



Quarterly newsletter - March 2026

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### Message from the Tax Ombudsman, Ruth Owen CBE

Welcome to the first newsletter of 2026. Tax administration remains a hot topic and we are preparing for a busy year ahead.

### Our year already includes:

- publishing our [review of GIC remission](#) today. The ATO has accepted all of our recommendations, including to explore interest free payment plans for struggling taxpayers who are trying to do the right thing in paying their tax debt. Come to our [webinar](#) on 6 March to learn more.
- our review of **online services for agents** (OSfA) is kicking off now. We hope to make some very specific recommendations to improve the OSfA portal and PracticeMail . This review complements our earlier [examination of the ATO's registered agent phone line](#).

- the completion of our review into a **historic and complex taxpayer complaint** aired in the media late last year. This review has highlighted some areas of risk around the ATO's decision-making, which will need further investigation beyond the original complaint. We will not consult widely on this review, as it is very subject matter specific, but will be discussing it with the key tax professional bodies and financial counselling groups.
- our review into the **ATO's engagement with First Nations taxpayers**. This review will see widespread community engagement and will look to highlight the barriers experienced by First Nations individuals, communities and businesses.
- developing a new approach to very specific tax administration issues which are neither a complaint nor a systemic review. We will explore **hot topics** through policy papers, journal articles or roundtables.

## Complaints

- We had a particularly busy end to 2025 with a spike in complaints, predominantly focused on debt collection. We are working hard to maintain and improve our service to you and your clients, including the quality and regularity of our communications with customers.
- Complaints data is an important touch point to spot trends and ensure we are focusing on the right issues and confirming what the tax community is telling us. We're working on ways to improve our data and analytics and share it with you.

## Engagement and communications

- We continue to raise our profile and ensure everyone in the tax profession and community knows who we are and what we do.
- We find it really valuable to hear your insights and what's happening on the ground, so please let us know if you see systemic issues of concern or new trends, including case studies, or events you'd like us to attend.
- We're holding a series of 'Meet the Tax Ombo' events in the coming weeks – I'd love to see you all (and your members) in Perth, Melbourne, Sydney and Brisbane!

Thank you for your continued support. We really do appreciate working with you.

I look forward to a productive year ahead.

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### **GIC review calls for fairer interest charge relief**

We have completed our review into the ATO's management of remission of the general interest charge (GIC), calling on urgent improvements to the way it offers relief for people trying to do the right thing.

The ATO's increasing refusal to reduce or refund the GIC, especially when circumstances warrant it, is contributing to growth in tax debt, increased financial stress for struggling families and small businesses, and an overall loss of confidence in the tax system.

Our review found inconsistent decision-making, vague guidance and poor communication were leading to confusion and unfair outcomes for taxpayers.

We made four recommendations to the ATO including encouraging the use of front interest-free payment plans for eligible taxpayers who enter into and maintain compliant payment plans, to help get them back on track and discharge the debt faster.

We welcome the ATO's agreement to all our recommendations and its recent changes to address inconsistency in remission decisions; improve guidance to taxpayers and tax practitioners; and expand reconsideration criteria.

**To access our review report and recommendations, [visit our website](#) or register to [attend a webinar](#) to hear our findings at 12:30 AEDT Friday, 6 March 2026.**

[Register now](#)



### **Online services for agents under the microscope next**

We're about to commence a review into Online Services for Agents (OSfA) – a secure system provided by the ATO for registered tax and BAS agents.

OSfA allows agents to access a range of client information and services, offering visibility and access to client data held on ATO systems. The ATO has been encouraging agents to use OSfA to streamline processes and reduce reliance on phone support.

However, feedback from our recent consultation with the agent community, as part of the 2025 [Registered Agent Phone Line Review](#), highlighted several issues and concerns with OSfA.

Agents reported inefficiencies and increased administrative burdens, flagging the need for improved online capability in order to fulfil transaction requirements for clients in a timely manner, without needing to call the ATO.

Our review will examine whether OSfA provides a simple and efficient channel for both the ATO and agents to interact; offers appropriate transparency; and effectively supports agents in helping taxpayers meet their tax obligations.

Consultation on review Terms of Reference will commence shortly and we welcome contributions from the tax community. Please keep an eye on our website for updates and opportunities to participate in the coming weeks.

In the meantime, if you have a group or meeting of tax agents in the coming months which we can attend, please let us know at [consultations@taxombudsman.gov.au](mailto:consultations@taxombudsman.gov.au).



## Complaints update

We've already kicked off a big year for complaints. Following a spike in late 2025 off the back of tax time with debt related complaints, we're now getting on top of things.

Our complaints team is working hard to resolve complaints in a timely manner whilst improving our service levels. We're always looking for opportunities to adjust our processes and systems to deliver a more efficient and effective service, including using data and analytics.

We're currently reviewing our communication with customers and ensuring correspondence is timely and clear. Training is also a big focus for our staff and ensuring we are equipped to deliver a quality service to the whole community.

Complaints data continues to provide important insights for our systemic reviews. For example, in the 2024/25 financial year, we received 134 GIC related complaints and these informed our review of GIC remission. A case study on a GIC complaint is included below, emphasising the impact our work can have on people's livelihoods.

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### Complaint case study: when an agent's health crisis led to unfair interest charges

An otherwise compliant company was surprised to find itself facing more than \$39,000 in interest charges — not because it ignored its obligations, but because its tax agent became seriously unwell.

A tax agent approached us after the ATO imposed general interest charges (GIC) following the late lodgement of five years of company tax returns. Four of those returns were overdue, resulting in GIC totalling \$39,334.72. The client had no record of poor compliance and had relied on their agent to manage their ongoing obligations.

The tax agent applied for GIC remission on medical grounds, providing specialist reports outlining significant mental health issues and serious family related problems that affected his capacity to work. However, the remission request was initially declined.

We engaged with the ATO to explain that the agent's incapacity directly affected his ability to meet lodgement deadlines and that the outstanding returns could not be lodged until his

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condition stabilised. We also highlighted that the client had no reasonable way of knowing their agent was incapacitated.

After reviewing the circumstances, the ATO agreed to remit GIC for the period during which the tax agent was incapacitated, amounting to \$14,942. GIC accrued after that period was not remitted, as the ATO considered the agent had recovered sufficiently to resume work and ultimately lodged the returns.

While the full amount of GIC was not removed, the outcome recognised genuine incapacity and educed the unfair impact on a client with a strong compliance history.

### *Key learnings*

- Issues affecting tax agents can have significant consequences for otherwise compliant clients.
- Clear evidence linking periods of incapacity to missed obligations is critical for GIC remission.
- A strong prior compliance history is relevant when assessing fairness and discretion.
- You are legally responsible for meeting your tax obligations, even when you use a registered tax agent.

[Make a complaint](#)



**Meet the Tax Ombro near you**

Ruth is visiting selected capital cities in the coming months and invites you to attend a 'Meet the Tax Ombo' event near you.

Meet Ruth, hear about our work to improve the fairness of the tax system, and share your concerns and feedback on tax administration matters.

Please register your attendance at the below links:

- [Perth – 11 March 2026](#)
- [Melbourne – 19 March 2026](#)
- [Sydney – 30 March 2026](#)
- [Brisbane – 5 May 2026](#)

Additional locations may be added later in the year.

## Key dates

We're at the following events in the coming months. If you're holding an event which you'd like us to attend (in person or online) please get in touch at: [engage@taxombudsman.gov.au](mailto:engage@taxombudsman.gov.au)

- **5-6 March** – [The Tax Institute SA Tax Forum](#), Adelaide
- **11 March** – Meet the Tax Ombo, Perth [register to attend](#)
- **12-13 March** – [The Tax Institute WA Tax Forum](#), Perth
- **18-19 March** – [Accounting & Business Expo](#), Sydney
- **19 March** – Meet the Tax Ombo, Melbourne [register to attend](#)
- **30 March** – Meet the Tax Ombo, Sydney [register to attend](#)

- **1 April** – CPA Branch lunch, Wagga Wagga
- **5 May** – Meet the Tax Ombo, Brisbane [register to attend](#)
- **8 May** – [Financial Counselling Australia National Conference](#), Cairns
- **28 May** – [CPA Public Practice Retreat](#), Torquay

## Media and publications

- ABC news article: [ATO debt continues to drive record level of calls to small business financial helpline - ABC News](#) (5 min read)
- *Smartmoney* article: [Director Penalty Notices face review in 2026 as ATO usage surges](#) (3 min read)
- [Tax Ombudsman quarterly newsletter](#), December 2025 edition (10 min read)

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