



TAXATION

Foreign ownership registration extension: draft instrument

The draft instrument allows the Registrar to extend the period for foreign persons to provide a register notice after acquiring or disposing of interests in Australian assets.

Application of Pt IVA to early stage innovation company investment arrangements (TD 2025/3)

TD 2025/3 discusses the potential application of Pt IVA to certain early stage innovation company investment arrangements.

Division 7A: benchmark interest rate for 2025-26

The benchmark interest rate for Div 7A purposes for the 2025-26 financial year has been released.

GST on acquisition of second-hand goods: draft instrument

The draft instrument allows GST-registered entities to use a global accounting method for acquisitions of specified second-hand goods.

Simplified accounting method for food retailers: draft instrument

The draft instrument allows eligible food retailers to adopt a simplified accounting method when calculating their net amount.

More GST fraud convictions: ATO media release

The ATO has issued a media release on further convictions under Operation Protego, with another 3 individuals sentenced in June.

Division 7A myths debunked

The ATO has updated its fact sheet titled 'Division 7A Myths debunked'.

Tax time toolkit

The ATO has now published its 2025 tax time toolkit, which contains a range of downloadable resources.



FINANCIAL SERVICES

Capped civil liability of professional schemes: regulations updated

The regulations amend multiple instruments to update the list of prescribed professional schemes that have capped civil liability for misleading and deceptive conduct.

ASIC launches inquiry into ASX

ASIC has announced inquiry into the ASX to evaluate its compliance with market licensee and clearing and settlement facility licensee obligations.

ATO pilot campaign to target misinformation

From 19 June to 30 June 2025, the ATO will pilot a rapid response campaign across online channels to provide community protection to individuals interacting with those who may be promoting misinformation.

Help clients stay safe online with the ATO app

New features on the ATO app have been released and are now available for download/update from the applicable app store.

SUPERANNUATION

ASIC moves to safeguard \$160m retail/SMSF investments in Australian Fiduciaries Ltd

ASIC has applied to the Federal Court, seeking asset preservation orders and the appointment of receivers to Australia Fiduciaries Ltd and numerous related entities.

Technical amendments to superannuation splitting for Parliamentarians

The Superannuation Legislation Amendment (Family Law) Orders 2025 makes technical and other amendments.

SMSF LRBA safe harbour rates 2025-26

The expected safe harbour rates for SMSF related-party limited recourse borrowing (LRBA) arrangements for 2025-26 have been released.



REGULATOR NEWS

ASIC News

Updates from ASIC in the past week including media releases, news, articles and speeches.

APRA news

Updates from APRA in the past week including media releases, news, articles and speeches.

TAXATION

Foreign ownership registration extension: draft instrument

The ATO has issued the draft instrument entitled [Foreign Acquisitions and Takeovers \(Register Notices - Extensions of Time\) Instrument 2025](#). The Instrument allows the Registrar of the Register of Foreign Ownership of Australian Assets (the “Register”) to extend the period for foreign persons to provide a register notice after acquiring or disposing of interests in Australian assets. This ensures foreign persons can comply with their registration obligations without undue hardship by accommodating various complexities and challenges that foreign entities may encounter in relation to obtaining necessary information.

The Commissioner of Taxation was appointed as the Registrar under the Commonwealth Registers (Appointment of Registers) Instrument 2021 and commenced as Registrar on 29 November 2022.

The Registrar can extend the 30-day period for submitting a register notice, with the possibility of multiple extensions.

Factors considered for granting an extension include the type of interests, timing of the extension request, the foreign person’s efforts to comply, and any system issues with the ATO Online Services for Foreign Investors.

The Explanatory Statement to the Instrument also provides examples which illustrate scenarios where extensions might be appropriate, such as companies engaged in complex transactions, facing administrative delays, or newly aware of their registration obligations.

Date of effect: The day following registration on the Federal Register of Legislation.

Comments are due by 16 July 2025.

Application of Pt IVA to early stage innovation company investment arrangements (TD 2025/3)

The ATO has issued [TD 2025/3](#) dealing with the application of the general anti-avoidance

provisions of Pt IVA of the ITAA 1936 to certain early stage innovation company investment arrangements.

Taxpayer Alert [TA 2024/1 Early stage investor tax offset claimed using circular financing arrangements](#) describes and sets out concerns with arrangements which appear designed to artificially meet the conditions for claiming the maximum tax offset, allowing individuals to benefit with minimal (if any) risk on their investment.

TD 2025/3 discusses the potential application of Pt IVA, highlighting several aspects of the arrangements described in TA 2024/1 that point to a conclusion of there being a dominant purpose of obtaining a tax benefit. The application of Pt IVA could disqualify individuals from claiming tax benefits.

Where Part IVA is applied, the ATO's ability to amend an assessment will be extended from 2 years to 4 years.

TD 2025/3 finalises TD 2025/D1 and is substantially the same as the Draft.

Date of effect: TD 2025/3 applies retrospectively. However, it does not apply to taxpayers to the extent that it conflicts with the terms of settlement of a dispute agreed to before the date of issue of the Determination.

Division 7A: benchmark interest rate for 2025-26

The benchmark interest rate for Div 7A purposes is 8.37% for the 2025-26 income year (down from 8.77% for 2024-25).

Under Div 7A the “benchmark interest rate” for an income year is the [“Indicator Lending Rates Housing loans; Banks; Variable; Standard; Owner-occupier”](#) rate last published by the Reserve Bank of Australia before the start of the income year.

The ATO no longer issues annual rulings on the matter but will later update the webpage “Division 7A - benchmark interest rate” (QC 17928).

GST on acquisition of second-hand goods: draft instrument

The ATO has issued the draft legislative instrument entitled [A New Tax System \(Goods and Services Tax\) \(Acquisitions of Second-hand Goods\) Determination 2025](#). The purpose of the Instrument is to allow GST-registered entities to use a global accounting method for acquisitions of specified second-hand goods. This method simplifies GST accounting by pooling input tax credits for eligible acquisitions and offsetting them against GST payable on subsequent sales.

The Instrument applies to second-hand goods that a GST registered entity acquires, from both registered and unregistered suppliers, for the purposes of sale or exchange (but not for manufacture) in the ordinary course of business. Once finalised, the Instrument replaces a previous determination set to sunset on 1 October 2025. The Instrument has the same substantive effect as the one it is replacing.



Date of effect: The day following registration on the Federal Register of Legislation.

Comments are due by 16 July 2025.

Simplified accounting method for food retailers: draft instrument

The ATO has issued the draft legislative instrument entitled [A New Tax System \(Goods and Services Tax\) \(Simplified Accounting Methods - Supermarket and Convenience Stores\) Determination 2025](#). The Instrument allows eligible food retailers to adopt a simplified accounting method (SAM) when calculating their net amount, ie GST payable on taxable supplies less input tax credit entitlements.

The Instrument is designed to reduce compliance costs for smaller supermarkets and convenience stores by allowing them to estimate their input tax credits based on the percentage of GST-free sales to total sales. The instrument sets eligibility criteria, including having a GST turnover of less than \$2 million and possessing adequate point-of-sale equipment.

Once finalised, the Instrument repeals and replaces the instrument entitled A New Tax System (Goods and Services Tax) Act 1999 Simplified GST Accounting Methods Determination (No. 29) 2015 which would otherwise sunset on 1 October 2025. The Instrument has the same substantive effect as the one it is replacing.

Date of effect: The day following registration on the Federal Register of Legislation.

Comments are due by 16 July 2025.

More GST fraud convictions: ATO media release

The ATO has issued a [media release](#) on further convictions under Operation Protego. The latest GST fraud convictions are as follows:

- A woman sentenced to 17 months imprisonment for fraudulently obtaining \$202,936 through false business activity statements (BAS). Registered an ABN in 2021, she lodged 8 false BAS over 7 months, claiming to have spent over \$2 million in purchases despite reporting little to no income. An ATO audit found no evidence of a legitimate business. The funds were spent on rent, groceries, pubs and gaming, ATM withdrawals, and transfers to third parties and international money services. She was released immediately on \$1,000 recognisance, to be of good behaviour for 2 years and ordered to repay the full \$202,936.
- A man was sentenced to 3 years imprisonment to be released after serving 12 months for fraudulently obtaining over \$1.1 million in GST refunds from the ATO. He registered an ABN for a business and submitted 23 false BAS in 2021. An ATO audit found no evidence of a legitimate business. The funds were used for gambling, personal living expenses, accommodation, purchases at a car dealership and cash withdrawals. He was released on \$100 recognisance, to be of good behaviour for 5 years and ordered to repay the full \$1.1 million.
- Another man was sentenced to 2 years and 3 months imprisonment to be released after serving 9 months on recognisance release order requiring him to give security in

the sum of \$1000 on condition he be of good behaviour for 2 years. He claimed to operate a business and lodged 8 false BAS over a 6-month period. An ATO audit found he was not in business and did not hold the necessary registration or license to perform the claimed work. The funds were partly spent on some luxury items including retail expenses and a car. He was also ordered to repay \$168,000 of GST refunds he had obtained fraudulently.

Division 7A myths debunked

The ATO has updated its fact sheet titled 'Division 7A Myths debunked'.

The topics covered include: business structure, record keeping, payments to other entities, attempts to circumvent Div 7A and the Commissioner's discretion.

The fact sheet is available [here](#)

Tax time toolkit

The ATO has now published its [2025 tax time toolkit](#). It contains a range of downloadable resources with information on:

- occupation-specific deductions
- common work-related expenses
- records you need to keep
- residency for tax purposes.

FINANCIAL SERVICES

Capped civil liability of professional schemes: regulations updated

The Government has registered the [Treasury Laws Amendment \(Professional Standards Schemes\) Regulations 2025](#). The Regulations amend multiple instruments to update the list of prescribed professional schemes that have capped civil liability for misleading and deceptive conduct under the Australian Securities and Investments Commission Act 2001, the Competition and Consumer Act 2010 and the Corporations Act 2001 to provide consistency across Commonwealth and State and Territory laws.

The updates include:

- the prescription of professional standards schemes for various professional groups, including the New South Wales Bar Association, Victorian Bar, Western Australian Bar Association, and Chartered Accountants Australia and New Zealand;
- the extension of the Association of Consulting Surveyors National Professional Standards Scheme to 30 June 2026; and
- editorial changes are made to existing regulations to improve clarity and ensure consistency with current drafting practices.

Date of effect: The Regulations commenced on 14 June 2025. Dates vary for the specified



professional standards scheme prescriptions.

ASIC launches inquiry into ASX

ASIC has [announced](#) an inquiry into the Australian Securities Exchange (ASX) group to evaluate its compliance with market licensee and Clearing and Settlement facility licensee obligations. The investigation focuses on the organisation's governance, capability, and risk management frameworks and practices.

The inquiry comes in response to ongoing concerns from both ASIC and the Reserve Bank of Australia regarding ASX's ability to maintain stable, secure and resilient critical market infrastructure. An expert panel, yet to be announced, will lead the investigation and provide recommendations to address identified issues.

ASIC will publish a report detailing the inquiry's findings to determine further actions.

ATO pilot campaign to target misinformation

From 19 June to 30 June 2025, the ATO will pilot a rapid response campaign across online channels to provide community protection to individuals interacting with those who may be promoting misinformation.

The purpose of this campaign is to raise awareness of misinformation within the Australian community and encourage individuals to consider the source of their information.

The ATO is attempting to specifically target online forums where misinformation is being proliferated.

For more information on how to [Protect yourself from misinformation and disinformation](#) refer to the ATO's web site.

Help clients stay safe online with the ATO app

New features on the ATO app have been released and are now available for download/update from the applicable app store.

The updated features will help your individual and sole trader clients keep their personal information secure.

Read about the latest security updates in ATO's [new fact sheets for tax professionals and your clients](#)

Further information about the new security features is available on the ATO's website ato.gov.au/app.



SUPERANNUATION

ASIC moves to safeguard \$160m retail/SMSF investments in Australian Fiduciaries Ltd

ASIC [has applied](#) to the Federal Court, seeking asset preservation orders and the appointment of receivers to Australian Fiduciaries Ltd and numerous related entities. The action follows concerns about the management of approximately \$160 million invested by 600 Australian retail investors through managed investment schemes since February 2020, primarily via SMSFs. Australian Fiduciaries ceased scheme unit distribution in September 2023.

The regulator's investigation focuses on several key issues, including inadequate conflict of interest management, questionable investment fund allocation practices, and potential failures in scheme valuations. The company has failed to submit audited financial statements and compliance plan reports for FY2024 and the first half of FY2025, while investor communications have been suspended since May 2024.

ASIC's court application aims to safeguard scheme assets and gain clarity on the financial status of Australian Fiduciaries Ltd and its schemes during the ongoing investigation. The Federal Court hearing date is pending.

Investors can find further information and a full list of the entities ASIC is seeking orders against on the [Australian Fiduciaries webpage](#) on ASIC's website.

Technical amendments to superannuation splitting for Parliamentarians

The [Superannuation Legislation Amendment \(Family Law\) Orders 2025](#) (Amending Orders) impact the Parliamentary Contributory Superannuation Scheme (PCSS) which is established to provide superannuation benefits for parliamentarians who entered Federal Parliament prior to 9 October 2004 and certain other persons.

The Amending Orders amend the 3 principal Orders below because of the Family Law (Superannuation) Regulations 2025, the repeal of inoperative definitions, and the correction to a typographical error:

- Superannuation (Family Law - Parliamentary Contributory Superannuation Act 1948) Orders 2004 (PCSS Orders);
- Superannuation (Family Law – Superannuation Act 1922) Orders 2004; and
- Superannuation (Family Law – Superannuation Act 1976) Orders 2004.

Date of effect: 20 June 2025.

SMSF LRBA safe harbour rates 2025-26

For SMSF related-party limited recourse borrowing arrangements (LRBAs), the ATO's "safe harbour" interest rate for 2025-26 is expected to be:

- 8.95% for acquisition of real property (down from 9.35% in 2024-25); and
- 10.95% for acquisition of listed securities (down from 11.35% in 2024-25).

The safe harbour interest rate for the acquisition of real property is the [Reserve Bank Indicator Lending Rates](#) for banks providing standard variable housing loans for investors (being the rate recently published for May immediately prior to the start of the relevant financial year): [PCG 2016/5](#). The safe harbour rate for the acquisition of listed securities is set at 2% above the indicator lending rate.

The ATO will confirm these rates at some stage on its [Key superannuation rates and thresholds](#) web page.

REGULATOR NEWS

ASIC News

ASIC has released the following updates in its Newsroom section:

- [19 June 2025 – NEWS ITEM – ASIC Chair Joe Longo spoke to Business News Senior Editor Mark Pownall at the Business News Success and Leadership event](#) – The interview at an event in Perth covered his career trajectory, regulatory philosophy, and current challenges facing ASIC. Longo emphasised the importance of technology, data, and innovation for ASIC's relevance, warning that failure to adapt could make the regulator obsolete. He described ASIC's collaborative approach with other regulators and government agencies, stressing the importance of coordination and avoiding regulatory overlap.
- [19 June 2025 – MEDIA RELEASE – ASIC issues Equity Trustees infringement notices for misleading investment statements](#) – Equity Trustees Ltd has paid \$56,340 in response to three infringement notices issued by ASIC. ASIC alleged that during 2024 Equity Trustees as the responsible entity for the Artesian Green and Sustainable Bond Fund made misleading statements about the fund's investments. The statements related to the fund's investments in green, sustainable, and social corporate bonds but the fund held significant government and supranational bonds that were inconsistent with its stated strategy.
- [17 June 2025 – SPEECH – Improving protection for people who use credit](#) – ASIC Commissioner Alan Kirkland gave the keynote address at the Australian Finance Industry Association Risk Summit in Surfers Paradise. ASIC's regulatory and enforcement priorities aim to ensure a fair, strong, and efficient financial system that serves all Australians, especially during times of economic stress. Credit helps Australians manage ongoing cost-of-living pressures, particularly in periods of economic hardship. While access to credit can empower consumers, it also carries risks, making fair and responsible lending essential. ASIC is focused on addressing predatory lending, ensuring lenders respond appropriately to financial hardship, and overseeing debt management and credit repair services.
- [16 June 2025 – REGULATORY GUIDE – RG 1 Applying for and varying an AFS licence](#) – ASIC has revised and reissued RG 1 which gives an overview of ASIC's process for assessing Australian financial services licence applications and sets out the information and documentation it requires of applicants. The reissued guide formalises

changes instituted by ASIC's new licence application portal. A number of other Regulatory Guides and Information Sheets have been updated, reissued or withdrawn.

- [16 June 2025 – MEDIA RELEASE – ASIC takes steps to appoint receivers to Australian Fiduciaries Ltd as investigation continues](#) – ASIC has instituted proceeding in the Federal Court against Australian Fiduciaries Ltd, applying for asset preservation orders and the appointment of receivers to the company. Approximately 600 Australian retail investors invested \$160 million in managed investment schemes through the company since February 2020 but it has not distributed units since September 2023 and has failed to submit audited financial statements or compliance reports for a year and a half. ASIC's continuing investigation covers conflicts of interest, questionable sales practices, improper fund management, lack of regular asset valuations, and potential loss of asset value.
- [16 June 2025 – MEDIA RELEASE – ASIC launches Inquiry into ASX](#) –ASIC has announced an inquiry into the Australian Securities Exchange Group, focusing on governance, capability, and risk management frameworks and practices. The inquiry arises from ongoing concerns on the part of ASIC and the Reserve Bank of Australia about ASX's ability to maintain stable and resilient market infrastructure, following repeated failures. An expert panel will lead the inquiry, making recommendations to address deficiencies that it identifies. It will assess ASX's compliance with its obligations as a market licensee and Clearing and Settlement facility licensee.

APRA news

APRA has released the following updates in its News and publications section:

- [19 June 2025 – MEDIA RELEASES – APRA finalises targeted changes to the treatment of HELP debts](#) – APRA has finalised targeted changes to the treatment of Higher Education Loan Program debt repayments by authorised deposit-taking institutions in assessing home loan applications. The amendments follow a consultation conducted earlier this year and are accompanied by a Prudential Practice Guide and a Reporting Standard.
- [18 June 2025 – SPEECHES – APRA Executive Director of Cross-industry Risk Chris Gower speech to AFIA Risk Summit 2025](#) – APRA Executive Director Chris Gower presented to the Australian Finance Industry Association Risk Summit in Surfers Paradise, drawing on the example of a 1991 “perfect storm” weather event as a parallel to the confluence of risks facing the Australian finance sector in 2025. The three key current risks are increasing technological integration and cyber threats; growing reliance on third-party service providers; and escalating geopolitical tensions. In response, Australian regulators, led by APRA, are tightening standards through *CPS 230 Operational Risk Management* which mandates comprehensive risk assessments, supply chain resilience, and robust contingency planning.
- [18 June 2025 – SPEECHES – APRA Chair John Lonsdale's opening remarks to the Business Council of Australia boardroom lunch](#) –APRA Chair John Lonsdale addressed the Business Council of Australia and emphasised the importance of prudential regulation in maintaining the safety and stability of Australia's financial system, which benefits all Australians. APRA strives to balance safety and stability with competition and efficiency, and will review its approach as it develops its next corporate plan. While Australian financial institutions are resilient, rising non-financial risks require heightened regulatory standards. APRA welcomes feedback from the business community.



- [18 June 2025 – MEDIA RELEASES – APRA consults on proposals for instruments relating to section 66 of the Banking Act](#) – APRA has issued a consultation about proposed instruments regarding s 66 of the *Banking Act 1959* (Cth) which restricts the use of words and phrases to a financial business. The proposals relate to the terms “bank”, “credit co-operative” and “offshore banking unit”. Interested parties may make submissions until 15 August 2025.