



# Key Outcomes – Practitioner lodgment service working group

**Venue:** MS Teams  
**Date:** 26 May 2026  
**Start:** 1.00pm AEDT **Finish:** 2.00pm AEDT  
**Chair and facilitator:** Kaethe Seidel-Wynne  
**Secretariat:** Kaethe Seidel-Wynne  
**Secretariat contact:** 02 9354 3014

## ATO Attendees:

Sonia Lark, Kaethe Seidel-Wynne, Felicity-Ann Stokes, Adrian Romano, Bhumi Mandalia, Carl Bennett, Craig Willox

## ATO Guest Speaker:

Felicity Cummins

## Apologies:

Kelly Collins, Julie Seiver, Cara Ly



## Agenda item 1 – Welcome

The chair opened the meeting and welcomed the group.

## Agenda item 2 – Action item

There were no open action items.

## Agenda item 3 – Tax time related documentation

There have been several more TT2026 draft forms and instructions published to the [DSP Hub](#) over the past fortnight, including draft:

- International dealing schedule instructions
- Self-managed superfund annual return instructions.

The 2026 Pay as you go (PAYG) withholding tax tables have been published on the [DSP hub](#) and the [Software Developers Website](#).

The draft [2026 Medicare levy and Medicare levy surcharge thresholds](#) has been published on the DSP hub. Please note this measure is subject to Royal Assent.

The 2026-2027 Federal Budget was delivered by the Treasurer on 12 May. The group was taken through the Budget measures impact assessment, and the initial analysis will be published shortly.

DSPs are invited to provide feedback and insights, particularly regarding the assigned DSP impact and effort classifications. Input is encouraged on whether these align with their perspectives, and to identify any alternative views or additional factors that should be considered.

## Agenda item 4 – Delivery update

The latest [DWIS Product and Program Delivery Roadmap](#) was published to the DSP hub on 2 June.

## Agenda item 5 – XML conversion of Rental Property

The approach to XML conversion for rental property reporting was discussed, noting that previous DSP feedback supported combining Rental Property for individuals and Rental Schedule for non-individuals into a single schedule. Under the current approach, extra validation rules would be required to ensure fields relevant to only NITR or only IITR would accept data.



A revised proposal was raised to proceed with the rental property conversion only at this stage, while deferring the rental schedule conversion to the 2028 financial year.

The reason for the proposed change was to allow time for proposed budget measures to be confirmed so a holistic analysis of necessary fields could be conducted at the same time as introducing any passed legislation. Potential future changes to CGT reporting were also noted, with the CGT schedule on the XML conversion roadmap for 2028. Presenting financial year 2028 as an opportunity to align the rental schedule, CGT schedule, and budget measure changes to ensure the correct data is collected in the correct forms and potentially remove duplication across data collection points. With a fuller analysis, we would aim to streamline the number of validation rules and labels by having all fields apply to both NITR and IITR services.

Feedback indicated that attempting to deliver wholesale changes to the payload, alongside new rules and validation updates, while also converting XBRL to XML may increase the risk that implementation does not run as smoothly as planned.

While the proposed approach was acknowledged as an efficient and streamlined solution, concerns remained about the risks of implementing multiple significant changes concurrently. These risks were acknowledged, and it was reaffirmed that efforts will be made to avoid repeating previous issues.

### Update

Following further discussion, it was agreed to incorporate DSP feedback and proceed with converting and combining both rental schedules into XML for the 2027 financial year. Any potential budget-related changes, along with refinements to validation rules and labels, will be addressed in the 2028 financial year.

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

There is a known bug listed on the [PLS FAQs](#) page relating to INCDTLS 571 Taxable payments adjustment reason. EVTE is expecting the UTF apostrophe in the adjustment reason, but MST has been updated with ascii apostrophe. A fix is scheduled for deployment on 4 June.

The PIITR and IITR BIGs have been published to the DSP hub. If there are any questions about these, please lodge a ticket in [Online Services for DSPs](#).

When lodging production access tickets remember to continue testing, as we check for recent testing during the whitelisting process.

Whitelisting is tentatively planned for around 22 June; the date will be confirmed at the next meeting.



## Agenda item 7 – Agent online environment

The PIITR was successfully published on 21 May, as anticipated.

As mentioned, whitelisting is currently planned for around 22 June, and the Tax Time release is scheduled for the preceding week. Testing schedules are currently being developed, with final scope and changes still to be finalised.

Recent system issues were noted:

- a Digital ID service issue on 21 May impacted logins to Online Services for Agents (via myID)
- an activity statement outage occurred over the weekend in OSfA, likely during scheduled maintenance.

Both issues were resolved prior Monday morning.

Overall, everything is currently progressing well, with no major concerns raised.

## Agenda item 8 – DSP communications

Information about the following topics can be found in [issue 19](#) of the DSP newsletter:

- 2026 PAYG withholding tax tables
- Payday Super FVS Q&A updated
- Reminder: Draft legislative instrument 2026/D3 consultation
- Reminder: Watch the Payday Super webinar for DSPs

Information about the following topics can be found in [issue 20](#) of the DSP newsletter:

- Super product register changes
- The countdown is on: only 5 weeks until Payday Super starts
- Payday Super draft PS LA 2026/D3 consultation
- Reminder: readiness for the SSP model transition
- Change Freeze for Tax Time 2026
- Updated link to 2026 PAYG withholding tax tables
- Reminder: resources and news services

For previous editions of the DSP newsletter:

[January 2026 – December 2026](#)

[DSP newsletter archive](#)



## Agenda item 9 – Platform update

An update was provided on tax time readiness, with standard capacity planning and platform assessments underway. It was noted that 1 July falls on a Wednesday, aligning with a peak STP processing day, so platform performance will be closely monitored.

## Agenda item 10 – DSP feedback/issues

- A DSP queried the publishing timeframes of the legacy XML prefill file and the Australia zone offset list (spreadsheet).
  - The [2026 Pre-filling report – Importing data into tax agent software specification](#) has been published on the DSP Hub.
  - The 2026 Australia Zone offset list is being followed up with the relevant business area.
- A potential error was raised in the Medicare levy threshold spreadsheet, noting that one value appeared duplicated due to an incorrectly copied formula rather than applying the expected incremental logic.
  - This was investigated with the business area, and the technical explanation is that the phase-in limit can be equal to the income level where the full rate begins. This occurs when the calculation of the phase-in limit results in a round number, as it is usually rounded down.
  - Given that our systems and testing are based on the phase-in limit being \$1 less than where the full rate begins, for administrative simplicity the [2026 Medicare levy and Medicare levy surcharge thresholds spreadsheet](#) has been updated on the DSP hub to reflect this.
- A DSP requested further guidance on how the newly added Statement of distribution fields in the Trust tax return are calculated:
  - Label U2: Franked distribution related to investments amount
  - Label H1: Other assessable FSI from a financial investment amount
  - Label B1: Non-PP MIS amount
  - This is being followed up with the relevant business area.
- A question was raised regarding Payday super changes, specifically whether the New Payment Platform details for APRA funds will be pre-filled, and how to identify if a fund is ready for the new platform. It was noted that this query had previously been raised.
  - The relevant ticket details will be shared offline for escalation and follow-up.

## Agenda item 11 – Close

The next PLS working group meeting is scheduled for **Tuesday 9 June at 1.00pm AEDT**.

EXTERNAL