Online Services for Agents

Review report

August 2026

Tax Ombudsman

The Tax Ombudsman acknowledges the Traditional Owners and Custodians of country throughout Australia and their continuing connection to land, sea and community. We pay our respects to them and their Elders past, present and emerging.

Artwork used with permission from Tarni Jarvis,
a Djab Wurrong, Kirrae Wurrong and Peak Wurrong woman.

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10 things to know from our report

1. Registered agents represent around 62% of individual taxpayers and 96% of non-individual taxpayers.
2. Online Services for Agents (OSfA) is a secure digital platform provided by the ATO for registered agents and their authorised staff. The proportion of agents who said OSfA, met all or most of their needs fell from 76% in 2022 to 63% in 2026.
3. Agents and the ATO would prefer to use digital channels that complement business software and reduce the volume of calls.
4. There are limitations of what agents can complete in OSfA which creates inefficiencies and frustration, with agents needing to call the ATO to complete a transaction.
5. In some cases, agents must request information from the ATO that already exists digitally, requiring ATO staff to manually prepare reports that could potentially be provided through self-service.
6. The administrative burden on agents impacts the efficiency and productivity of their practice and can impact client fees – thus increasing the cost of compliance for taxpayers.
7. There are almost 100 OSfA-related changes awaiting action in the ATO backlog of system improvements. Some improvements have sat on the list since before 2022 without progressing.
8. Stand-alone improvements to OSfA often struggle to progress in the ATO's change program prioritisation unless they become part of a larger ATO project.
9. Practice Mail is a web portal designed as a channel for agents to send requests to the ATO, not to support ongoing two-way communication with agents. It no longer meets the needs of agents who require more immediate two-way communications and broader functionality.
10. Agents expect a quality, modern digital service offer from the ATO – which will minimise the administrative burden and expense for themselves, their clients and the ATO itself.



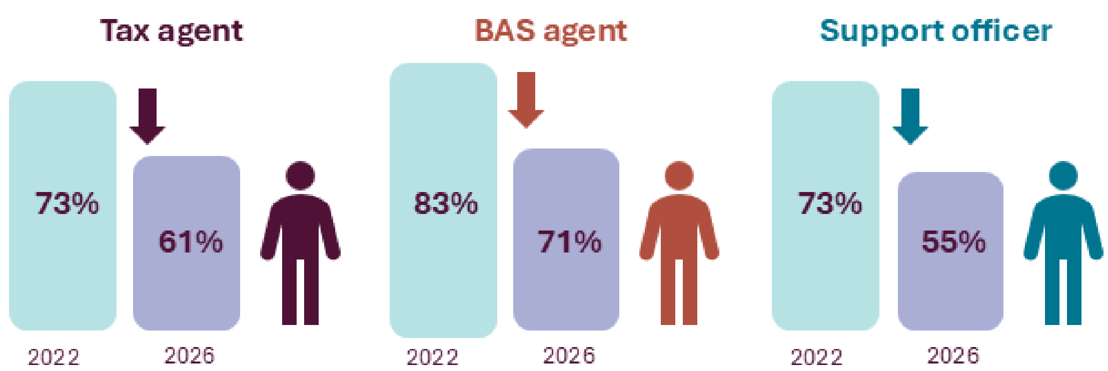
Why we undertook this review

Digital services are no longer just a supporting feature of tax administration. They are now the main way registered agents interact with the tax system and are the preferred channel for the ATO and most agents. In this increasingly digital environment, the way registered agents administer tax and superannuation obligations has fundamentally changed, and the systems supporting those interactions must evolve alongside it.

Online Services for Agents (OSfA) is the designated platform developed by the ATO for agents to interact with them. Agents rely on OSfA to access client information, lodge forms, communicate with the ATO and manage client obligations efficiently. The administration of the tax system increasingly depends on the effectiveness of these services.

Registered agents are a critical part of the Australian tax and superannuation systems. They represent around 62% of individual taxpayers and 96% of non-individual taxpayers and manage tax and superannuation obligations across large numbers of clients. Because agents operate on behalf of large numbers of taxpayers, the effectiveness of these services has system-wide impacts.

The number of agents who said that all or most of their needs are being met through OSfA declined from 76% in 2022 to 63% in 2026. Agents need fast and effective self-service options where they can resolve matters online. Where digital services are limited, agents often need to rely on the registered agent phone line. This is frustrating for agents, while also placing additional pressure on the ATO's phone services, increasing wait times and delaying issue resolution.



Agent perceptions of how well OSfA meets their needs

This relationship between digital service limitations and avoidable reliance on phone services was identified in our earlier review into the registered agent phone line. We also identified a more systemic issue in the relationship between the ATO and agents, with agents feeling undervalued and their role not respected by the ATO. The perceived poor service received by phone and the limitations of the online services were identified as symptoms of that wider relationship issue. In response, the ATO committed to examining opportunities to improve its digital services by identifying content and functionality gaps. We identified a win/win/win opportunity where agents could meet their clients' needs efficiently, the ATO could reduce call traffic and associated costs, and taxpayers could comply with their obligations more easily.

This review examines whether OSfA adequately meets the needs of agents and enables the efficient administration of the tax system.

The scope of our review

This review focuses on identifying practical improvements to OSfA and Practice Mail, having regard to how agents interact with the ATO more broadly. We consulted with registered agents, professional bodies and the ATO, and observed how agents use these services in practice, to better understand the most significant operational issues affecting agents and their clients.

The review does not examine third-party practice software providers or the internal ATO processing and decision-making that occurs after requests are received through the ATO's digital systems.

Acknowledgement

We acknowledge the contributions of stakeholders who have generously shared their time, expertise and insights with us, including those agents who allowed us to observe their practical use of OSfA. We would also like to thank the various ATO officers who have been involved in this review for their time, assistance and professional engagement.

The ATO's response to this review is in Appendix A of this report.

1. Responding to agent needs

What is OSfA

OSfA is a secure digital platform provided by the ATO for registered agents and their authorised staff. Introduced in 2019 to replace the Tax Agent Portal, it provides a central place for agents to manage their clients' tax and superannuation matters. It gives access to client tax information and allows them to complete many routine tasks online, including lodgements, payments and refund requests.

Agents use OSfA alongside commercial practice software to manage client work. While many agents would prefer one fully integrated system, OSfA and practice software serve different purposes. OSfA is not intended to mirror or replace the commercial software packages used by agents to manage their practice and their clients' tax affairs. It meets an essential but specific need by allowing agents to see the same information the ATO holds about their clients' tax and superannuation matters and access services that are not available through third-party software.

What agents need from OSfA

Agents use OSfA every day to manage obligations, access information and interact with the ATO on behalf of their clients. During consultation, agents explained that OSfA needs to provide easier access to relevant client information, more online self-service options and clearer presentation of information across client and practice-level reports. Agents also need OSfA to provide efficient workflows that reduce the manual effort required for routine and high-volume tasks. Having these capabilities would reduce delays in client service, make routine work easier to manage and support the provision of timely and effective advice. How well OSfA supports these needs is therefore a good way to assess whether the platform is supporting agents effectively.

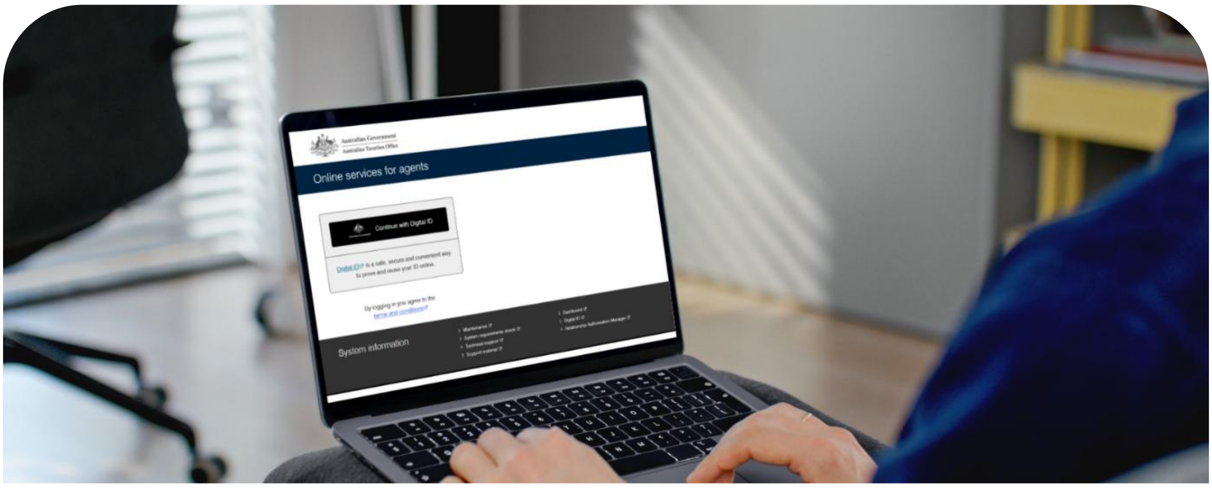
In this increasingly digital environment, the way registered agents administer tax and superannuation obligations has fundamentally changed, and the systems supporting those interactions must evolve alongside it.

How effectively does OSfA meet agents' needs

OSfA has limitations

The review found that OSfA generally provides access to the information and services agents need, but important limitations remain. In some cases, functionality available for one tax type, client group or process was not available in similar situations for another tax type. Some information that exists within ATO systems is difficult to access through self-service, and some activities still require agents to move between digital, phone and manual channels. In other cases, agents need to complete repetitive manual tasks or look through client accounts individually because OSfA does not provide a clear view across their practice. As a result, agents often spend more time and effort completing routine activities than they expect.

While these issues appear different on the surface, they reflect a common problem. Agents can usually complete a task but often need to do unnecessary work because OSfA does not support the task as well as they need. They frequently need to take extra steps, switch between channels, repeat tasks or rely on workarounds to achieve the same outcome. This pattern was evident across the issues examined in the review.



Why administrative burden matters

Administrative burden can have a particularly large impact on agents because they use OSfA every day to manage large numbers of clients. As a result, even small inefficiencies can create a lot of extra work when experienced hundreds or thousands of times.

Reducing administrative burden is not simply about improving convenience for agents. When OSfA does not support routine tasks well, agents often need to contact the ATO for help or ask the ATO to complete the task manually. These extra steps create more work for both agents and the ATO. Reducing the administrative burden on agents can therefore improve efficiency across the tax system by reducing unnecessary phone calls, manual work and duplication. Removing the unnecessary steps or duplication will also improve the productivity of agents and their practices.

Most importantly, the effects of administrative burden can extend beyond agents and the ATO to taxpayers themselves. Because a single agent may act on behalf of hundreds or thousands of taxpayers, problems that affect the agent can also affect how those taxpayers access information, meet their obligations and interact with the tax system. For this reason, the way agents experience the tax system can also shape the taxpayer experience. At worst, taxpayers will need to pay higher fees due to the agent's time spent on ATO administration.

How administrative burden can flow through the tax system

Against this background, Chapter 2 identifies practical improvements that may reduce unnecessary work and improve day-to-day digital interactions for agents. Chapter 3 examines whether structural features of the ATO's prioritisation framework help explain why these issues often remain unresolved.

2. Practical improvements to OSfA

Our intention for this review was to produce a list of practical improvements to OSfA which the ATO and agents could agree upon as being top priority and likely to reduce the volume of calls to the ATO, reduce the frustrations of agents and improve the efficiency for both.

During the consultation process, agents raised a number of recurring operational issues that create inefficiency and frustration when using OSfA. This broader feedback was shared with the ATO in an anonymised form so agents' views were heard. For this chapter, we prioritised issues for detailed analysis based on how often they were raised, the consistency of concerns across agent groups and the extent to which they create practical barriers in day-to-day use of OSfA.

Several of the issues examined in this chapter reflected a common theme.

In some cases, agents could still complete a task through another process or service channel, but doing so required additional time and effort.

Where these workarounds existed, the ATO sometimes appeared to view the issue as not requiring fixing because the task could still be completed.

Information is missing or inaccessible

Communication history is incomplete

What we found

The communication history in OSfA allows agents to view copies of correspondence the ATO has issued to taxpayers dating back to 2008. Some campaign or bespoke letters do not appear in the communication history because they are sent outside the ATO's standard digital correspondence process, which mainly supports recurring and standardised correspondence. This can make it difficult for agents to support their clients when they receive unexpected notices as the agent was unaware the ATO had contacted the taxpayer directly.

The ATO aims to make taxpayer communications visible in the communication history wherever possible. However, campaign and bespoke communications continue to sit outside the ATO's standard digital correspondence process because integrating them is not technically straightforward. The ATO is currently exploring a multi-year cloud migration project for broader business reasons. As a secondary benefit, this would move more communications into the systems used to generate and store correspondence in the communication history.

Our observations

It is positive that the ATO recognises the issue. Broader technology changes currently under consideration may provide a practical opportunity to address some of the current limitations affecting the communication history. However, agents need to know what information the ATO has sent to their clients, regardless of how the issue is ultimately resolved. Without that visibility, agents will be unaware of correspondence that requires follow-up, often with tight deadlines. The ATO should therefore work to make the communication history more complete over time, whether through the proposed cloud migration project or another solution.

SGC account access is restricted for BAS agents

What we found

BAS agents cannot access superannuation guarantee charge (SGC) accounts through OSfA, including after preparing and lodging SGC statements for clients. OSfA links access to SGC account information to income tax agent permissions rather than BAS agent permissions. This makes it harder for BAS agents who manage employer payroll and superannuation obligations to reconcile accounts, monitor liabilities and help clients meet their obligations.

The ATO is currently considering changes that would give BAS agents access to SGC account information and plans to talk through these changes, including timeframes, from August 2026. Historically, the ATO has been cautious about moving away from its current role-based access model, where access to information depends on the type of agent. The ATO considers this approach to be an important safeguard.

Our observations

The ATO's concerns about broader changes to existing access arrangements are understandable. However, we are proposing a narrower change that would give BAS agents access to SGC account information. BAS agents already prepare and lodge SGC statements on behalf of clients but cannot access the related account information. Without that information, it is difficult for them to reconcile accounts, monitor liabilities and help clients meet their obligations. Even if implementing this change involves technical complexity, BAS agents should still be able to access information they need to perform work they are already authorised to undertake.

Some digitally held information is not available through self-service

What we found

Unlike income tax and BAS accounts, Fringe Benefits Tax (FBT) client lists are not available through a standard self-service function in OSfA. Agents can use an advanced search function to identify clients who have previously had an FBT account, although this may include clients who have not had FBT obligations for many years. More detailed FBT client list information, including FBT history, due dates and details of late or on-time FBT returns, must be requested through Practice Mail and manually prepared by the ATO. This is timely and makes it harder for agents to identify and manage clients with FBT obligations, particularly during peak FBT lodgement periods.

The ATO is aware of this issue. However, it has not been prioritised because a workaround already exists. Focusing on this issue has proved difficult to justify where there are other competing demands. In addition, expanding the self-service functionality requires significant system changes.

Our observations

Agents can currently access FBT client information by requesting a manually prepared report as a workaround. However, not all workarounds are equally effective. In this case, the workaround requires ATO officers to manually prepare reports containing information that already exists in digital form. While a self-service solution may cost more upfront, continuing to prepare these reports manually is not an efficient long-term use of ATO resources and prevents agents from providing a timely service to clients. Self-service would also make FBT client information available in the same way as other client information already available in OSfA.

Tasks cannot be completed online

Some lodgements still require paper

What we found

Some lodgement processes in OSfA still rely on paper-based or manual workflows rather than fully integrated digital services. Agents can complete requests for refunds of franking credits online for most taxpayers, but requests for non-profit organisations still require agents to complete a PDF form and submit it through Practice Mail for manual processing by the ATO.

The ATO determines which forms and lodgement processes to digitise based on user demand, available funding, system capability and broader digital priorities. As a result, refund of franking credit requests for non-profit organisations remain paper-based because the ATO does not consider there is sufficient demand to warrant digitisation.

Our observations

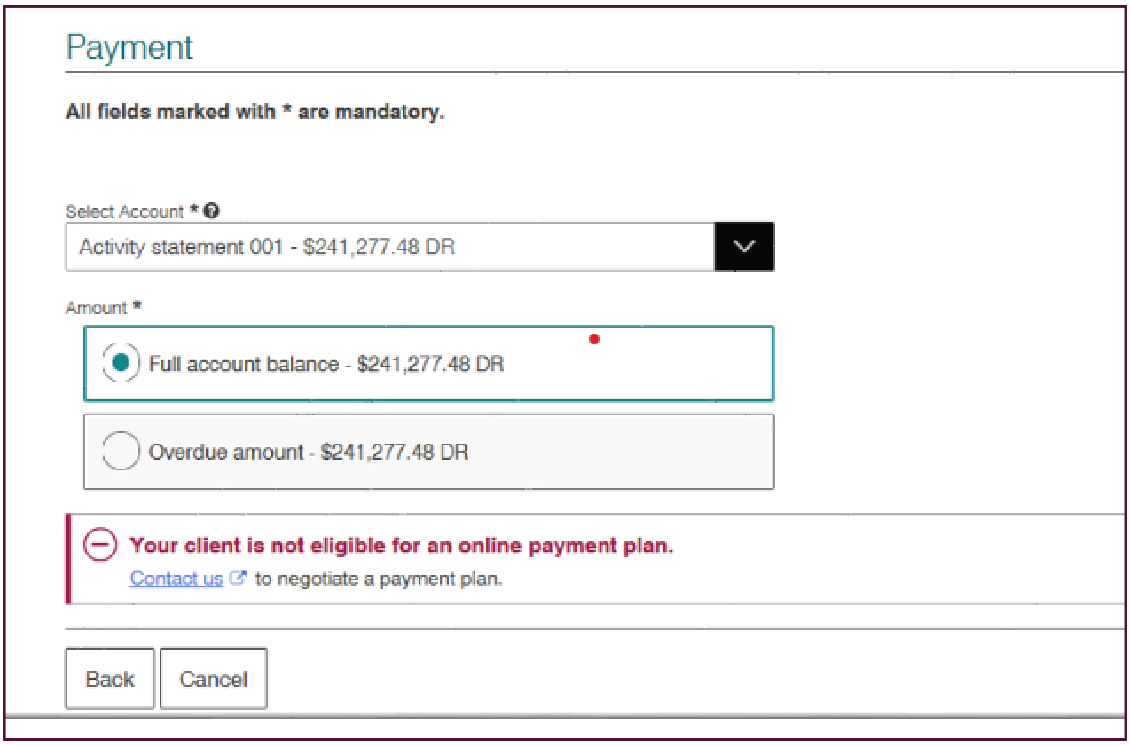
The ATO cannot digitise everything at once, so it must decide which services to improve. However, demand is not the only factor that matters. The nature and importance of what the form is used for should also be considered. Refund of franking credit requests are how eligible non-profit organisations claim a refund they are entitled to receive from the ATO. Some functions are important enough that they should generally be available online, even when they are used by relatively few people. The ability to claim a refund from the ATO is one such function.

Requiring non-profit organisations to use a paper form to claim a refund is difficult to justify in an increasingly digital tax system. Digital lodgement would reduce delays, reduce manual work and make these refund requests consistent with other refund processes that can already be completed online.

The ATO limits self-service for some account management tasks

What we found

The ATO limits self-service functionality in OSfA for some higher-risk or more complex account management tasks and instead requires manual review or intervention by ATO staff. For example, the ATO does not allow payment plans to be set up online where a client's account balance exceeds $200,000, requiring agents to phone the ATO to progress the request.



Agents may need to restart some payment arrangement requests by phone

Similarly, agents seeking to transfer credits between client accounts, for example where a payment has been made to the wrong account, will need to submit a request through Practice Mail so the ATO can review account restrictions or other integrity checks before processing the transfer. As a result, agents cannot continue these processes through OSfA once additional checks or manual review are required and must instead move to separate phone or manual service channels, creating a more fragmented experience.

The ATO requires some requests to undergo manual review, integrity checks or staff judgement because they affect taxpayer records, liabilities and entitlements. As a result, the ATO does not allow agents to complete these requests through standard OSfA self-service and instead handles them manually outside the platform.

Our observations

Manual review or intervention by ATO staff does not mean a request must move outside OSfA and into phone or other service channels. In many cases, the need for ATO review affects how a request is assessed, not how it is submitted. Agents could still lodge and manage requests through OSfA, with the ATO carrying out any required review later in the same process. This would avoid situations where agents begin a request through OSfA but are then required to restart the process through the phone line.

Agents should be able to lodge most payment arrangements through OSfA, while the ATO carries out any further review in the same process, where required. Agents should also be able to request credit transfers directly in OSfA rather than relying on Practice Mail. Providing these self-service options would reduce the need to move between service channels, reduce manual work and make it easier for agents to manage their clients' accounts.

Information is not presented in a way that supports decision making

Limited practice-level reporting makes it harder for agents to proactively manage client obligations

What we found

OSfA provides extensive information at the individual client level, allowing agents to separately view client accounts, obligations and correspondence for each taxpayer. However, practice-level reporting across an entire client base is more limited. While OSfA provides some practice-level reports, such as reports showing outstanding income tax lodgements and activity statements, agents said they would like broader reporting in other areas. This includes reports showing clients with obligations such as taxation payments annual report (TPAR) and FBT, clients in the pay as you go (PAYG) instalments system, and clients who have received a director penalty notice (DPN). The lack of broader practice-level visibility makes it harder for agents to proactively identify clients requiring attention and manage obligations across large client bases.

The ATO is aware that practice-level reporting is not available for all compliance data. However, it has not been prioritised because some reporting functions are already available through commercial practice software. The ATO sees OSfA and commercial practice software as working together to support agents, rather than OSfA providing every function itself.

Our observations

OSfA is not intended to replace commercial practice software. However, agents should still have access to a reasonable baseline level of functionality to manage their clients' tax and superannuation obligations. Without sufficient practice-level reporting, agents need to manually review clients individually and maintain their own lists and records outside OSfA to identify certain compliance obligations. This extra manual work makes managing obligations across a client base more complex and can increase the risk of errors, potentially leading to further avoidable contact with the ATO. Better practice-level visibility would allow agents to identify and address compliance issues across their client base before they escalate.

Workflow inefficiencies increase administrative burden

Agents must manually redact TFNs from downloaded documents

What we found

Documents downloaded through OSfA, such as notices of assessments and account statements, often include a taxpayer's tax file number (TFN). OSfA does not provide a function to automatically redact TFNs before documents are downloaded or shared with clients and third parties. As a result, agents often need to manually redact TFNs from downloaded documents before sending them externally to protect against identity theft, creating a repetitive and time-consuming task across high-volume workflows. Some software providers have developed separate tools that automatically redact TFNs from OSfA documents in response to demand from agents.

The ATO is considering an automatic redaction function in OSfA. However, this is technically complex because of the way TFN information is built into ATO systems and document generation processes. As a result, this may limit its implementation across all downloaded documents. Some commercial practice software already includes TFN redaction tools that agents can use for this task.

Our observations

The ATO's concerns about the technical limits of applying TFN redaction to all downloaded documents are valid. However, allowing redaction for some documents is better than not offering it at all. Any improvement here is valuable because manual TFN redaction takes time, is repetitive and creates extra administrative work for agents, especially when handling large volumes of documents. It would also reduce the risk of inadvertent disclosure of TFNs. ATO digital platforms should reduce manual effort where reasonably possible.

Recommendation 1

The ATO pursue the following practical improvements to OSfA:

a) Improve the completeness of the communication history by ensuring campaign and bespoke correspondence are visible to agents where reasonably practicable.

b) Provide BAS agents with access to SGC account information.

c) Expand self-service in OSfA by allowing agents to digitally access more information and complete more lodgement activities online, including:

    i. self-service access to FBT client list information

    ii. digital lodgement options for refund of franking credits for non-profit organisations.

d) Allow agents to digitally initiate and progress requests even where manual ATO intervention is required later in the process, including:

    i. payment arrangements exceeding online approval thresholds

    ii. credit transfers.

e) Improve practice-level reporting in OSfA to help agents identify clients with ATO-administered tax and superannuation obligations requiring action across their client base.

f) Reduce the need for agents to manually redact TFNs from OSfA documents by implementing automated TFN redaction where reasonably practicable

3. ATO prioritisation framework

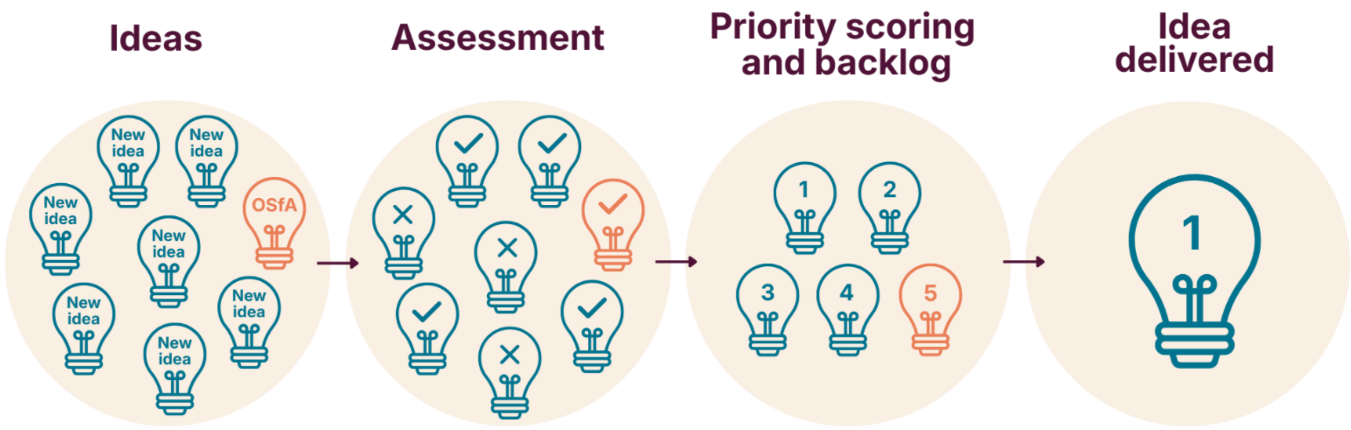
The ATO has a large ongoing program of technology and system changes. There is always more demand than capacity to deliver all of the changes, some of which are legislative or come with ringfenced funding. In order to manage a balanced change program and finite resources, the ATO uses a prioritisation framework to determine which changes are adopted and implemented. How that framework weighs competing priorities can affect whether operational issues experienced by agents are addressed or remain unresolved.

What we found

Ideas for improving OSfA come from a range of sources, including the OSfA online feedback form, external stewardship groups and forums, direct feedback from agents, professional bodies and internal ATO business teams.

The ATO uses a prioritisation framework to assess and prioritise ideas for improving digital services across the organisation. This means that OSfA-related improvements are evaluated alongside other digital work across the ATO, including legislative initiatives, tax-time readiness activities, security requirements, and other enterprise priorities. The framework helps determine whether an idea should be progressed and which delivery pathway it should follow. This is done through governance forums. Delivery pathways include:

- programs of work, which deliver larger strategic, policy and legislative initiatives.
- small change, which delivers minor, discretionary improvements to existing processes and systems.

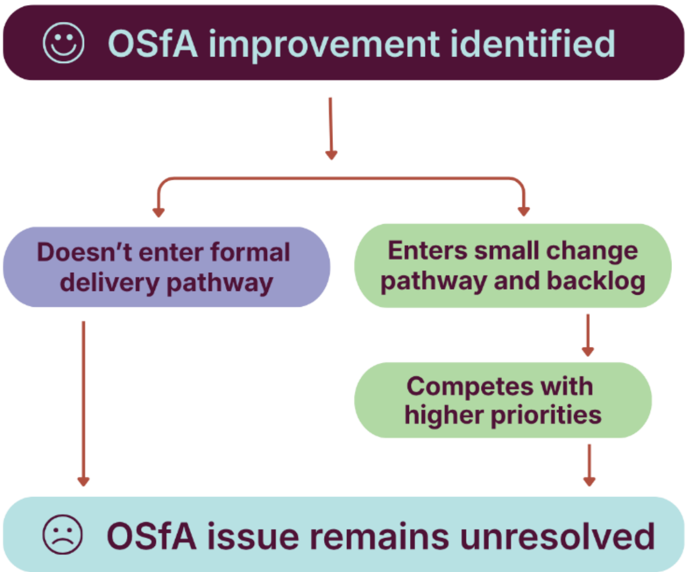


OSfA-related improvements compete with other digital work across the ATO

In practice, the small change pathway has been increasingly used to manage improvements to OSfA. Ideas that are not suitable for the small change pathway may be rescoped and considered through an alternative delivery pathway.

A proposal for improvement that is approved for progression is placed into a backlog, a list of potential improvements waiting to be delivered, where it is assessed and ranked against other work. The ATO prioritises ideas based on factors such as the impact on agents, legal and regulatory requirements, business priorities, service delivery needs, security requirements, technical issues, funding availability and implementation costs. Once added to the backlog, an item remains there until the ATO has the capacity and resources to deliver it and it is rated as a high priority for investment. While the backlog is subject to regular review and prioritisation ratings may change, such changes are infrequent.

The framework is designed to consider competing digital improvement proposals across the ATO as a whole and direct resources to the work considered most important and valuable.



Two recurring patterns emerged in relation to OSfA-related improvements. First, many OSfA-related improvements do not progress into formal delivery pathways. None of the issues examined in Chapter 2 are currently on the backlog, despite many being longstanding concerns that agents have raised repeatedly over a number of years. Second, even when an idea does progress through a delivery pathway and into the backlog, it is often given a low priority rating and remains unresolved for a prolonged period. There are currently almost 100 OSfA-related items on the backlog, including some that have remained unresolved since before 2022.

We also found that where a workaround existed, the issue was often treated as less urgent because the task could still be completed manually or through another channel. While this reduced the pressure to address the issue, agents still needed to spend additional time and effort achieving the same outcome.

Our observations

Structural barriers to progressing OSfA improvements

The ATO's enterprise-wide approach to prioritisation serves a legitimate purpose. However, the administrative burden experienced by agents does not always compete easily within this environment. Unlike legislative obligations, security requirements and other enterprise priorities, it is often experienced repeatedly across large client bases and its impact can accumulate over time. This creates a structural risk that the ATO may struggle to prioritise workflow issues sufficiently despite the burden it creates for agents.

A direct and natural consequence of this prioritisation approach is that OSfA-related improvements can remain dormant in the backlog for prolonged periods. This does not necessarily occur because the ideas lack merit, are poorly defined or fail to address genuine problems. Rather, it reflects the higher priority given to projects with mandatory requirements or broader enterprise significance. Over time, the backlog continues to grow, including ideas that could reduce administrative burdens, improve user experience and make existing processes easier to complete. However, in its current form the framework makes it difficult for these improvements to progress, even where they would deliver practical benefits to agents.

The challenge is not necessarily that agent concerns are unknown, but that they may not always be strongly represented when competing priorities are assessed. In our review of the registered agent phone line, we highlighted that the voice of agents was not always heard within the ATO's decision-making. We recommended that the ATO strengthen its internal agent engagement function. This function should not only be a point of liaison for agents but should also act as the voice of agents within the ATO. This would ensure agents' perspectives are reflected during priority setting and decision-making.

In practice, OSfA-related improvements are more likely to progress when they can be incorporated into a broader program of work. For example, longstanding concerns about the communication history will likely be addressed through the ATO's broader migration to cloud-based platforms, which is expected to remove some of the technical constraints that have limited the completeness of records available through OSfA. This might be an acceptable solution if agents' requirements can be bundled alongside larger ATO strategic changes.

Workflow improvements can remain on the backlog for extended periods without progressing. This makes it difficult for the ATO to provide meaningful information to agents and professional bodies about whether an improvement will proceed and when it is likely to be delivered. This can contribute to perceptions that improvements suggested by agents can disappear into a black hole without visibility, feedback or any clear pathway to action.

Over time, these prioritisation dynamics can shape organisational behaviour and influence which ideas are brought forward in the first place. Staff who regularly work with agent feedback can see which proposals attract delivery capacity and which remain unresolved for years. This may encourage greater acceptance of existing arrangements or lead to self-censoring of proposals, even where they create ongoing operational friction for agents. Issues that do not prevent a task from being completed may come to be viewed as less likely to justify investment than competing enterprise priorities. As a result, the framework may influence not only which ideas are delivered, but also which ideas enter formal prioritisation pathways.

Taken together, these factors provide a more substantive explanation for the patterns identified above. In its current form, the prioritisation framework does not consistently support steady, incremental improvements to OSfA even where those improvements would materially benefit agents.

Overcoming limitations of the prioritisation framework

The ATO is currently consulting stakeholders, including agents, through a dedicated working group that is considering a range of priorities, including OSfA-related issues. Consultation may improve the visibility of agent concerns and support some useful changes. However, as the working group is temporary, it does not address the underlying structural limitations of the prioritisation framework.

The ATO needs a longer-term response to the structural issues identified above. While we are not prescriptive about the design of potential solutions, the ATO could consider creating a dedicated stream or ringfenced capacity within the broader prioritisation framework to progress OSfA-related improvements. It could also allocate dedicated resources to deliver those improvements. Other approaches could include embedding agent perspectives into ongoing governance arrangements, having the voice of agents clearly articulated within decision-making and implementing a clearer process for communicating prioritisation decisions to agents.

These measures would help ensure that everyday operational issues affecting agents are more consistently considered and weighted in line with their practical impact. They would also reduce the risk that OSfA-related improvements remain on the backlog indefinitely or move ahead only when they can be absorbed into a broader program of work. In turn, this would make it easier for the ATO to provide agents with clearer information about whether proposed improvements will proceed and when they are likely to be delivered.

Rationale for change

Improving OSfA requires more than identifying good ideas. It also requires a framework that can translate recurring drags on productivity raised by agents into meaningful improvements over time. Without this, many issues may continue to be recognised and understood, but struggle to be resolved. The approach to prioritisation in the ATO does not consistently reflect the significant benefits that improvements for agents can deliver, including improved productivity and efficiency within the agent community, greater timeliness in meeting client obligations, and reduced call demand and costs for the ATO and potentially for agents' clients.

Recommendation 2

The ATO:

a) address the structural risk that the operational needs of agents are underweighted in their current change prioritisation process for system changes or investment.

b) develop a transparent process for communicating prioritisation decisions and providing feedback to agents and their professional bodies on improvement proposals.

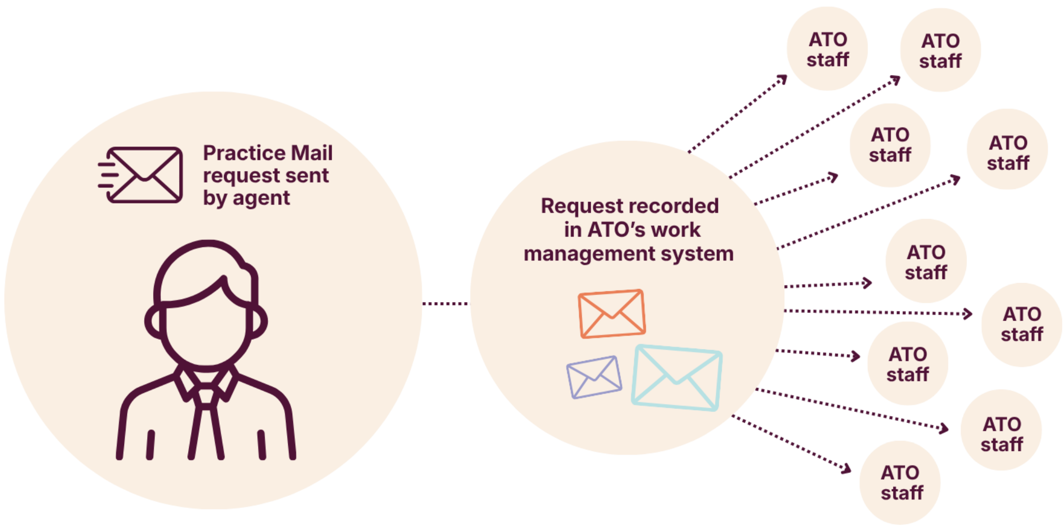
4. Practice Mail and digital interactions with the ATO

The concerns raised about Practice Mail differed from many of the other issues identified during the review. Frustrations with Practice Mail largely reflect the fact that the contemporary needs of agents go way further than the limited original scope of Practice Mail. They also highlight the broader limitations in how agents can digitally interact with the ATO.

What we found

Practice Mail is a function within OSfA that allows registered agents to send messages and requests to the ATO online. Agents select from a menu of more than 200 different topics covering different types of requests, including payment plans, client account issues and lodgement matters.

Practice Mail functions as a transmission channel for the ATO to receive and direct agent requests to the relevant work areas for action. Once submitted, the selected topic and subject help determine where the request is sent within the ATO and how it is handled. The available topics and subjects are therefore closely linked to how different types of work are managed within the ATO.



How Practice Mail requests are routed within the ATO

This makes selecting the correct topic and subject important. If the wrong option is selected, requests may need to be redirected to another work area, which can delay processing and, in some circumstances, restart the 28-day response timeframe. This can be particularly problematic where the request is complex or relates to a specialist work area.

Agents frequently raised concerns that the list of topics and subjects was too long, unclear and did not contain a clear "other" option for requests that did not fit existing categories. As a result, agents reported difficulty selecting the correct category. We heard several suggestions that the menu should align with the fast key codes used on the registered agent phone line, which would aid consistency.

Once a request is submitted, agents receive a receipt ID and are advised that they will receive a response within 28 days. However, there is no visibility within Practice Mail over what is happening with the request after submission. Agents cannot track the progress or status of a request while it is being processed. For example, agents cannot see whether a request has been allocated, is awaiting action, has been transferred to another area or requires further information.

Delays were one of the most common concerns raised during consultation. Agents reported that some requests took significantly longer than expected and were difficult to manage because there was limited visibility over what was happening after submission. As a result, agents frequently contacted the ATO by phone to obtain updates or follow up matters once the 28 days had elapsed.

Many Practice Mail requests involve straightforward actions that can be processed without further interaction with the agent. However, where ongoing interaction is required, Practice Mail does not operate like email with a single visible conversation thread.

The ATO may respond to Practice Mail requests through different channels depending on the relevant work area, including through Practice Mail or phone contact. Responses issued through OSfA may also be sent either to an individual agent mailbox or a practice-level mailbox.

Agents can sometimes reply directly to Practice Mail messages issued by the ATO. In other instances, they have to submit a new Practice Mail request with a separate receipt ID, even when responding to a request for further information. This would trigger a further 28-day response period. Whether agents could reply depends on the mailbox being used and the permissions attached to them. Some ATO responses also direct agents to continue the interaction through other channels, including by phone.

Because interactions are not always maintained within a single visible interaction thread, agents reported difficulty tracking matters across multiple interactions. Agents also raised concerns that ATO responses do not consistently identify the agent or member of staff who made the request, making it more difficult for larger firms to manage interactions.

More broadly, agents reported that Practice Mail was often too slow or fragmented to support efficient back-and-forth interaction. As a result, agents frequently relied on phone contact to progress matters in real time.

In practice, Practice Mail operates more like a digital equivalent of post rather than a modern two-way communication platform.

Our observations

Practice Mail is not designed to support ongoing two-way interaction

The frustrations identified during consultation largely reflect the original intended operating model of Practice Mail rather than defects in the system itself. Practice Mail primarily functions as a way for agents to lodge requests for action by the relevant ATO work area and was not designed to support ongoing two-way interaction between agents and the ATO.

The submissions received during consultation suggested that many agents were attempting to use Practice Mail for a purpose it was not primarily designed to support. Agents increasingly want to manage matters digitally without repeatedly needing to contact the ATO by phone. However, Practice Mail is not well suited to this type of interaction because it is structured around discrete requests and responses rather than ongoing management of matters over time. As a result, agents cannot easily track matters or manage ongoing discussion and clarification through a single continuous interaction.

Incremental improvements to Practice Mail are therefore unlikely to fully address the broader concerns raised during consultation. For example, even if all Practice Mail requests were responded to within the expected 28-day timeframe, agents would still often need to contact the ATO by phone when matters required ongoing two-way communication.

A broader digital interaction gap exists

Currently, agents largely move between two interaction models:

- lodging requests digitally through systems such as Practice Mail; and
- contacting the ATO by phone where ongoing engagement is required.

The current environment does not provide a practical alternative between these two models. In practice, there is no dedicated digital interaction channel that allows agents and the ATO to continue managing matters through a single visible interaction history without reverting to phone contact.

This type of capability is often described as asynchronous two-way communication. In practical terms, this means a secure digital channel that allows matters to progress through connected interactions over time rather than through separate requests and responses. A common example of this type of interaction capability is an online support or ticketing system, where requests, responses, updates and requests for further information remain connected within the same ongoing interaction. Introducing a new secure two-way digital interaction capability of this kind would significantly reduce many of the frustrations identified during consultation.

This direction is already reflected in the ATO's Interaction Strategy 2030, which includes a focus on improving secure two-way digital interaction and asynchronous communication with agents. The ATO is undertaking longer-term work that may ultimately deliver a digital interaction capability of this kind.

Incremental improvements may still reduce frustration

Developing broader two-way digital interaction capability is likely to take time. In the meantime, there are still opportunities to improve the usability of Practice Mail and reduce unnecessary administrative friction through practical short-term improvements.

For example, the current topic and subject structure could be simplified and made more intuitive, including by reducing the number of categories and introducing a clearer “other” option for requests that do not fit existing categories. Where requests need to be reallocated to another work area, the ATO could notify agents and provide guidance on the category that should have been selected. To encourage timely reallocation and reduce delays for agents, the 28-day service standard could be maintained even when reallocation is necessary.

Similarly, clearer and more consistent identification of the originating agent in ATO responses to Practice Mail requests may assist firms to better track and manage interactions. This may be particularly useful where multiple staff manage large volumes of requests across shared mailboxes.

Improvements of this nature would not replace the need for a fundamentally different two-way communication platform. However, they may still improve usability and reduce some of the frustrations identified during consultation, while longer-term solutions continue to develop.

Rationale for change

Agents increasingly expect to manage matters digitally without repeatedly reverting to phone contact. As digital interaction is the norm across government and the broader economy, developing secure two-way digital interaction capability is becoming increasingly important to effective engagement between agents and the ATO.

Recommendation 3

The ATO:

a) develop a secure two-way digital capability that supports ongoing interaction between agents and the ATO across multiple exchanges; and communicate to agents and their professional bodies the timeline to do so.

b) implement practical short-term improvements to Practice Mail to reduce administrative friction while broader digital interaction capability continues to develop.

List of recommendations

Recommendation 1

The ATO pursue the following practical improvements to OSfA:

a) Improve the completeness of the communication history by ensuring campaign and bespoke correspondence are visible to agents where reasonably practicable.

b) Provide BAS agents with access to SGC account information.

c) Expand self-service in OSfA by allowing agents to digitally access more information and complete more lodgement activities online, including:

   i. self-service access to FBT client list information

   ii. digital lodgement options for refund of franking credits for non-profit organisations.

d) Allow agents to digitally initiate and progress requests even where manual ATO intervention is required later in the process, including:

   i. payment arrangements exceeding online approval thresholds

   ii. credit transfers.

e) Improve practice-level reporting in OSfA to help agents identify clients with ATO-administered tax and superannuation obligations requiring action across their client base.

f) Reduce the need for agents to manually redact TFNs from OSfA documents by implementing automated TFN redaction where reasonably practicable.

Recommendation 2

The ATO:

a) address the structural risk that the operational needs of agents are underweighted in their current change prioritisation process for system changes or investment.

b) develop a transparent process for communicating prioritisation decisions and providing feedback to agents and their professional bodies on improvement proposals.

Recommendation 3

The ATO:

a) develop a secure two-way digital capability that supports ongoing interaction between agents and the ATO across multiple exchanges; and communicate to agents and their professional bodies the timeline to do so.

b) implement practical short-term improvements to Practice Mail to reduce administrative friction while broader digital interaction capability continues to develop.

Appendix A: ATO response

OFFICIAL

Deputy Commissioner – Individuals and Intermediaries

Australian Government
Australian Taxation Office

Ruth Owen
Tax Ombudsman

Dear Ruth

Thank you for providing the Tax Ombudsman's *Online Services for Agents (OSfA)* review report.

The ATO welcomes the review and appreciates the engagement of the Tax Ombudsman, registered agents and professional bodies throughout the review process.

The ATO recognises the important role registered agents play in the administration of Australia's tax and superannuation systems and remains committed to supporting agents through contemporary, secure and efficient digital services. We acknowledge the report's findings regarding OSfA and the challenges agents can experience when digital services do not fully meet their operational needs.

We agree with the report's recommendations and acknowledge the opportunities identified to enhance self-service capabilities, improve transparency around prioritisation decisions, and strengthen digital engagement channels for agents.

The ATO also recognises the importance of ensuring agent needs are appropriately reflected in decisions about future digital service improvements and is committed to strengthening how agent feedback is considered, assessed and communicated.

The ATO operates in a complex environment and must balance a range of competing priorities, including legislative obligations, security requirements, service delivery commitments and longer-term transformation initiatives. Within this context, we remain committed to working collaboratively with agents and their representative bodies to identify and deliver improvements that reduce administrative burden, enhance the digital experience and provide lasting benefits for agents, taxpayers and the broader tax system.

We appreciate the Tax Ombudsman's ongoing engagement and look forward to continuing to work together to improve the experience of agents and taxpayers.

Yours sincerely

Grant Brodie
Deputy Commissioner of Taxation – Individuals and Intermediaries

7 August 2026

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ATO Response

Recommendation	ATO response
Recommendation 1 The ATO pursue the following practical improvements to OSfA: a) Improve the completeness of the communication history by ensuring campaign and bespoke correspondence are visible to agents where reasonably practicable. b) Provide BAS agents with access to Superannuation Guarantee Charge (SGC) account information. c) Expand self-service in OSfA by allowing agents to digitally access more information and complete more lodgement activities online, including: i. self-service access to Fringe Benefits Tax (FBT) client list information ii. digital lodgement options for refund of franking credits for non-profit organisations. d) Allow agents to digitally initiate and progress requests even where manual ATO intervention is required later in the process, including: i. payment arrangements exceeding online approval thresholds ii. credit transfers. e) Improve practice-level reporting in OSfA to help agents identify clients with ATO-administered tax and superannuation	**Agree** The ATO agrees with this recommendation and will consider practical improvements to OSfA to enhance self-service functionality and improved digital interactions for agents. We commit to work in partnership with tax practitioners, to assess the feasibility of specific improvements and prioritise accordingly to achieve benefits for agents and their clients. The improvements prioritised will: • be informed by input from existing and ongoing tax practitioner engagements and consultation forums, including the TPIC • perform appropriate feasibility assessments (including platform suitability) • apply the improved prioritisation approach as delivered through the implementation of Recommendation two.

obligations requiring action across their client base. f) Reduce the need for agents to manually redact TFNs from OSfA documents by implementing automated TFN redaction where reasonably practicable.	
Recommendation 2 The ATO: a) address the structural risk that the operational needs of agents are underweighted in their current change prioritisation process for system changes or investment. b) develop a transparent process for communicating prioritisation decisions and providing feedback to agents and their professional bodies on improvement proposals.	**Agree** The ATO recognises the importance of ensuring that feedback from registered agents, including agent-reported incidents and system issues, is appropriately considered when prioritising system changes and investment decisions. The ATO will also develop and communicate a clearer framework to support greater transparency, help manage expectations, and provide agents with a better understanding of how their feedback contributes to the ATO's system improvement and investment decisions.

Recommendation 3	Agree
The ATO: a) develop a secure two-way digital capability that supports ongoing interaction between agents and the ATO across multiple exchanges; and communicate to agents and their professional bodies the timeline to do so. b) implement practical short-term improvements to Practice Mail to reduce administrative friction while broader digital interaction capability continues to develop.	The ATO agrees with the recommendation and acknowledges the value of both short-term improvements to Practice Mail that support agents and address current system deficiencies, while also working to determine the longer-term deliverables for a secure two-way digital interaction capability for agents. We are committed to considering feasible and practical short-term improvements to Practice Mail that will result in reduced administrative burdens for agents and improved agent experience.

taxombudsman.gov.au

Tax Ombudsman