private health insurance rebate

A Bill has been introduced to implement the 2026 Budget measure to remove the age-based uplift of the private health insurance rebate.

Currently, eligible individuals aged 65 and over receive a higher rebate on private health insurance premiums. The rebate is intended to encourage eligible individuals to maintain private health insurance by reducing the cost of premiums.

The Private Health Insurance Amendment (Modernising the Private Health Insurance Rebate) Bill 2026 would amend the Private Health Insurance Act 2007 to remove the higher rebate for older individuals from 1 April 2027.

Following the change, the private health insurance rebate amount will be determined solely by an individual's income.
The Bill has been referred to the Senate Community Affairs Legislation Committee for report by 7 October 2026.

Monthly Tax Update

July 2026

Legislation Update (Cont.)

Tax practitioner regulation and foreign resident CGT reforms introduced

A Bill containing reforms to strengthen sanctions for tax practitioner misconduct, amend the foreign resident capital gains tax (CGT) and withholding rules, and introduce a range of other tax measures has been introduced into Parliament.

Key tax measures include:

- Strengthening accountability for tax adviser misconduct
  Schedule 1 to the Treasury Laws Amendment (Strengthening Accountability for Tax Adviser Misconduct and Other Measures) Bill 2026 will amend the *Tax Agent Services Act 2009* (TASA) to expand the Tax Practitioners Board's (TPB) regulatory and enforcement powers.

  The amendments will introduce stronger penalties and new criminal offences for unregistered entities that provide tax agent or BAS services for a fee, advertise those services while unregistered, or falsely represent that they are registered practitioners. Increased civil penalties will also apply for certain misconduct, including breaches of the Code of Professional Conduct and false or misleading statements by unregistered preparers. The TPB's powers will also be expanded through the introduction of infringement notices and enforceable undertakings, broader suspension and termination powers and enhanced access to civil penalty proceedings in the Federal Court.

- Changes to the foreign resident CGT regime
  Schedule 2 will amend the Income Tax Assessment Act 1997, International Tax Agreements Act 1953 and Taxation Administration Act 1953 to broaden and clarify Australia's foreign resident CGT rules.

  The amendments will expand the scope of assets treated as taxable Australian real property and modify the principal asset test so it can be satisfied at any time during the preceding 365 days, rather than only at the time of the CGT event. The Bill will also introduce new notification requirements for certain high-value transactions and make changes to foreign resident withholding declarations to improve the operation of the withholding regime.

- Transitional CGT concession for renewable energy assets
  Schedule 3 will provide a 50% CGT discount for certain foreign residents disposing of Australian renewable energy assets or eligible indirect interests in those assets.

  The concession applies to CGT events occurring from commencement until 30 June 2030 and is intended to support foreign investment in Australia's renewable energy sector.

- New and extended DGR listings
  Schedule 6 will amend the Income Tax Assessment Act 1997 to add three new specifically listed deductible gift recipients (DGRs) being I4give Foundation Ltd, Ross House Trust, and Tanarra Social Purpose Ltd., extend the listing period for two existing DGRs (Australian Academy of Law and Cambridge Australia Scholarships Limited) and update the name of one listed entity (Play Matters Australia Ltd).

- Renaming of ancillary funds
  Schedule 7 will rename "Public Ancillary Funds" and "Private Ancillary Funds" as "Public Giving Funds" and "Private Giving Funds" to implement a Productivity Commission recommendation aimed at improving understanding of these philanthropic structures.

- Foreign resident CGT withholding tax credits
  Schedule 8 will allow taxpayers to claim credits for amounts withheld under the foreign resident CGT withholding regime in the same income year that the underlying transaction is recognised for tax purposes, provided the withheld amount has been paid to the Commissioner.

  The amendments will legislate the treatment currently provided under the Taxation Administration (Remedial Power—Foreign Resident Capital Gains Withholding) Determination 2017, which is due to sunset on 1 October 2027.

  All measures outlined above will commence on the first day of the first quarter following Royal Assent.

Monthly Tax Update

July 2026

Legislation Update (Cont.)

Second Budget tax reform Bill introduced

A second Bill containing the government's 2026 Budget tax reform measures has been introduced into parliament. The Treasury Laws Amendment (Tax Reform No 2) Bill 2026 proposes:

- New tax loss carry back provisions;
- A permanent increase to the small business instant asset write-off threshold to $20,000; and
- Income tax exemptions for employment income earned with PNG Chiefs Limited, the new Papua New Guinea-based NRL franchise.

The Bill has been referred to the Senate Economics Legislation Committee for report by 13 August 2026.

- Tax loss carry back
  Schedule 1 introduces the tax loss carry back rules allowing eligible corporate tax entities to carry back tax losses arising in income tax years commencing on or after 1 July 2026 against tax paid in either or both of the previous two income tax years.

  The measure will provide a refundable tax offset where losses are carried back to earlier profitable years. The offset is limited to the amount of tax previously paid and the entity's franking account balance at the end of the income year in which the offset is claimed.

  Eligibility is limited to entities that are not significant global entities, meaning entities with annual global turnover of less than $1 billion. The measure applies to companies, corporate limited partnerships and public trading trusts. Capital losses and certain transferred losses are excluded from the regime, and integrity rules will apply where there are ownership changes.

- Permanent $20,000 instant asset write-off
  Schedule 2 permanently sets the small business instant asset write-off threshold at $20,000 from 1 July 2026. Small businesses with aggregated annual turnover of less than $10 million that use the simplified depreciation rules will continue to be able to immediately deduct eligible depreciating assets costing less than $20,000 where the asset is first used or installed ready for use for a taxable purpose from that date.

  The low pool value threshold will also be permanently set at $20,000. The rule preventing small businesses from re-entering the simplified depreciation regime for five years after opting out will be suspended until 30 June 2027.

- PNG Chiefs employment income exemption
  Schedule 3 provides an income tax exemption for employment income derived from PNG Chiefs Limited.

  The amendments ensure that the relevant Papua New Guinea tax exemptions operate effectively in Australia by exempting the employment income regardless of whether it is earned in Australia or overseas.

  The exemption will apply for 10 years from the 2025–26 income year.

Monthly Tax Update

July 2026

Legislation Update (Cont.)

Regulations finalised for new Division 296 superannuation tax rules

Regulations supporting the new Division 296 tax and related superannuation valuation rules have been finalised.

The Income Tax Assessment (1997 Act) Amendment (Building a Stronger and Fairer Super System and Other Measures) Regulations 2026 operate alongside amendments made by the Treasury Laws Amendment (Building a Stronger and Fairer Super System) Act 2026 and the Superannuation (Building a Stronger and Fairer Super System) Imposition Act 2026. The measures reduce superannuation tax concessions available to individuals with total superannuation balances exceeding $3 million.

The regulations contain four schedules setting out detailed rules for calculating Division 296 earnings, valuing superannuation interests and addressing specific circumstances such as family law payment splits.

Following consultation on the draft regulations, key changes include:

- greater flexibility to use alternative valuation methodologies;
- revised valuation rules for deferred innovative income streams; and
- changes to the small fund attribution formula.

Division 296 earnings attribution
Schedule 1 provides rules for attributing a member's share of a fund's Division 296 earnings on a fair and reasonable basis. For small superannuation funds, including self-managed superannuation funds, a separate attribution methodology applies, generally based on the member's share of the fund's value as supported by an actuary's certificate.

The regulations also specify certain superannuation interests that use alternative methods based on changes in total superannuation balance (TSB), including certain pensions, annuities, military invalidity pensions, State schemes and family law notional split interests.

For complying superannuation funds (other than small funds) and pooled superannuation trusts, transitional rules apply to certain net capital gains included in Division 296 earnings for the first four years of operation. Special rules also apply in the year of a member's death and subsequent periods before benefits are paid or a reversionary recipient commences receiving benefits.

TSB valuation rules
Schedule 2 sets out valuation methods for defined benefit interests and other superannuation interests where the standard withdrawal benefit valuation method would not provide an appropriate result.

Prescribed valuation methods include:

- defined benefit interests outside retirement phase — generally using family law valuation methods or an approved alternative valuation method;
- certain retirement-phase interests without account balances — using family law values or an approved alternative method; and
- account-based, allocated and market-linked income streams — continuing to use withdrawal benefit values.

A superannuation actuary may issue a certificate approving an alternative valuation method where the resulting values are within specified ranges compared with family law values. Certificates generally apply for up to three years unless withdrawn or replaced.

New rules also apply to deferred innovative income streams to better distinguish values during the deferral period and after payments commence.

Legislation Update (Cont.)

Regulations finalised for new Division 296 superannuation tax rules (Cont.)

Family law payment splits

Schedule 3 provides rules for calculating TSB adjustments where defined benefit interests are subject to family law payment splits.

Where an interest cannot practically be split, the non-member spouse is treated as holding a notional superannuation interest for Division 296 purposes. The regulations prescribe methods for calculating the non-member spouse's share and provide adjustments to account for withdrawals and contributions.

Other amendments and commencement

Schedule 4 updates valuation assumptions used for notional taxed contributions and defined benefit contributions. It also identifies certain State higher-level office holders whose earnings from constitutionally protected funds are excluded from Division 296 tax.

The regulations commence on 19 June 2026, with Division 296 of the Income Tax Assessment Act 1997 applying from 1 July 2026.

Income tax exemption provided for Asian Football Confederation

Regulations have been made to provide a time-limited income tax exemption for the Asian Football Confederation (AFC), the entity responsible for staging the AFC Women's Asian Cup 2026 in Australia.

The Income Tax Assessment (1997 Act) Amendment (Income Tax Exemption) Regulations 2026 list the AFC as a prescribed entity under the Income Tax Assessment (1997 Act) Regulations 2021. This enables the AFC to access the sporting, cultural and recreational organisation exemption under table item 9.1 of ss 50-45 and 50-70(1)(c) of the Income Tax Assessment Act 1997.

The exemption applies to income derived by the AFC from 1 July 2025 to 31 December 2028, covering the period required to support the operation of the AFC Women's Asian Cup 2026 and associated winding-up activities.

As a result of the exemption, payments of interest, dividends and royalties made to non-residents by the AFC will also be exempt from withholding tax from the commencement of the amendments.

The Regulations were made without public consultation due to their limited and machinery nature. Consultation was undertaken with the ATO and the Commonwealth Office of Sport.

BAS services instrument repealed as redundant

An instrument specifying certain services as BAS services has been repealed following legislative amendments that incorporated those services directly into the Tax Agent Services Act 2009 (TASA).

The Tax Agent Services (Specified BAS Services No 1) Repeal Instrument 2026 repeals the Tax Agent Services (Specified BAS Services No 2) Instrument 2020, which clarified the scope of services BAS agents could provide, including services under the Superannuation Guarantee (Administration) Act 1992 and Superannuation Guarantee Charge Act 1992.

The 2020 Instrument became unnecessary after the Treasury Laws Amendment (2023 Measures No 1) Act 2023 amended s 90-10 of the TASA to incorporate the expanded definition of a BAS service contained in that instrument.

The repeal took effect on 7 July 2026.

Monthly Tax Update

July 2026

Legislation Update (Cont.)

Administrative Review Tribunal reforms introduced

A Bill has been introduced to improve the efficiency and flexibility of the Administrative Review Tribunal (ART) and support the management of its significant workload. The Bill also proposes a standardised timeframe for seeking review of certain decisions by the Commissioner of Taxation relating to extensions of time under the Taxation Administration Act 1953 (TAA).

The Administrative and Judicial Review Legislation Amendment Bill 2026 would amend the Administrative Review Tribunal Act 2024 and other Commonwealth legislation to improve Tribunal processes, reduce administrative delays and support the management of caseload pressures and backlogs.

Key amendments include measures to:

- allow the Tribunal to deliver decisions and reasons orally, with written reasons provided on request;
- allow registrars to consider reinstatement applications and dismiss applications where there are no reasonable prospects of success;
- enable authorised persons to correct obvious errors in registrar-issued orders;
- exclude the period from 24 December to 14 January when calculating certain document production timeframes for original decision-makers;
- clarify the President's assignment across all Tribunal jurisdictional areas and confirm that decisions remain valid where a member acts outside their assigned jurisdictional area;
- expand consultation requirements when considering the reappointment of non-judicial members;
- allow the Governor-General to vary certain non-judicial member appointments between salaried and sessional arrangements without requiring a new merit-based appointment process; and
- update the definition of "exempt security record decision" in the ART Act.

The Bill would also amend the TAA to introduce a 28-day timeframe for applications to the ART seeking review of a refusal by the Commissioner to grant an extension of time. The change is intended to provide greater certainty for taxpayers and reduce the need for Tribunal members to determine whether late applications were made within a reasonable period.

Other Legislation Updates

Pillar Two global and domestic minimum tax rules amended

The rules governing Australia's global and domestic minimum tax regime have been amended to support the effective operation of Pillar Two of the OECD/G20 Inclusive Framework's Two-Pillar solution on Base Erosion and Profit Shifting (BEPS).

The Taxation (Multinational—Global and Domestic Minimum Tax) Amendment (2026 Measures No 2) Rules 2026 amend the Taxation (Multinational—Global and Domestic Minimum Tax) Rules 2024 to address top-up tax provisions and incorporate elements of the OECD Agreed Administrative Guidance released in December 2023, June 2024 and January 2026.

The amendments commenced on 2 July 2026 and apply retrospectively to fiscal years beginning on or after 1 January 2024. They make changes to:

- the flow-through entity income allocation rules and related definitions in Chapter 10;
- the Blended Controlled Foreign Company (CFC) Allocation Key;
- the substitute loss carry-forward rules; and
- Chapter 8 safe harbour provisions to ensure they operate as intended.

The amendments were previously released as draft rules for consultation on 1 May 2026.

Monthly Tax Update

July 2026

Other Legislation Updates

Heavy vehicle road user charge relief temporarily extended

A legislative instrument has been made to temporarily extend the reduction in the heavy vehicle road user charge.

The Fuel Tax (Road User Charge) Determination 2026 sets the road user charge rate at:

- 16.4 cents per litre for taxable liquid fuels; and
- 21.9 cents per kilogram for taxable gaseous fuels.

The temporary reduction was originally introduced from 1 April 2026 to 30 June 2026 following government concerns about fuel supply pressures arising from the ongoing conflict in the Middle East. The road user charge was reduced from 32.4 cents per litre to zero during that period.

The government has extended the temporary fuel relief for the heavy vehicle industry from 1 July 2026, with the reduced period expected to end on 2 August 2026, the day before the next scheduled adjustment date.

Although the new rate represents an increase from the temporary zero rate, it remains 16 cents per litre lower than the previous rate of 32.4 cents per litre.

The Determination repeals and replaces the Fuel Tax (Road User Charge) Determination 2023 and applies from 1 July 2026.

Determination issued on out-of-cycle earnings under Payday Super regime

A determination has been issued to identify certain out-of-cycle qualifying earnings for the purposes of the Payday Superannuation regime.

The Payday Superannuation regime commences on 1 July 2026 and requires employers to make superannuation guarantee (SG) contributions at the same time as salary and wages are paid. Generally, SG contributions will only be considered “on time” if received within seven business days after the employee’s qualifying earnings are paid.

The Superannuation Guarantee (Administration)(Out-of-Cycle Qualifying Earnings) Determination 2026 specifies the types of qualifying earnings and circumstances that allow employers an extended period to make on-time SG contributions for out-of-cycle payments.

The extended period is intended to allow employers to maintain their usual SG payment schedules rather than making small, ad hoc contributions arising from irregular payments.

The determination applies where:

- the employer has an established timing, pattern or schedule for paying qualifying earnings to an employee; and
- a payment is made outside that usual schedule.

The following types of payments may qualify as out-of-cycle qualifying earnings:

- allowances;
- bonuses;
- commissions;
- loadings;
- payments in advance; and
- back payments.

A payment will only qualify as out-of-cycle earnings where a later qualifying earnings payment is made in accordance with the employer’s normal payroll cycle, confirming that the original payment occurred outside the usual schedule.
The determination commences on 1 July 2026 and finalises draft instrument LI 2026/D3.

Other Updates

Treasury consults on discretionary trust minimum tax and Division 7A reforms

Treasury has commenced consultation on the proposed 30% minimum tax for certain discretionary trusts and its interaction with the treatment of unpaid present entitlements (UPEs) under Division 7A following the Budget announcements and the High Court's decision in *FC of T v Bendel*.

Announced in the 2026–27 Federal Budget, the 30% minimum tax will apply to the taxable income of certain discretionary trusts from 1 July 2028. Fixed trusts, widely held trusts, complying superannuation funds, special disability trusts, testamentary trusts, deceased estates and charitable trusts will be excluded. Following recent clarifications, income from discretionary testamentary trusts established for genuine testamentary purposes, primary production income and certain income relating to vulnerable minors will also be exempt.

Treasury is seeking feedback on the design of the measure, including the scope of the exclusions, the treatment of distributions to tax-exempt entities, expanded rollover relief for trusts restructuring out of discretionary trust arrangements, the treatment of excess franking credits and appropriate collection mechanisms.

The consultation paper also considers the implications of the High Court's decision in *Bendel*, in which the Court held that a corporate beneficiary's UPE to trust income is not a "loan" for Division 7A purposes. Treasury is seeking views on the implementation of the previously announced but unenacted measure to bring UPEs within Division 7A, including how it should interact with the proposed minimum tax and whether any additional issues arising from *Bendel* should be addressed.

Submissions close on 31 July 2026.

For further information, please refer here.

ANAO recommends improvements to ATO management of small business debt

The Auditor-General has released an Australian National Audit Office (ANAO) report on the ATO's management of small business collectable debt.

The report found that the ATO's management of collectable debt owed by small businesses is partly effective. It also identified several areas requiring improvement, including:

- the ATO's assessment that the risk of unacceptable levels of small business debt is outside its tolerance;
- the absence of internal targets to reduce small business debt volumes;
- limitations in reporting measures that do not separately identify small business debt performance;
- risks arising from increasing debt levels, including the potential for some taxpayers to gain an unfair financial advantage; and
- the significant contribution of PAYG withholding and GST debt to the overall collectable debt book.

The ANAO made eight recommendations, all of which have been accepted by the ATO. The recommendations focus on improving governance, transparency, debt reduction targets, taxpayer engagement strategies, analytical model monitoring, performance benchmarking, debt pathway reporting and cost measurement.

The ATO has welcomed the audit and will implement the recommendations as part of its ongoing efforts to improve tax administration and support fair outcomes for small businesses and the wider community.

For further information, please refer here.

Monthly Tax Update

July 2026

ATO Rulings and Activity

ATO issued decision impact statement following Bendel case

The ATO has released a decision impact statement following the High Court's decision in *FC of T v Bendel & Anor* 2026 ATC; [2026] HCA 18 (*Bendel*), confirming that it will withdraw Taxation Determination TD 2022/11 and review related guidance on unpaid present entitlements (UPEs).

The High Court, by majority, upheld the Full Federal Court decision that a corporate beneficiary's unpaid present entitlement to trust income was not a loan to the trustee for the purposes of s 109D(3) of the *Income Tax Assessment Act 1936*. As a result, no deemed dividend arose under Division 7A.

Background to Bendel

The case concerned UPEs arising from trust distributions made by the SB Trust to Gleewin Investments Pty Ltd for the 2013–14 to 2016–17 income years. The Commissioner assessed the taxpayers on the basis that the unpaid amounts represented loans under s 109D(3), resulting in deemed dividends.

The AAT, Full Federal Court and High Court rejected the Commissioner's interpretation. The High Court majority found that the trustee resolutions created separate trusts over the relevant amounts rather than a debtor-creditor relationship. The beneficiary's failure to call for payment did not constitute the provision of financial accommodation or a transaction that effected a loan.

ATO approach following Bendel

The ATO accepts that s 109D does not apply where a private company beneficiary simply has an unpaid entitlement to trust income and has taken no action in relation to that entitlement, regardless of whether the amount is held on a separate trust. However, the ATO notes that other provisions may still apply, including Subdivision EA of Division 7A and section 100A. The ATO considers that the High Court's reasoning may support the application of Subdivision EA where relevant requirements are satisfied.

The characterisation of a UPE will depend on the surrounding circumstances, including:

- the terms of the trust deed;
- trustee resolutions;
- accounting records; and
- any subsequent dealings with the entitlement, such as loan arrangements.

Where a UPE has been converted into a loan or otherwise dealt with in a way that satisfies s 109D(3), it will continue to be treated as a loan.

Impact on previous arrangements and guidance

The ATO confirms that UPE arrangements implemented in accordance with TD 2022/11 or previous administrative guidance will not be treated as loans merely because they remain unpaid, unless subsequent dealings result in a loan within s 109D(3). Taxpayers assessed on the basis that an unpaid UPE was a loan may seek amendments or lodge objections, subject to applicable time limits. The ATO will consider each case based on its particular facts and circumstances.

As a result of the decision, TD 2022/11 will be withdrawn. The ATO will also review the following guidance and amend or withdraw it where necessary:

- Taxation Ruling TR 2022/4;
- Taxation Ruling TR 2015/4;
- Taxation Determination TD 2015/20;
- Taxation Determination TD 2011/15;
- Practical Compliance Guideline PCG 2022/2; and
- Practical Compliance Guideline PCG 2017/13.

The ATO has invited comments on the decision impact statement by 24 July 2026.

ATO Rulings and Activity (Cont.)

ATO finalises decision impact statement on Hall

The ATO has finalised its decision impact statement on the favourable outcome it secured in FC of T v Hall 2026 ATC; [2026] FCAFC 43. The matter related to tax deductions for occupation and home to work travel expenses incurred by an ABC sports producer during the COVID-19 restrictions in Melbourne.

In this case, the Full Federal Court reversed the decision of the ART at 2025 ATC ¶10-758; [2025] ARTA 600. The ART had allowed the sports producer's deductions for occupancy expenses (a proportion of rent on a residential property referable to a home office) and for car expenses (for travel from there to his employer's workplace and back) during the COVID-19 pandemic. The full court held that the ART erred in law in allowing deductions for the "additional rent", as it was private or domestic in nature within s 8-1(2)(b) of ITAA 1997 and for the car expenses, as they were not incurred in the course of producing assessable income.

The ATO notes the decision supports its views in public advice and guidance dealing with the deductibility of occupancy expenses and work-related transport expenses. It is reviewing whether updates are required to the following guidance to reflect the decision, and welcomes comments about issues it may not have identified:

- Taxation Ruling TR 93/30 Income tax: deductions for home office expenses
- Taxation Ruling TR 2021/1 Income tax: when are deductions allowed for employees' transport expenses?
- Employees' guide for work expenses

Expenses associated with a taxpayer's home, such as rent, mortgage interest or rates, are private or domestic in nature and do not qualify as deductions for taxation purposes. An exception is where part of the home is used for income-producing activities and has the character of a "place of business", and the expense loses its essential character as private or domestic. An employer requirement or necessity to work from home is not of itself determinative of whether such expenses are deductible. The question of the character of the home or part of it as a place of business is the important factor rather than being simply a location where the taxpayer works.

The cost of travel from home to a regular place of work is not deductible (subject to very limited exceptions). The mere fact that a taxpayer undertakes some work duties at home does not make expenses of travel to their regular place of work deductible. The expenses are a prerequisite to commencing income-earning activities and not in the course of performing those activities.

The particular circumstances during the pandemic did not alter these existing tax positions.

ATO Rulings and Activity (Cont.)

ATO decision impact statement – Ziegler v FC of T

The ATO has released a decision impact statement following its favourable outcome in Ziegler v FC of T; Wellton Holdings Pty Ltd v FC of T, confirming that the Full Federal Court's decision provides authority for several principles relevant to the Commissioner's administration of the tax law.

The case involved assessments issued to an individual taxpayer and a related company following a settlement deed entered into with the ATO. The Full Federal Court unanimously dismissed the taxpayers' appeal from the Administrative Appeals Tribunal decision, finding that none of the grounds of appeal had been established. The High Court subsequently refused the taxpayers' application for special leave to appeal.

The ATO considers that the decision confirms and strengthens its existing views and does not require any changes to current ATO guidance.

The decision confirms the following principles:

- A recoupment is assessable under s 20-20(3) of the ITAA 1997 where an amount has been claimed as a deduction, regardless of whether the taxpayer was ultimately entitled to that deduction.
- The Commissioner has an ongoing obligation to ensure administrative penalties are correctly assessed and may amend a penalty assessment where it has been incorrectly determined.
- For the purposes of s 177EA of Part IVA of the ITAA 1936, a scheme may consist of a single step, and the relevant purpose is determined objectively by considering the surrounding circumstances.
- Whether an assessment is excessive is determined by applying the tax law correctly and is not affected by administrative conduct or contractual arrangements, including settlement agreements with the ATO.

The ATO considers the decision provides further judicial support for its existing approach to these issues.

ATO updates transitional approach to OECD BEPS Pillar Two lodgment obligations

The ATO has updated its guidance on its transitional approach to global and domestic minimum tax lodgment obligations under Pillar Two of the OECD's Base Erosion and Profit Shifting (BEPS) Two-Pillar solution. The update reflects an OECD common understanding reached by participating jurisdictions earlier in 2026.

Practical Compliance Guideline PCG 2025/4 outlines the ATO's transitional administrative approach to enforcing penalties relating to global and domestic minimum tax lodgements for fiscal years commencing on or before 31 December 2026 and ending on or before 30 June 2028.

The guideline has been updated to incorporate the OECD common understanding on the central filing and exchange of the GloBE Information Return (GIR) for the 2024 fiscal year. Under this approach, participating jurisdictions have agreed that where a GIR is centrally filed in one of the jurisdictions listed in the annex by the relevant filing deadline, and the required GIR notification is lodged in the local jurisdiction by the applicable deadline, they will:

- waive penalties that would otherwise apply for failing to meet local GIR filing obligations; and
- not enforce local GIR filing obligations before the relevant GIR exchange deadline.

ATO Rulings and Activity (Cont.)

ATO updates ruling on relief for failure to substantiate expenses

The ATO has updated its ruling on the legislative provisions that may provide relief where taxpayers fail to substantiate deductible expenses.

Taxation Ruling TR 97/24 explains the operation of Subdivision 900-H of the Income Tax Assessment Act 1997 and other provisions that may grant relief from the consequences of failing to substantiate expenses. The ruling has been amended to incorporate the ATO's approach to taxpayers experiencing vulnerability and updated to reflect current legislative references and publishing requirements.

The Addendum applies both before and after its date of issue.

ATO narrows non-commercial loss safe harbour to natural disasters

The ATO has updated Practical Compliance Guideline PCG 2022/1, which provides a safe harbour for individuals affected by special circumstances (for example bushfire or a flood) who make losses from non-commercial business activities.

Under Division 35 of the Income Tax Assessment Act 1997, individuals may apply for the Commissioner’s discretion to allow losses to be claimed where it would be unreasonable to defer them due to special circumstances. The PCG allows eligible individuals to manage their tax affairs as though that discretion has been exercised, without needing to make a formal application.

The updated guideline removes COVID-19 impacts arising from government-imposed lockdowns, business closures or restrictions as qualifying special circumstances. The safe harbour protection for these circumstances will not apply for income years after 30 June 2025.

The safe harbour is now limited to losses affected by natural disasters involving floods or bushfires.

The PCG has also been extended to apply to the 2026–27 income year.

Draft guidance released on Dynamic PAYG instalments

The ATO has released draft guidance on its proposed compliance approach for taxpayers who use Dynamic Pay As You Go (PAYG) instalments from 1 July 2027.

Announced in the 2026–27 Federal Budget, Dynamic PAYG instalments will allow eligible taxpayers to opt into an ATO-approved calculation method embedded in accounting software, enabling PAYG instalments to better reflect their business's real-time performance throughout the income year. The ATO is currently conducting pilot programs and working with software providers and other stakeholders ahead of the measure's commencement.

Draft Practical Compliance Guideline PCG 2026/D3 provides that the ATO will not allocate compliance resources to apply or recover general interest charge (GIC) where taxpayers use the Dynamic PAYG calculation method as intended. The draft guideline will apply to pilot participants and taxpayers who opt into Dynamic PAYG instalments from 1 July 2027.

For further information, please refer to the ATO website.

Monthly Tax Update

July 2026

ATO Rulings and Activity (Cont.)

ATO updates PAYG withholding variation for certain allowances

The ATO has finalised amendments to its PAYG withholding variation instrument to reflect recent changes to the substantiation rules for work-related expense deductions.

The Taxation Administration Amendment (Withholding Variation for Payment of Certain Allowances) Legislative Instrument 2026 (2026 Instrument) amends the 2025 withholding variation instrument following changes made by the Treasury Laws Amendment (Tax Reform No. 1) Act 2026.

The amendments affect allowances for laundry expenses and award transport payments.

- Laundry expense allowances
  The 2026 instrument preserves the existing withholding variation for certain laundry expense allowances by replacing references to repealed substantiation provisions with a standalone definition of "laundry expenses" and a $150 threshold. This ensures eligible laundry allowances may continue to be subject to a nil withholding variation despite the repeal of the former substantiation rules.

- Award transport payments
  The instrument removes the nil withholding variation for award transport payments following the repeal of the relevant income tax provisions. As a result, payers will be required to withhold PAYG amounts from these payments once the amendments commence.

The ATO notes that retaining the concession was no longer appropriate because the rules depended on industrial instruments in force in 1986, making the concession increasingly difficult to administer. Allowances for car expenses may still qualify for a nil withholding variation where they satisfy the conditions for the set rate per kilometre car allowance.

The instrument generally commences at the same time as Schedule 4 to the Treasury Laws Amendment (Tax Reform No. 1) Act 2026, with certain amendments commencing on the later of 1 October 2026 or the commencement of that Schedule.

ATO proposes continuation of GST tax invoice waiver for undercover operations

The ATO has released a draft legislative instrument proposing to continue the waiver of the tax invoice requirement for government law enforcement agencies claiming input tax credits for certain creditable acquisitions.

The draft A New Tax System (Goods and Services Tax) (Waiver of Tax Invoice Requirement – Reimbursements of Acquisitions Made Under an Assumed Name) Determination 2026 would allow a government law enforcement agency to claim input tax credits without holding a tax invoice where the acquisition relates to the reimbursement of expenses incurred by an employee or agent operating under an assumed name.

The draft determination would repeal and replace the existing Goods and Services Tax: Waiver of Tax Invoice Requirement Determination (No 40) 2016 – Government Undercover Agents, which is due to sunset on 1 October 2026. The proposed replacement maintains the same substantive treatment.

Comments on the draft determination are due by 24 July 2026.

ATO Rulings and Activity (Cont.)

Draft GSTR 2026/D1 Expands Guidance on GST Treatment of Overseas Supplies to Australian Consumers

The ATO has released draft guidance on when supplies of services or other non-goods/non-real property items made to Australian consumers are treated as connected with Australia for GST purposes under s 9-25(5)(d) of the GST Act.

Draft GST Ruling GSTR 2026/D1 explains the requirements for determining whether a recipient is an "Australian consumer", including both the residency test and the consumer test, as well as the safeguard rules in s 84-100 that allow suppliers to treat a recipient as not being an Australian consumer where there is a reasonable basis for doing so.

The draft ruling will replace GSTR 2017/1 and retains the existing approach to determining residency. However, it provides additional guidance on the consumer test, including when acquisitions by GST-registered entities may or may not be made for enterprise purposes.

Under the consumer test, a recipient will generally be an Australian consumer if they are not registered for GST, or if they are registered but acquire the supply for private purposes rather than for their enterprise. Factors that may indicate an enterprise purpose include the nature and value of the supply and the type of recipient. The ATO notes that acquisitions by Australian companies will generally be considered enterprise-related, except in limited circumstances.

The draft ruling also explains the safeguard provisions, which allow suppliers to rely on either:

- reasonable steps taken to confirm the recipient is not an Australian consumer; or
- existing business systems and processes that provide a reasonable basis for forming that view.

A supplier's belief must be supported by relevant information and evidence and must be more than a possibility but does not need to amount to certainty. Automated systems may be relied upon where they consider all relevant information available about the recipient.

Where the belief is based on the recipient's GST registration status, the supplier must have the recipient's ABN and a declaration or other information confirming the recipient is registered for GST.
Comments on the draft ruling are due by 24 July 2026.

ATO Clarifies Temporary Absences from Foreign Service for s 23AG Exemption

The ATO has released a draft update to Taxation Determination TD 2012/8, which provides guidance on temporary absences from foreign service for the purposes of the foreign employment income exemption under s 23AG of the ITAA 1936.

The draft update, TD 2012/8DC, proposes that only short, unexpected, work-related absences from the foreign country that are connected with the foreign service will be treated as part of a taxpayer's continuous period of foreign service.
The draft also clarifies that, to qualify as "foreign service", the employment services must be performed in a foreign country. Services performed in international waters or airspace will not be considered foreign service for the purposes of the exemption.

Comments on the draft update are due by 17 July 2026.

Monthly Tax Update

July 2026

ATO Rulings and Activity (Cont.)

ATO Clarifies Meaning of Benefits Provided by Ancillary Funds

The ATO has released Taxation Determination TD 2026/3, which explains when public and private ancillary funds are considered to provide benefits under the relevant ancillary fund guidelines.

The determination clarifies that a “benefit” is not limited to money or property and can include any advantage, gain or improvement in position. For distributions to deductible gift recipients (DGRs), a benefit must be directly provided and result in the DGR receiving an enforceable advantage. Commercial arm’s length dealings where the fund receives equal or greater value in return will generally not constitute a benefit.

The determination also explains that the prohibition on providing benefits to related entities has a broader application. A benefit may arise through direct or indirect actions, informal arrangements, omissions, or by relieving a related entity of an obligation or liability. Even where a related entity does not receive a direct payment, allowing it to retain funds or avoid a burden may amount to providing a benefit.

The guidance aims to help ancillary funds meet their minimum distribution obligations and maintain compliance with integrity rules designed to protect the concessional tax treatment of deductible gifts. TD 2026/3 replaces draft TD 2025/D3.

ATO to acquire electoral roll data for ongoing compliance program

The ATO has announced in a Gazette notice that it will now acquire Australian electoral roll data from the Australian Electoral Commission (AEC) on an ongoing basis as part of a new data-matching program.

The program will collect registered voters' names, residential addresses, sex, dates of birth and, where available, occupations. The ATO will match this information against its own records to identify potential non-compliance with tax and superannuation registration, lodgement, reporting and payment obligations.

The data will also be used to identify individuals operating outside the tax and superannuation systems, locate taxpayers with outstanding obligations and assist in administering Australia's foreign investment rules for residential and agricultural land where property owners do not appear on the electoral roll.

For further information, please refer here.

ATO withdraws superannuation guarantee guidance following Payday Super reforms

The ATO has withdrawn two superannuation guarantee (SG) rulings following amendments made by the Treasury Laws Amendment (Payday Superannuation) Act 2025, which significantly change the operation of the SG regime from 1 July 2026.

Superannuation Guarantee Determination SGD 2003/2
SGD 2003/2, which addressed the treatment of deadlines falling on weekends, public holidays and bank holidays for SG contributions, statements and payments, has been withdrawn without replacement.
The withdrawal reflects changes to the SG regime, including the removal of SG statement lodgement requirements, changes to contribution timing and broader amendments to SG charge arrangements.

Superannuation Guarantee Ruling SGR 2009/2
SGR 2009/2, which explained the meaning of "ordinary times earnings" (OTE) and "salary or wages" for SG purposes, has also been withdrawn from 1 July 2026.

Following the Payday Super amendments, the SG regime introduces the concept of "qualifying earnings" (QE), which is the basis for calculating individual SG amounts. OTE has been incorporated into QE and the concept of "salary or wages" is no longer relevant under the amended legislation.

Relevant views from SGR 2009/2 that continue to apply under the new law have been incorporated into draft Law Companion Ruling LCR 2026/D1.

Monthly Tax Update

July 2026

ATO Rulings and Activity (Cont.)

ATO updates draft guidance on identifying SG employer in labour hire arrangements

The ATO has released draft Superannuation Guarantee Ruling SGR 2026/D1, which updates its guidance on identifying the appropriate employer for superannuation guarantee (SG) purposes, particularly in tripartite arrangements involving labour hire or employment agencies.

The draft ruling is intended to replace SGR 2005/2 and should be read together with Taxation Ruling TR 2023/4, which explains the Commissioner's view on the meaning of "employee" under s 12 of the Superannuation Guarantee (Administration) Act 1992 (SGAA).

While the existing views in SGR 2005/2 have largely been retained, the draft ruling has been updated to align with TR 2023/4 and recent judicial decisions on the concepts of "employer" and "employee".

The draft ruling outlines a two-step approach in identifying the employer :

1. Identify the relevant contract
   The first step is to determine whether a written, oral or implied contract exists for the performance of work or supply of labour and identify the parties to that contract.

   Generally, an employment relationship cannot exist without a contract. For example, where no contract exists between a worker and an end-user, the end-user will not be the worker's employer. Similarly, where no contract exists between a worker and an intermediary, the intermediary cannot be the employer.

2. Determine whether an employment relationship exists

Once a contract is identified, it must be determined whether an employer-employee relationship exists under common law or under s 12(1) or s 12(3) of the SGAA.

Under s 12(3), a person who works under a contract wholly or principally for their labour may be an employee of the other contracting party. Accordingly, a labour hire intermediary may be the employer where it contracts directly with the worker, even if the work benefits the end-user.

Where a worker is engaged through an interposed entity, such as a company, the interposed entity will generally be the employer rather than the end-user or intermediary.

Other considerations
The label or description given to a tripartite arrangement is not determinative. The draft ruling emphasises that the legal rights and obligations created by the arrangement must be examined.

In determining the employer, the legal right to control the worker's activities is relevant rather than the actual exercise of control, such as day-to-day supervision or task allocation.

The draft ruling considers relevant court decisions, including the High Court decision in *Construction, Forestry, Maritime, Mining and Energy Union v Personnel Contracting Pty Ltd* (2022) 74 AILR; [2022] HCA 1, and includes practical examples illustrating the ATO's views.

Comments on the draft ruling are due by 31 July 2026.

ATO Rulings and Activity (Cont.)

ATO withdraws guidance on SBSCH super contribution deductions

The ATO has withdrawn Practical Compliance Guideline PCG 2020/6, which set out its compliance approach to the timing of income tax deductions for superannuation contributions made through the Small Business Superannuation Clearing House (SBSCH).

The withdrawal takes effect from 1 July 2026 following the repeal of the relevant provisions of the Superannuation Guarantee (Administration) Act 1992 by the Treasury Laws Amendment (Payday Superannuation) Act 2025 and the cessation of the SBSCH.

PCG 2020/6 is no longer required and will not be replaced. However, the Guideline continues to apply to periods ending on or before 30 June 2026.

ATO releases 2026–27 reasonable travel and overtime meal expense amounts

The Commissioner has released Taxation Determination TD 2026/4, setting out the reasonable amounts for employee expense claims for the 2026–27 income year.

The determination covers:

- overtime meal expenses for employees working overtime;
- domestic travel expenses, including accommodation, meals and incidentals for overnight work-related travel; and
- overseas travel expenses, including meals and incidentals.

Overtime meals
The reasonable amount for overtime meal expenses for the 2026–27 income year is $40.

Domestic travel
Reasonable amounts for domestic travel apply to short stays in commercial accommodation such as hotels, motels and serviced apartments. They do not apply where alternative accommodation, such as hostels or caravan parks, is used.

Meal amounts depend on the timing and duration of the travel and only apply to meals falling within the period covered by the travel allowance. Incidentals can be claimed in full for each day covered by the allowance, including the first and last day of travel.

Amounts are provided based on location and three salary levels:

- up to $153,210;
- $153,211 to $272,680; and
- $272,681 and above.

Separate reasonable amounts also apply for employee truck drivers:

- breakfast: $32.25;
- lunch: $36.80; and
- dinner: $63.45.

These meal amounts cannot be combined, transferred between meals or carried forward.

Overseas travel
Reasonable overseas travel amounts are also provided for the three salary levels listed above.

Salary levels exclude travel allowances received. Where an employee travels through multiple countries on the same day, the reasonable amount is determined using the country with the higher cost group. The incidental allowance applies in full for each travel day covered by the allowance and does not need to be apportioned for part-day travel on the first or last day.

The amounts apply for claims made in the 2026–27 income year.

ATO Rulings and Activity (Cont.)

RTP schedule requirements extended to large superannuation funds and CIVs

From 1 July 2026, the Reportable Tax Position (RTP) schedule regime will be expanded to include large APRA-regulated superannuation funds and collective investment vehicles (CIVs).

The expansion aligns these entities with large public and private groups already subject to RTP reporting and reflects the ATO's focus on improving transparency for taxpayers with significant economic influence. The change will allow the ATO to collect information about uncertain tax positions that may present risks to the tax base.

The RTP schedule requirements apply to funds and CIVs with total business income exceeding $250 million that also meet other lodgment criteria outlined in ATO guidance.

The RTP schedule requires disclosure of material tax positions that create uncertainty and are identified in:

- the entity's tax return;
- financial statements; or
- specific arrangements.

Entities that fail to lodge the required RTP schedule may be subject to penalties. The schedule must be lodged by the entity's income tax return due date.

For further information, please refer here.

Class Rulings Issued:

- Class Ruling CR 2026/32 Winsome Resources Limited – scrip for scrip roll-over. This ruling applies from 1 July 2025 to 30 June 2026.

- Class Ruling CR 2026/33 Apiam Animal Health Limited – scheme of arrangement and special dividend. This ruling applies to eligible taxpayers from 1 July 2025 to 30 June 2026.

- Class Ruling CR 2026/34 Ascend Resources Pty Limited – exchange of shares for Ascend Metals Limited shares. This ruling applies from 1 July 2025 to 30 June 2026.

- Class Ruling CR 2026/35 National Gallery of Victoria - Early Retirement Scheme 2026. This ruling applies from 25 June 2026 to 31 October 2026.

- Cass Ruling CR 2026/36 Red Metal Limited – in specie return of Maronan Metals Limited shares. This ruling applies from 1 July 2025 to 30 June 2026.

- Class Ruling CR 2026/37 Strickland Metals Limited – reduction of share capital. This ruling applies from 1 July 2025 to 30 June 2026.

- Class Ruling CR 2026/38 HealthScreen Pty Ltd - exempt benefits relating to medical screenings, preventative health care and counselling of employees. This Ruling applies from 1 April 2026 to 31 March 2029.

- Class Ruling CR 2026/39 Next Science Limited – reduction of share capital. This ruling applies from 1 July 2025 to 30 June 2026.

Monthly Tax Update
July 2026

ATO Rulings and Activity (Cont.)

Other Rulings Issued:

- Addendum to Product Ruling PR 2024/13 Friends Provident International - Global Portfolio - Collective Investments
- Addendum to Product Ruling PR 2023/22 Swiss Life (Singapore) Pte. Ltd. Alpha Plus Variable Universal Life
- Product Ruling PR 2026/8 Resolution Life Lifetime Income Annuities. This ruling applies from 16 February 2026 to specified entities for an annuity purchased from 16 February 2026 until 30 June 2028.
- Product Ruling PR 2026/9 Swiss Life (Singapore) Pte. Ltd. – Alpha Plus Variable Universal Life and Alpha Plus (Joint Life) Variable Universal Life. This ruling applies from 1 July 2026 to entities specified in the ruling that enter into a Variable Universal Life (VUL) insurance policy from 1 July 2026 until 30 June 2029.

Latest Australian Tax Cases

Ostwald & Ors v FC of T 2026 ATC; [2026] FCA 868, 3 July 2026

The Federal Court has dismissed applications for judicial review brought by three company directors seeking to challenge decisions imposing superannuation guarantee charge (SGC) penalties on them.

Marsh v FC of T 2026 ATC, [2026] ARTA 1129, 22 June 2026.

A real estate agent who claimed $143,788 in work-related expense deductions has had only limited success before the ART in challenging the ATO's disallowance of claims for car expenses, clothing expenses—including the cost of a Playboy bunny costume—and other work-related expenses.

Larmar & Anor v FC of T 2026 ATC; [2026] FCA 826, 26 June 2026

The Federal Court has upheld amended assessments issued to the self-described conductor of an orchestra of property syndicates, finding that property syndicate fees were properly attributed to the tax agent/accountant rather than the corporate “services entity” he had established. The Court also rejected the taxpayers’ arguments that the Commissioner had failed to form the required opinion that fraud or evasion had occurred, or that the opinion had not been validly made.

Schmidt v The King (Cth) [2026] SASC 101, 1 July 2026

A taxpayer has been unsuccessful in appealing a conviction and fine imposed for failing to lodge self-managed superannuation fund (SMSF) income tax returns. The Supreme Court of South Australia found that the taxpayer's reliance on his long-standing accountant did not relieve him of his ultimate responsibility to comply with his taxation obligations.

FC of T v Cheung 2026 ATC; [2026] FCAFC 75

The taxpayer has sought special leave to appeal to the High Court against the Full Federal Court decision in FC of T v Cheung 2026 ATC; [2026] FCAFC 75.

The case concerned amended income tax assessments issued by the Commissioner in relation to approximately $33 million in payments made over a 10-year period by a Vanuatu business to its former general manager, who had retired and was living in Australia. The Full Federal Court found that the primary judge’s fact-finding process had miscarried, providing a basis for appellate intervention. The Court considered the primary judge’s conclusions regarding the taxpayer’s involvement in the business and the characterisation of the payments received to be “glaringly improbable” when viewed against the evidence as a whole. The Full Court concluded that the payments received by the taxpayer over the 10-year period should have been treated as assessable ordinary income.

Bulie v FC of T 2026 ATC; [2026] ARTA 1003, 4 June 2026

The ART has determined that a taxpayer who was a dual resident of Australia and Singapore should be treated as a Singapore tax resident. Although the taxpayer spent approximately 38% of his time with his family in Sydney, he was employed full-time in Singapore and maintained stronger personal and economic ties there. As a result, Singapore was considered the country with which he had the closest personal and economic connections for tax purposes.

Monthly Tax Update

July 2026

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