



Key Outcomes – Practitioner lodgment service working group

Venue: Teams
Date: 25 February 2025
Start: 1.00pm AEDT **Finish:** 1.45 pm AEDT
Chair and facilitator: Sonia Lark
Secretariat: Janette Engh
Secretariat contact: 02 8894 9263

Attendees:

Sonia Lark, Felicity-Ann Stokes, Adrian Romano, Ziva White, Bhumi Mandalia

Guest Speakers:

Nicholas Bell, Rebecca Sherrin

Apologies:

ATO – Anusha Young, Anupama Duggirala, Karen Greaves, Josh Corlett, Kaethe Seidel-Wynne

Agenda item 1 – Welcome

The chair opened the meeting and welcomed the group.

Agenda item 2 – Action item updates

There remains 2 action items.

Action item update:

03/12/2024-02: Investigation to be conducted into provision of basic calculation and eligibility details for LSPIA. Additional scenarios to be included as per feedback during PLS meeting on 25 February 2025.



Action item closed:

19/11/2024-01: Proposed EST fix: TRT 2024 schema update to address trust return 2024 – Mandatory business name issue - INC004447404 ATO

Fix deployed 29 January 2025 and action item will be closed.

Agenda item 3 – Tax time related documentation

[DSP Roadmap V12](#) published on 18 February.

IDS draft MST published on the [DSP Hub](#) for review by 27 February 2025 as these changes are planned for March EVTE. DSPs were encouraged to review and provide feedback by raising a [ticket](#) via the DSP service desk.

Updated Change advice published on DSP Hub 24 February 2025:

[CA2025-004 Single Touch Payroll – Employer Standing Declaration](#) (Driving Collaboration with small business to reduce the time spent complying with tax obligations – STP)

A question was asked in the last PLS working group meeting about the Better Targeted Superannuation Contributions measure. This was scheduled to be tabled at a recent Parliament sitting however the Bills were not voted on at the Senate on 13 February, therefore we're unable to provide an update. We will keep the group updated when information is received.

Agenda item 4 - Update on general matters and Tax time delivery

A reminder that the new Activity Statement 2025 service (AS2025) will be released in March EVTE. If there are any early adopters requiring additional support from the ATO, please log a [ticket](#) via the DSP Service Desk.

It was confirmed with the group that this is a new service and you will need to apply for EVTE access even if you went through the process of obtaining the AS.2023 service.

Agenda item 5 – LSPIA proposed web content feedback

The [Treasury Laws Amendment \(Responsible Buy Now Pay Later and Other Measures\) Bill 2024](#) received Royal Assent on 10 December. The Exempting lump sum payments in arrears (LSPIA) from the Medicare levy measure is now law and will be delivered as part of Tax Time 2025.

We received feedback from members at the [PLS working group](#) on 3 December 2024 in relation to improving the information provided on how LSPIA tax offsets are calculated and how the new LSPIA Medicare Levy reduction will be calculated.



Draft updated LSPIA web content was published on the [DSP Hub](#) for review and feedback. This content has also been shared with a tax practitioner working group where members provided feedback suggesting more examples including calculations.

Feedback is sought from DSPs to understand if the draft content provides the information required or if there are further examples to assist with understanding the LSPIA tax offset and Medicare levy reduction.

The following examples were discussed to be considered for publishing:

1. A scenario where a taxpayer has 2 or more LSPIA payments in the same financial year, showing how the most recent 2 of those years is used to calculate a LSPIA tax offset and/or Medicare levy reduction
2. Regarding the Lump sum payment in arrears tax, DSPs recommend a step-by-step calculation in conjunction to the example, similar to the calculation for CGT on the ATO's website.
<https://www.ato.gov.au/individuals-and-families/investments-and-assets/capital-gains-tax/calculating-your-cgt>

Agenda item 6 – MTAS Phase 2

[2024-25 MYEFO](#) released in December 2024 has allocated funding to the ATO to continue with phase 2 of the MTAS project. There has been a name change from 'Trust' to 'Tax' and this is expected to be registered with ATO Consultation as 'Modernisation of Tax Administration Systems phase 2'.

This project is anticipated to be delivered over Tax Time 2026 and 2027. A new working group will be established via the DPO with an anticipated start around July 2025. An Expression of Interest will be issued via the DSP Newsletter for those interested in being involved.

The key deliverables for phase 2 are as follows.

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- Further updates to the Trust Tax Return (TRT) focusing on the enhancing data collection, clarity and to support process improvements.
- Expansion of ATO data validations in the lodgment platform to further strengthen the integrity of data reported through the lodgment process, supporting error identification and correct reporting.
- Expansion of ATO prefill for individual taxpayers to include trust lodgment data.
- ATO internal systems improvements which includes the deployment of a cloud-based solution that supports enhanced data collection and storage, notably the removal of the restrictions on the number of beneficiary details that can be lodged electronically (currently 200), as well as providing the capacity to enhance automation of the trustee liability processing.

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- Development and deployment of prefill services, and nudge messaging, for non-individual taxpayers for trust lodgment data.



- Development and deployment of an online lodgment solution for self-preparing trustees via Online Services for Business (OSfB)

If there are additional topics or resolutions from learning in phase 1 that DSPs would like to see included in phase 2, please provide feedback by raising a [ticket](#) via the DSP service desk.

The DPO are currently drafting a landing page for the MTAS phase 2 project to communicate the details of the key deliverables, as well as other consultation related processes and documents.

Agenda item 7 – Delivery update

March EVTE: 5 March publication and deployment commencing 6 March 2025.

2025 ITR services:

Trust Tax Return (TRT) 2025

Updated validation rules for new Thin Capitalisation labels:

Trust Tax Return for Attribution Managed Investments (TRTAMI/CCIV) 2025

Updated validation rules for new Thin Capitalisation labels
Updated MST/schema for new Build to Rent labels

Partnership Tax Return (PTR) 2025

Updated validation rules for new Build to Rent labels
Addition of warning message for Significant Global Entities label
Addressing known issues in PCN (#11)
Conformance suite package updates to correct missing schedules from scenarios

Company Tax Return (CTR) 2025

Updated validation rules for new Build to Rent labels
Addition of warning message for Significant Global Entities label
Addressing known issues in PCN (#6, #9 & #11)

Self-Managed Super Fund Annual Return (SMSFAR) 2025

Addressing known issues in PCN (#6, #7 & #11)

Activity Statements (AS) 2025

Draft release of full AS2025 Package. Artefacts, schema, code and conformance suite

International Dealings Schedule (IDS) 2025

Updated business definition/guidance, element names and headings for multiple entries in MST/Schema
Streamlined multiple Validation Rules, reducing the technical business rule complexities
Updated multiple Validation messages to align with English business rules
Introduced new Warning Messages.

PROD Update

Fringe Benefits Tax (FBT) 2025 – version change to the documents only no functional changes.

The package content note (PCN) for MST label changes will be documented in detail, if anyone has any feedback, raise a [ticket](#) via the DSP service desk.



Agenda item 8 – Platform update

All platforms are operating well with no issues to report.

Agenda item 9 – Agent online environment update

There were no updates from the Agent online environment to share.

Agenda item 9 – DSP communications update

Further information on the below topics can be found in [issue 6](#) and [issue 7](#) of the DSP newsletters:

- Exempting lump sum payments in arrears from the Medicare levy:
PLS draft documentation was published for review in the DSP Hub provide information that can help determine basic calculation and eligibility requirements for the measure to exempt lump sum payments in arrears from the Medicare levy:
[Lump sum payment in arrears tax offsets for PLSWG](#)
[NEW Lump sum payment in arrears MLE for PLSWG](#)
- Updated ATO Common Business Implementation and Taxpayer Declaration Guide
- Activity Statements 2025 service:
The new Activity Statements 2025 (AS2025) service is expected to be available in EVTE from 7 March and PROD from 1 July. If you're a new activity statement developer looking to consume activity statement services, you must apply for the AS2025 service. The Activity Statements 2009 (AS2009) service has been deprecated and will be deactivated on 31 December 2026. Due to the deprecation of the AS2009 service and the coming release of the AS2025 service, DSP whitelisting requests will only be approved for the new AS2025 service.
- DSP roadmap v12: The latest version of the [DSP roadmap](#) (v12) is now available in the DSP hub.

Agenda item 9 – Other business

The group agreed to reschedule the 22 April 2025 PLS working group to the 29 April 2025 due to Easter holidays. This is now reflected in the meeting invitations for the PLS series.

The group raised how the upcoming election will affect any of the budget measures that are currently waiting to be tabled. These are the current measures that could be impacted if not passed:

- BTSC – Better Targeted Superannuation Contributions: this measure is not yet law
- Denying deductions for ATO interest charges: this measure is not yet law



Information about new legislation relating to businesses can be found here: [information about new legislation relating to businesses.](#)

The DSPs raised a request to confirm when the Tax Time 2025 draft forms will be released. It was suggested that if the forms cannot be published earlier, can the ATO provide a list of the affected label changes (letter and number) so that the engineers can start developing.

It was raised that there have been inconsistencies with the MST and associated forms, therefore DSPs cannot rely on the MST to apply changes during the development stages of the services.

The group were provided clarification that the outstanding issues with ITCRPT and ASLRPT are still progressing. Anticipating some changes during mid Program Increment (PI) – approximately May 2025, with further updates to be discussed at the next PLS working group on 11 March 2025.