Australian Government
The Board of Taxation

BoT.

Red Tape Reduction Review
Consultation Guide

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Red Tape Reduction Review

The Board of Taxation is seeking input to identify and understand opportunities for reducing red tape and compliance burden from the tax system.

Background

Australia's tax system plays a vital role in funding essential public services and supporting economic stability. However, as the system has evolved over time, so too has its complexity. For many businesses and tax professionals, navigating and complying with tax rules and processes has become increasingly time-consuming, costly, and confusing.

On 24 September 2025, the Treasurer tasked the **Board of Taxation** (the Board) to identify ways to responsibly reduce unnecessary compliance burdens and red tape in the tax system. This **Red Tape Reduction Review** (the Review), seeks to identify opportunities to simplify business tax law and administration to reduce unnecessary regulatory burdens – commonly referred to as "red tape" – without compromising the integrity, fairness, or efficiency of the system or the amount of tax collected.

This review focuses on how to make it easier for taxpayers to meet their obligations and for tax administrators to deliver services more effectively. Opportunities for red tape reduction should be substantial, material, measurable and directly support productivity. Whether it's duplicative reporting, outdated paper-based processes, confusing guidance, or complex compliance requirements, we want to understand where the system can be improved.

The Review focuses on ways to cut red tape in the tax system. Tax policy reform ideas are outside the scope of the review. The Government convened the Economic Reform Roundtable (Roundtable) from 19-21 August 2025 and included budget sustainability and tax reform as one of its three main themes. Accordingly, tax policy submissions were sought as part of the Roundtable process.

Terms of Reference

To complement and support the ATO's work, the Board is requested to:

- engage with the business community to identify areas of business tax law and administration where there are opportunities for red tape reduction that are substantial, material, measurable and directly support productivity.
- Where opportunities are identified:
  - **If involving administrative changes**, provide the examples to the ATO to support their red tape work, including indicating the benefits that may be possible from reducing compliance costs; and
  - **If involving legislative changes**, provide recommendations to government for potential improvements. Any recommended improvements should consider the benefits to productivity, be revenue neutral and consider any potential integrity risks.

As part of the review, the Board will stocktake any tax-related compliance and red tape reduction recommendations from the Economic Reform Roundtable public submissions, as well as previous Board reviews and recent stakeholder engagement by the Board which discussed tax compliance burden.

Objective

This **Consultation Guide** is designed to support open and constructive engagement with the business community. The Board is seeking feedback from a broad range of stakeholders – including small and large businesses, tax agents, community organisations and peak bodies – to better understand the real-world impact of red tape in the tax system and identify opportunities for improvement.

Your insights, experiences, and suggestions will help shape recommendations to government on how to streamline processes, remove unnecessary burdens, and improve the overall experience for businesses interacting with the tax system.

The Board is seeking ideas which will facilitate meaningful reductions in red tape and not result in less tax being collected. We encourage you to share your views.

The Review Team

The Board has appointed Board Members, Andrew Mills – Acting Chair, Ian Kellock, Andrea Laing and Judy O'Connell to oversee the review. They will be assisted by the Board's Secretariat function.

Consultation Questions

The Board encourages you to reflect on the consultation questions below to assist in formulating your input to the review. To the extent possible, please quantify the amount of red-tape or compliance costs saved for each recommendation. Not all these questions may be relevant to you and you should not feel obliged to address all the questions. We encourage you to raise any other relevant issues that fall within the scope of the Terms of Reference.

Note: Major or broad tax reform ideas are not within the scope of the Red Tape Review.

1. Red tape reductions involving tax administration

- Are there specific tax processes, registrations or requirements that you believe could be administered differently to materially reduce compliance burden and directly enhance productivity?
- If you've experienced duplication between different agencies, forms, or processes that seem outdated or manual, please describe them.
- Reporting and lodgment obligations have been raised as areas where red tape improvements could be made.
  - Are there particular areas of concerns?
  - Are there instances where different reporting obligations, whether to the ATO or other government entities, require the provision of similar information in varying formats or levels of detail, which, while not strictly duplicative, are nevertheless substantially similar?
  - Are there areas where record keeping and substantiation requirements are particularly onerous and/or time consuming?
  - Are there areas where tax obligations could better align with business operations?
  - Would the alignment of the timing of certain obligations be useful and if yes, what would you like aligned?

2. Red tape reductions involving legislative changes

- Are there areas where legislative changes would be necessary to substantially cut red-tape and compliance burden for business. Any recommended improvements should consider the following:
  - productivity benefits
  - how the amount of tax collected would remain the same
  - minimising legislative drafting complexity
  - any potential integrity risks

3. **Ideas for simplification**
   - What are the <u>top changes</u> you would suggest for reducing red tape in the tax system?
   - Are there tax processes or obligations that could be automated, simplified, or removed altogether?
   - Are there international approaches to tax administration you believe Australia should consider?
4. **Sector-specific insights**
   - If you operate in a specific industry, sector, or community, are there unique challenges you face in complying with tax requirements?
   - Are there groups you believe are disproportionately affected by tax-related red tape? If so, what options are available to reduce the compliance burden while still maintaining revenue collections?
5. **Additional comments**
   - Please share any other feedback, ideas, or real-world examples that you believe would help substantially reduce red tape in the tax system and would directly lead to material improvements in productivity without loss of tax revenue.

Consultation process

Timetable

The timetable below sets out an indicative timeframe for initial consultations. Further information will be made available www.taxboard.gov.au.

Date	Detail
Late October 2025	Release consultation guide
November 2025	In person consultation roundtables
15 December 2025	Written submission close date

The Board is expected to report back to Government by **30 June 2026**.

How to participate

The Board invites comments on the matters set out in this consultation guide. Interested parties are invited to contribute to consultation through written submissions and may also express an interest in participating in one of the consultation sessions conducted by the Board.

Participation in a consultation session cannot be guaranteed as decisions on who is invited will need to consider the extent of interest, ensuring a meaningful opportunity to participate and themes around which consultations can be usefully framed consistent with the terms of reference.

Consultations

The Board will be holding a series of in person and virtual consultations. Initial consultation dates appear below. Further dates may be organised as the review progresses.

Date	
13 November 2025	In person and virtual – Location to be determined
14 November 2025	In person and virtual – Location to be determined
21 November 2025	Virtual

If you would like to be considered for participation in a consultation session, please express your interest by email to **taxboard@taxboard.gov.au,** and let us know by Friday the **31st October 2025:**

- your preferred **date**
- where you are **located**
- your **preference** for in-person or virtual attendance.

Written Submissions

The Board will accept written submissions to this review until **15 December 2025**. Submissions can be made to taxboard@taxboard.gov.au or addressed to the Treasury as follows:

Board of Taxation Secretariat
C/O – The Treasury
Langton Crescent
Parkes ACT 2600
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Phone: (02) 6263 4366