



ATO digital strategy 2022–25

How the ATO digital strategy 2022–25 is helping us digitalise our business and achieve our future digital vision.

Last updated 29 June 2023

Chief Digital Officer's foreword

The importance and complexity of the ATO's role in the Australian economy means it's critical that the experiences and digital services we provide make it easy for clients to engage with us and that we enable streamlined registrations, and tax and superannuation to 'just happen'.

Since our first digital strategy in 2016 we have delivered a range of transformative changes and new digital services for taxpayers, intermediaries, business and digital service providers. This has contributed to the ATO having a solid foundation that we can be proud of and can continue to build upon to achieve our 2025 vision for the ATO to be a leading digital business, shaping trusted and effective digital services and ecosystems.

Today we have strong digital take-up in the community, beneficial relationships with our partners and we are recognised as a global leader in the provision of government digital services. We still, however, need to go further to fully digitalise our business to deliver great experiences to the community and provide our staff with the ability to perform their jobs more effectively.

This digital strategy is a critical deliverable of the **ATO corporate plan 2023–24** key focus area: enable data and digital investment through sustained efficiencies. It highlights what digital makes possible for the next 3 years and beyond.

Achieving our 2025 vision requires good quality verifiable data, further embedding of Digital Identity, enhanced self-service options, expansion of our fraud capability and continued focus on natural systems. Importantly, this enables us to achieve our aspiration to be fully digitalised by 2030.

We will continue to look ahead at what is required to be future ready and take the necessary steps to be prepared.

Our focus will always be on supporting everyone in the community and while we must design digital first and end-to-end, we continue to support those that are unable to operate in digital ways.

We continue to have much work ahead as we progress towards 2030, but I'm encouraged by what we've achieved to date and confident this strategy positions us well to realise our vision.

Elissa Walker

ATO Chief Digital Officer

Acknowledgment

The Australian Taxation Office acknowledges the Traditional Custodians of the lands upon which we live and work, and we pay our respects to Elders, past, present and emerging. We recognise the unique relationship Aboriginal and Torres Strait Islander peoples have to Country, culture and community and the important role this plays in us all walking together as Australians.

We value the contribution Aboriginal and Torres Strait Islander peoples make to our organisation and the broader tax, superannuation and registry systems.

Part A Strategy goals and framework

How our digital strategy helps achieve our vision and our journey towards digitalisation.

Digital strategy framework

The pillars, enablers and principles that help shape our 3-year vision.

Principles for digital



The 5 principles that guide us in designing products and services and what that means for our tax and super systems.

Part B Implementation



How we deliver pillars 1–5.

Aspirations for future transformation



We continue to focus on the longer term while we deliver on today's priorities.

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Part A Strategy goals and framework

How our digital strategy helps achieve our vision and our journey towards digitalisation.

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Positioning the digital strategy

What influences this strategy

The ATO digital strategy recognises that digitalisation is transforming the way people interact within complex and largely digitised systems that make up our modern society. The rapidly changing landscape and globalisation of our community influence the approaches we are taking for continued transformation.

Influences from the vision of the [Organisation for Economic Co-operation and Development \(OECD\) Forum on Tax Administration 3.0](#)

[↗](#), Australian government directions and the ATO corporate plan play a big role in shaping this strategy.

Additionally, the experiences we want to create for our clients, and our on-going relationships and collaboration with our partners and intermediaries all play a strong role in the way we are forging ahead.

Positioning the ATO to achieve our vision

The ATO today is recognised globally as a digitally mature organisation, delivering contemporary online services and tools to support our clients. Clients can access our digital services anywhere and anytime, using a variety of channels and devices.

In recent years we've established the necessary foundations to enable the exchange of event-based, validated data in volumes and timeframes previously not imagined.

However, we have more to do for more of our clients and staff and must continue to deliver end-to-end digital services that are safe and convenient.

This strategy continues the shift to digitalisation with a strong focus on:

- keeping our existing suite of digital services and foundations strong
- making the right incremental improvement and additions to our digital services
- increasing built-in upfront integrity with ethical and secure services
- reimagining how our digital systems support the future needs of clients.

This contributes to enhancing the integrity of our systems, streamlining the way we operate and meeting the needs of our clients.

Digitalisation is more than making things digital

We will reimagine effective ways to streamline tax. We recognise that it is not enough to simply make current processes digital. We need to improve and transform in ways that drives interconnected ecosystems, protects data and systems and makes things simpler.

Key differences between digitisation and digitalisation

Digitisation:	Digitalisation:
<ul style="list-style-type: none">• converts data into a digitised medium• may involve digitising an existing problem, and not necessarily solving them• has limited transparency and certainty• incurs retrospective risk detection and treatment.	<ul style="list-style-type: none">• involves rethinking and transforming, more than simply making something digital• supports a data driven ecosystem via natural systems• facilitates real-time validation of data• enables better decision making.

Example: digitalisation – evolution of the current PAYGW reporting regime

Manual reporting (paper):

- Forms driven
- Periodic, aggregated, historical data
- Prone to errors
- Manual, slow and costly for the lodger and the ATO

Electronic forms (digitising):

- Reduction in paper and processing time
- Some validation and visibility of data
- Still based on cyclical reporting regime
- Still prone to errors

Event-based reporting (digitalising):

- Event-based detailed and current data reported via natural systems

- Data validated in real-time via software
- Fully digitalised and automated 2-way exchange of data

Continue digitalising:

- Increase in right-time and event-based reporting
- Enable more pre-filling of forms with verified data
- Embed verifiable identifiers into more ecosystems

Integrate into payment ecosystems to enable payments at the right-time or at the point of events through natural systems.

Our journey towards digitalisation

We've made significant advances to improve experiences for clients and we've laid the foundations that enable us to continue digitalising our operations. This has allowed us to meet the growing demand for quality end-to-end digital services. This progression is described below.

Laying the foundations

Our digital ecosystem has been optimised through investments in the right platforms and technologies.

We've delivered foundational services to suit a variety of different users and their natural systems. There are 4 main ways that our users can interact with us digitally:

- Application Programming Interfaces (services enabled by DSPs. For example, SuperStream, Single Touch Payroll).
- ATO online services (myTax for individuals, online services for business and agents).
- ATO mobile app (links to ATO online services).
- ato.gov.au (including 'Ask Alex' virtual assistant).

Flexibility to quickly adapt

Our solid foundations allowed us to respond to new policy measures effectively, and enabled delivery of critical support to the community

during COVID-19.

- myGovID enabled businesses and employees to access government online services quickly and from any device.
- myGovID and STP made it possible for impacted businesses and agents to access COVID-19 stimulus payments.

Demand continues to grow

Client behaviour has shown an increase in demand and switch to digital channels over recent years.

As of June 2022 we have seen:

- 8.9 million myGovID identities created since inception in July 2019
- 1.3 billion SBR transactions, a 119% increase from 593 million in 2019
- 5.2 million myTax lodgments, a 37% increase from 3.8 million in 2019
- 795 million ATO online services interactions, a 331% increase from 184.5 million in 2019.

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Digital strategy framework

The pillars, enablers and principles that help shape our 3-year vision.

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The framework to deliver our digital strategy is framed by 4 pillars, the key enabling capabilities required to deliver on our aspirations and is supported by 5 principles for digital. This sets us up to deliver on the 3-year vision for 2025 and steer us toward our aspiration for the year 2030.

Vision for 2025

Our vision for 2025 is to be a leading digital business, shaping trusted and effective digital services and ecosystems.

Pillars

- Evolve our digital maturity.
- Continue to deliver and leverage the right digital platforms.
- Deliver personalised optimal experiences for our clients and our people.
- Collaborate with partners to build connected and trusted ecosystems.

Key enablers

These are:

- data and analytics
- technology
- law and policy
- cyber security.

Principles for digital

- Design for the user.
- Imagine the possible.
- Leverage natural systems.
- Sustainable digitalisation and benefits.
- Integrity by design.

Towards 2030

The ATO will be fully digitalised by 2030.

Objectives to implement the framework

To achieve our vision we have established objectives for each pillar to drive implementation of this strategy. These will be delivered through key initiatives that will impact a variety of products, services and

stakeholder groups. These initiatives are described in Part B – Implementation.

Pillar 1 – Evolve our digital maturity

Objectives:

- Evolve our operating model and processes to enable innovation and cost-effectiveness.
- Develop our workforce to have the digital knowledge and skills to drive 'digital first' thinking to enhance our staff and client experiences.

Pillar 2 – Continue to deliver and leverage the right digital platforms

Objectives:

- Deliberate investment in our missing digital capabilities to enable experiences that reflect the contemporary digital world.
- Maximise the benefits and use of our current digital capabilities to meet the needs of our users.

Pillar 3 – Deliver personalised optimal experiences for our clients and our people

Objectives:

- Tax and super 'just happen' through simple digital interactions, authenticated identity and verifiable and trusted data.
- Know and understand our clients and offer digital services and support to meet their needs anywhere, anytime on any device.
- Digitalisation of our staff experiences, services and processes and empowering our staff with intelligent workflows and client data.

Pillar 4 – Collaborate with partners to build connected and trusted ecosystems

Objectives:

- Take a whole of ecosystem view and actively participate in the digital ecosystem with our partners.
- Strengthen digital services to uphold privacy, security and improve fraud prevention and responses.

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Principles for digital

The 5 principles that guide us is designing products and services and what that means for our tax and super systems.

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We have identified 5 principles for 'being digital'. These guide our organisation in designing products and services that are consistent with our vision and goals.

Design for the user

- Use evidence, insights and co-design to create optimal end-to-end experiences.
- Anticipate future needs and behaviours.
- Continue enhancing staff experiences.

Imagine the possible

- Stop, think and look for the best outcome.
- Adopt a transformation mindset.
- Challenge existing limitations.

Leverage natural systems

- Leverage what our clients and users do and use in their everyday lives.

- Tap into the environment within which individuals and businesses carry out their daily activities.
- We take services to the user to make things easier and enable tax and super to 'just happen'.

Sustainable digitalisation and benefits

- Design with re-use in mind.
- Leverage or re-use existing capabilities.
- Create solutions that are sustainable, adaptable and take a whole of ecosystem approach to solving problems and delivering benefits.

Integrity by design

Protect client information and our systems by evolving the way we prevent, detect and take action against fraud in our ecosystem.

What this means for our tax, superannuation and registry systems

There are 6 main steps that occur in the lifecycle of individuals and businesses through the Australian tax, superannuation and registry systems. Each of these may occur multiple times and in various orders depending on circumstances.

The strategy will deliver improvements and interconnectivity across each of these steps in the lifecycle.

This will impact experiences for taxpayers, their representatives and the ATO as described in the goals identified on the next page.

Goals have been identified for each step from both client and ATO perspectives.

Our digital programs focus on achieving these goals. Some have already been delivered via existing programs, while others will be delivered by 2025 or form part of our future aspirations.

 Digital Strategy Principals For Digital

Know and learn

Client goal – information can be viewed and managed with ease and convenience.

ATO goal:

- Our information and services are easy to locate and understand.
- Clients and their representatives, for example tax and BAS agents, can interact with our online channels using any device and their experience is comparable across all channels.

Register

Client goal – entry into the system is easy and secure.

ATO goal:

- Eligibility is assured prior to any registration event.
- People are accurately registered for all necessary tax obligations and accesses across the ecosystem, regardless of where that registration occurs.

Access

Client goal – easy, right and safe access to services.

ATO goal – we have confidence that the client or their representative is the same one who registered and has the authority to transact.

Lodge and report

Client goal: Knowing when and how to lodge and report is simple.

ATO goal:

- Lodgments occur with maximum pre-fill, with nudges in channel and context, and substantiation of claims where possible.
- Reporting is made at the right time, in natural systems and includes matched, verified and trusted data.

Pay

Client goal: Making payments is convenient and refunds are timely.

ATO goal:

- Paying and arranging to pay is seamless and supported in natural systems.
- We enable payments at the right-time or at the point of events through natural systems.

View, inform and respond

Client goal: Making it simple to view and know when to take action.

ATO goal:

- Clients and their representatives can easily view all account activity, respond to requests and queries and submit objections, transactions and requests.
- Information and guidance is clear, tailored and personalised.

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Part B Implementation

How we deliver pillars 1–5.

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Delivering Pillar 1: Evolve our digital maturity

Objectives

- 1. Evolve our operating model and processes to enable innovation and cost-effectiveness.**
- 2. Develop our workforce to have the digital knowledge and skills to drive 'digital first' thinking to enhance our staff and client experiences.**

Initiatives that deliver on these objectives

Establish our digital roadmap and governance framework

Develop a refreshed ATO roadmap of digital initiatives and governance of our digital programs to ensure alignment to the digital strategy.

This includes:

- Creating a whole of ATO view of digital priorities.
- Driving efficiencies through smarter investment in data and digital.
- Developing newer methods to measure effectiveness and efficiency.

Establish digital think tank

The ATO Chief Digital Officer will lead a representative group to collaborate, explore and ideate new and improved digital solutions and processes across the ATO.

This enables us to plan ahead for future transformation while managing current programs and challenge ways of working.

Invest in our workforce to advance our digital maturity

Identify gaps and partner with key internal stakeholders to drive ongoing development of our people, including getting the most out of the whole of government Digital Professional Stream.

We will look for new ways to uplift digital literacy across the ATO and build support tools to help staff navigate digital learning offerings.

Delivering Pillar 2: Continue to deliver and leverage the right digital platforms

Objectives

3. Deliberate investment in our missing digital capabilities to enable experiences that reflect the contemporary digital world

4. Maximise the benefits and use of our current digital capabilities to meet the needs of our users

Initiatives that deliver on these objectives

Modernise our website – ato.gov.au

Implement a new and improved platform for ato.gov.au that will transform usability and the client experience.

Includes delivery of a new knowledge management capability that will connect and consolidate ATO related content.

Modernising Business Registers (MBR)

The MBR program will consolidate the Australian Business Register and more than 30 other company related registers into one place, making it easier for businesses to register, view and maintain their business information with government.

Operationalise the Digital Services Gateway (DSG)

Provide seamless and contemporary digital services through a new digital Application Programming Interfaces (API) gateway, in partnership with DSPs.

We will transform the client experience through implementation of event driven and lightweight APIs.

Continue digitalisation of correspondence and communications

Provide digital communications for individuals and businesses and continue to modernise the look and feel.

This includes delivery of a new whole of government digital business inbox and a secure 2-way digital exchange, enabling messages to clients via secure methods.

Continue digitalisation of end-to-end processes and services

Continue digitalisation of manual or sub-optimal digital services impacting tax revenue and client experiences.

Key focus areas:

- Delivery of online services for foreign investors, and their representatives.
- Digitalising forms to improve experience and prevent unauthenticated interactions.
- Improving the ATO mobile app (including native payments, notifications)

- Maximising digital channels to improve client register integrity.
- Making incremental digital changes to support sophisticated markets (for example, large multinational organisations).

Delivering Pillar 3: Deliver personalised optimal experiences for our clients and our people

Objectives

5. Tax and super 'just happen' through simple digital interactions, authenticated identity and verifiable and trusted data

6. Know and understand our clients and offer digital services and support to meet their needs anywhere, anytime on any device

7. Digitalisation of our staff experiences, services and processes and empowering our staff with intelligent workflows and client data

Initiatives that deliver on these objectives

Expand collection and use of third-party data

Increased use, collection and sharing of verified third-party data across our ecosystems to enhance the quality of services provided to our clients.

We will deliver the Data Acquisition, Pre-fill and Sharing (DAPS) Program, replacing existing Data and Analytics platforms, including for third-party data used in identity matching and pre-filling of tax returns. DAPS will lay the foundation for a future that enables real-time event-based processing, increasing seamless taxation and reducing the chance for errors.

Enrich digital experiences through use of real-time and event-based data and analytics

Using data and analytics across our services and implementing new strategies to create more efficient experiences for clients.

Our initial focus will be on optimising use of our existing large data sets for the super and employment systems (for example, Single Touch Payroll), enabling a digital substantiation solution to support real-time or event-based validation of claims and implementing a new uplift strategy for tax professionals (addressing irritants that prevent self-service).

Enhance client interactions and improve digital assistance

Improve our ability to provide seamless services, including support provided in digital channels and when interacting with our people.

Key focus areas:

- Refreshing our client contact centre platforms (for example, move to cloud or hybrid cloud solution).
- Increasing use of artificial intelligence and natural language to support clients through authenticated interactions (for example, digital assistants and calls).

Transform case and work management to enable digital interactions

Digitalisation of staff support tools for case and work management capabilities.

This includes refreshing our platforms to enable document collaboration, our client and case management solutions, and leveraging the ATO mobile app to facilitate authenticated client and staff interactions.

Delivering Pillar 4: Collaborate with partners to build connected and trusted ecosystems

Objectives

8. Take a whole of ecosystem view and actively participate in the digital ecosystem with our partners

9. Strengthen digital services to uphold privacy, security and improve fraud prevention and responses

Initiatives that deliver on these objectives

Actively influence and collaborate with industry, government and international jurisdictions

Engage with domestic and international jurisdictions, including industry and professional bodies to design, develop and adopt leading trends and practices in digital transformation.

Key focus areas:

- Contribute to the [OECD Forum on Tax Administration](#)  (FTA) projects and initiatives.
- Maximise insights from our various stewardship groups such as Tax Practitioner, GST and DSPs.
- Work across government to expand Digital Identity, enhance myGov and other whole of government initiatives.
- Expand Peppol eInvoicing adoption in Australia and the region.

Actively expand use of Digital Identity to minimise fraud

Embed Digital Identity in more ATO services and interactions within our ecosystems to enable greater integrity of authorisations and accesses.

Key focus areas:

- Extend our identity authorisation models to include non-Australian entities.
- Expand and embed [Digital Identity](#)  across all registration processes.
- Enhancing our Identity Management processes to ensure the integrity of our registers and reduce the risk of unauthorised access to confidential information and help protect clients from identity theft.
- Utilise the highest levels of identity proofing offered by Digital Identity to secure high risk transactions.

Evolve fraud monitoring and management for digital services

Further strengthen ATO protections against fraud, aligning with the evolution of the digital experience, including fraud monitoring and management across digital channels.

Key focus areas:

- Operationalise the fraud monitoring and management strategy for ATO digital services.
- Deliver technology capability to enable continual improvements to monitor, detect and respond to suspected fraud incidents.
- Deliver a secure messaging capability (for example, notify and action, nudges in real-time or time of event).
- Evolve Digital Identity fraud analytics capability to better detect, monitor and investigate potential fraud threats.

Enabling capabilities that will help us deliver our pillar objectives

Listed here are key outcomes needed from our technology, law, data and cyber capabilities. Delivery of these is pivotal to the success of this strategy.

Technology

Deliver reliable, intuitive and contemporary technology solutions:

- Deliberately invest in our critical applications and supporting technologies.
- Provide technology that supports ATO staff in being highly effective and efficient at helping clients.
- Building foundations that foster a high functioning ecosystem where market-driven innovation delivers value.

Data and analytics

Use data effectively to improve client and staff experiences:

- Drive personalisation within an authenticated environment.
- Enrich our service offerings with relevant client data to build digital engagement and trust.
- Provide clients and staff with access to the right data at the right time.
- Build a single view of client profile using verifiable data.

Law and policy

Advocate for policy settings which are supportive of digitalisation by:

- Implementing laws which are easy to understand and comply with by engaging early with our stakeholders for a better digital experience.
- Actively shape law and policy using the data we hold and our knowledge of current taxpayer and staff experiences.
- Ensuring the technology that underpins our evolving digital services conforms to ATO and whole of government policies.

Cyber security

Protect our data and systems from cyber threats:

- Maintain an effective cyber security program that protects our data and systems.
- Uplift people, process, and technology across critical controls.
- Continue to monitor, detect and respond to cyber security threats facing the ATO.

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Aspirations for future transformation

We continue to focus on the longer term while we deliver on today's priorities.

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These 5 aspirations represent possible future ambitions to transform how we can deliver seamless experiences for our clients.

How they are applied in practice and what can be achieved is being considered as part of our commitment to being a leading digital business.

Each aspiration will be explored in order to determine what is viable and beneficial to progress, noting some depend on policy decisions or are matters for government.

Planning and delivery will then occur in stages over the next 3, 5 and 7 years.

Five aspirations

1. Transformed experiences:

- Remove or reduce the need for reporting that occurs outside of natural systems.
- Streamlined Online Services for all client groups.

2. Law and policy facilitate digitalisation:

- Advocate for policy settings that enables:
 - Tax rules to be embedded into the ecosystem.
 - Appropriate information to be shared with partners and digital service providers.

3. Event-based taxation:

- Regular event-based or right-time reporting for all tax obligations (for example, GST, PAYGI, FBT, LCT).
- Right-time or event-based payments for some obligations.

4. Connected whole of government and international systems:

- Collaborate with the OECD Forum on Tax Administrations to develop solutions for cross-border Digital Identity.
- Be a leader in global interoperability for eInvoicing, Digital Identity, sharing and gig economy.

5. Auto-regulating ecosystems:

- Conditions for entitlements are integrated into systems and automatically checked.

Appendix

Glossary

Application Programming Interfaces (APIs)

APIs are mechanisms that enable 2 software components to communicate with each other, allowing data and information to be obtained, posted or exchanged, using a set of definitions and protocols.

Clients

Clients are those who interact with us or consume our services. They include taxpayers, citizens, intermediaries and partners.

Data Acquisition, Pre-fill and Sharing (DAPS) Program

The DAPS Program is a program of work that aims to implement a scalable and flexible enterprise data architecture and platform that will modernise our data processing patterns and build a modern data and analytics capability.

Digitisation

Digitisation is the process of changing from analogue to digital format, for example, paper to portable document format (PDF). Digitisation does not necessarily seek to improve processes.

Digitalisation

Digitalisation is the use of digital technologies to change a business model and identify new revenue and value-producing opportunities. It enables organisations to strategically address business transformation challenges and create significant benefits.

Digitally mature

Digitally mature refers to an organisation's ability to plan for, respond and adapt to the developments and shifting trends of digital technology, processes and capabilities.

Digital Services Gateway (DSG)

DSG is a new enterprise API management capability focused on enabling and supporting new and existing DSPs now and into the future.

Digital Service Provider (DSP)

A DSP is an entity that delivers digital products to the community using software to enable their services. They may choose to connect their

software to government services via APIs.

myTax

myTax is an online service for individuals that can be accessed on a computer, smartphone or tablet to lodge an individual tax return.

Natural systems

Natural systems is the environment within which individuals and businesses carry out their daily activities. These can be described as normal processes or any place, system, channel, etc that people use. For example, the ATO mobile app; STP reporting that taps into existing payroll systems and uses digital technology to receive data.

Retail services

Retail services are services that are delivered by government directly to the end users through online, paper or face-to-face channels.

Single Touch Payroll (STP)

STP is a simplified way for employers to report employees' payroll information digitally via their payroll software. This includes salaries and wages, pay as you go (PAYG) withholding and superannuation information to the ATO.

SuperStream

SuperStream is a simplified way to transmit money and information digitally and consistently across the superannuation system involving employers, funds, service providers and the ATO.

Tax performance

Tax performance is the amount of tax actually paid to the ATO relative to the amount owed.

Users

Users includes anyone – clients or staff – that use or may need to use internal systems.

Verifiable data

Verifiable data is data that can be checked for completeness, consistency, and accuracy against a trusted source.

Wholesale services

Wholesale services are services that are delivered to stakeholders who may incorporate these within other products or services for end users. For example, APIs consumed by DSPs to develop and deliver tax services via their software products.

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