



Key Outcomes – Practitioner lodgment service working group

Venue: MS Teams

Date: 20 January 2026

Start: 1.00pm AEDT **Finish:** 2.00pm AEDT

Chair and facilitator: Julie Seiver

Secretariat: Kaethe Seidel-Wynne

Secretariat contact: 02 9354 3014

Attendees:

Karen Spicer, Julie Seiver, Steven Holmes, Sonya Summers, Felicity-Ann Stokes, Adrian Romano, Joshua Corlett, Carl Bennett, Cara Ly,

ATO Guest Speakers:

Kerry Lake

Apologies:

Sonia Lark, Bhumi Mandalia, Ziva White, Kelly Collins

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Agenda item 1 – Welcome

The chair opened the meeting and welcomed the group.

Thank you to those who provided feedback on the proposed transition from SRP to BBRP for Trust tax return services.

An updated PLS working group [charter](#) has been published in the DSP Hub. The group was invited to review the charter and bring any feedback or comments to the next meeting where endorsement of the document will be sought.

The group were provided a response to a query raised at the last PLS meeting regarding what the preferred testing channel for PCBC is, as the file transfer testing facility doesn't accept the PCBC XML format.

We've been advised that at this stage there are two possible approaches:

- Testing may be undertaken internally by testing a generated file against the schema in a third-party tool like Notepad++, XML Spy or Oxygen XML editor.
- Alternative potential testing options are still being considered, and an update will be provided shortly.

Agenda item 2 – Tax time related documentation – MYEFO

The [2025–26 Mid-Year Economic and Fiscal Outlook \(MYEFO\)](#) was delivered by the Treasurer on 17 December.

The group was taken through the [MYEFO impact assessment](#) spreadsheet where information on measures impacting DSPs and their clients has been provided.

Details on what to expect by way of support for the implementation of these measures can be found on the [Tracking budget measures](#) page in the DSP Hub.

Agenda item 3 – Better targeted superannuation concessions – CA2025-011

An updated change advice has been published which details the latest changes to the [Better Targeted Superannuation concessions measure](#).

This measure was first announced in February 2023, with changes announced in October 2025, and additional changes in the MYEFO release on 17 December 2025. Consultation closed on 16 January 2026; however, the exposure documents are still subject to change.

Expected impacts may still change as a result of the recent consultation process.

The measure start date is 1 July 2026, with the first assessments expected to issue from the 27/28 financial year.

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An individual's Total Super balance (TSB) will be the sum of the value of each super interest that individual holds. The TSB will not include foreign fund interest and TSB will no longer use the existing transfer balance account value. Instead, these interests will be valued on an annual basis and reported to the ATO for TSB purposes.

TSB will also not include structured settlement contributions. An individual will also be treated as having a super interest in a particular super plan if the Family Law Court has awarded them an amount of their former spouse's super plan, even if they are not a member of that fund. In that instance, funds will need to report the TSB value of the non-member spouse as well as the member spouse.

An individual's TSB value of a super interest in a particular time will be a value specified in the regulations or a value determined in accordance with a method specified in the regulation, or the withdrawal value, which is the total amount of the Super benefits that would have become payable if the individually voluntary ceased the Super interest or had a right to cause the Super interest to cease. The proposed law also repeals the term accumulation phase value.

These changes to TSB apply to working out an individual's TSB for all tax purposes, not just Division 296 immediately before 1 July 2026 or on or after 1 July 2026.

Transitional fund reporting arrangements for the 30 June 2026 reporting date, yet to be detailed.

Division 296 tax is an additional 15% tax on contributions (on top of the base of 15% paid by super funds) for TSB more than the large super balance threshold of \$3million but less than the very large super balance threshold of \$10 million, and an added 10% on TSBs over the very large super balance threshold of \$10million.

The large super balance threshold and the very large super balance threshold will be indexed and subject to CPI. The large super balance threshold will be indexed in \$150K increments and the very large super balance threshold be indexed in \$500K increments.

The Div. 296 liability will be due 84 days after the date of the assessment or amended assessment. Funds to pay the liability may be released from the superfund, but the application to do so must be lodged within 60 days of the assessment notice. Div. 296 amounts will not be tax deductible. If a Div.296 liability is not paid within 60 days, the Commissioner can issue a release authority to one or more of the individual's super funds.

Division 296 tax that relates to earnings from a defined benefit interest, where the individual has not taken an end benefit from that interest, will be deferred and won't be due and payable until twenty-one days after an end benefit is taken from that particular interest.

Individuals that are a child recipient of a super income stream at any time of the year will be exempt from Division 296. Individuals that have received a structured settlement contribution made in respect to them as a payment for a personal injury at the end of the income year or any prior year will also be exempt from Division 296. For the transitional year, which is the 26/27 financial year, if an individual dies prior to the last day of the year, that is prior to 30 June, they will be exempt from Division 296.

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Web content and guidance for calculating Div.296 amounts will be provided on the ATO website, including calculators.

Super funds will need to calculate their division 296 fund earnings and then attribute those earnings to their in-scope members. At this stage the original design to collect information for funds will still be used. A request for information for in scope members will issue to APRA funds via online services for business and they will respond using the same channel. Specifics on what is to be reported is still being worked through and may be different for defined benefit funds. We are still looking at whether we use the SMSF annual return for SMSFs to report Div 296 information.

Attribution of Div.296 liability will depend on the type of superfund, for example APRA, SMSF, defined benefits, accumulation.

Interests in constitutionally protected funds (CPFs) held by a person that was a State High Level Office Holders (SHLOHs) at any time in the year will be excluded from Div 296

Interests held in a fund established under the *Judges' Pensions Act 1968* held by current or former justice of High Court or a judge or justice of a court created by Parliament will be excluded from Div 296

Interests held in a fund established under the Supreme Court (Judges Pensions) Act 1980 (NT) and Australian Capital Territory (Self-Government) Act 1988. held by current or former Justice of the Supreme Court of the Australian Capital Territory or the Supreme Court of the Northern Territory will be excluded from Div 296

Interests in a fund that is a non-complying fund at the end of the year will be excluded from Div 296.

There are proposals being considered for CGT adjustments for Div.296 as detailed in the exposure draft – guidance and web content will be provided in due course.

Additional reporting will be required for superfunds with Div.296 liabilities. The BTSC working group will be recommencing co-design of the solution and outcomes with the BTSC working group and further updates will be brought back to this group

For the 25/26 income year, to accommodate the repealing of the term accumulation phase value, label X1 is going to be changed to value of accumulation account and label X2 will be changed to value of retirement account. There will also be changes to the member account transaction service business implementation guide.

Changes to SAR processing were made to 24/25 SMSF annual returns, ensuring labels X1 and X2 cannot consume zero amounts.

Agenda item 4 – Public CBC Reporting – Schema Label Updates

Following feedback to the Public CBC lodgment instructions the ATO Public CBC XML schema has had the following changes made to **Alias PCB270**.

This change is scheduled for deployment on 20 February 2026.

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	From	To
Label	Reason for difference between Income tax paid and income tax accrued	Reason for difference between income tax accrued and Profit or loss before income tax multiplied by income tax rate
Element Name	ReasonForDifferenceBetweenIncomeTaxPaidAndIncomeTaxAccrued	ReasonForDifferenceBetweenIncomeTaxAccruedAndProfitOrLossBeforeIncomeTaxMultipliedByIncomeTaxRate

Agenda item 5 – ATO tools and calculators

Please provide any additional feedback on ATO Tools and Calculators for inclusion in discussion with project team prior to midday on 21 January 2026.

Agenda item 6 – Update on general matters and tax time delivery

TRTAMI – VR.ATO.TRTAMI.000422 may be incorrectly triggered for Non-withholding MIT with no foreign members. This rule was removed on 18 December 2025. The PLS FAQ page has been updated.

Please do not submit Request for production access tickets until around 1 month prior to the service being available in production.

Agenda item 7 – Delivery update

There was no January EVTE release.

February EVTE release is expected on 9 February with artefacts available by 6 Feb.

Details of February EVTE deployment (9th February):

- ACCROLE 2017
 - New interactive error for updating monthly lodgment cycle
- NITR 2025
 - Updated NITR 2025 conformance suite payloads to align with expected output response
- NITR 2026
 - PTR - Inclusion of PTR 2026 rollover
 - CTR - Addition of currency codes enumeration and updates to appropriate validation rules
 - FITR - New alias and validation rules to support the extension of the reportable tax position schedule
 - TRT – Updated report guidance and realignment of amount fields. Updated to include assessment calculation code of '25' in VR.ATO.TRT.442911

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- TRTAMI - New alias and validation rules to support the extension of the reportable tax position schedule
- Updated reporting taxonomy and rule implementation zips
- Included PTR in 2026 conformance suite. Updated FITR and TRTAMI conformance suites and payloads
- IITR 2026
 - Addition of SBR IITR Main Form section for lodging a copy of prefilled TPAR & Government Grants data.
 - Inclusion of validation rules to ensure that TPAR & Government Grants reported values are correctly included in attributed labels.
 - Documentation update for the business address of main business - Postcode
- FVS 2026
 - Versioning of FVS 2026 to Final (Version 1.0)
- PayEvent 2020
 - Correction to VR.ATO.PAYEVNTEMP.000267 and relaxation of rule VR.ATO.PAYEVNT.000193 to allow for future date testing until May EVTE
- GIR 2026
 - Addition of the GIR Message Structure tab in validation rules to provide guidance with the GloBE xml schema v1.0

Agenda item 8 – TLS 1.2

Security protocol TLS 1.2 will be transitioned to TLS 1.3 on 31 January 2026. This will impact SBR1, SBR2 and the API portal

Reporting using TLS 1.2 after this date will result in a 403 error.

Members were encouraged to test their software in the EVTE environment to ensure it is TLS 1.3 enabled.

On premise DSPs need to be aware that even if their software is TLS 1.3, the client's environment may need to be TLS 1.3 enabled to send transactions to the ATO.

If anyone is unable to meet the 31 January deadline, please contact the DPO via Online services for DSPs.

Agenda item 9 – Agent online environment update

There are no systemic or performance issues currently.

Online services for agents experienced an issue with client mail last week, where details of whether a message was read or deleted was not visible. This issue was fixed on 13 January 2026 and tested with agents.

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We commenced the cyclical review of our Business Implementation Guides (BIG) in Dec 2025, and we are currently working with relevant business areas to progress the review in the lead up to tax time.

Agenda item 10 – DSP communications

Information about the following topics can be found in issue [1](#) of the DSP newsletter:

- Transition to TLS 1.3 – 2 weeks to go
- Preparing for Payday Super
- Updated Contribution standard v3.0 Technical artefacts
- Transition to Activity Statements 2025
- Activity statement list and report services
- Update to SMSF Alias (ESA) Lookup Table
- 2025–26 Federal Mid-Year Economic and Fiscal Outlook impact assessment available

Information about the following topics can be found in issue [2](#) of the DSP newsletter:

- Transition to TLS 1.3 – only 10 days left
- Access to PVT
- Progress of return guidance
- Check your DSP profile is up to date
- DSP content map

For previous editions of the DSP newsletter:

[January 2026 – December 2026](#)

[DSP newsletter archive](#)

Agenda item 11 – Platform update

There were no platform updates to share.

Agenda item 12 – DSP feedback/issues

There were no issues raised for discussion.

Agenda item 13 – Close

The next PLS working group meeting is scheduled for Tuesday 3 February at **1.00pm AEDT**.

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