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From whisper to warrant: \$4.4 million of illicit tobacco seized

Detecting, disrupting and dismantling the illicit tobacco trade is a priority for the ATO.

Last updated 10 June 2025

The Australian Taxation Office (ATO), with support from Victoria Police, has seized and destroyed over 20 tonnes of illicit tobacco from a property North-East of Shepparton, Victoria.

On Thursday 5 June a search warrant revealed a mature tobacco crop spanning nearly 6 acres, the equivalent of approximately 90 tennis courts. Officers also seized several trays of tobacco seedlings from the property.

The estimated excise value of the illicit tobacco uncovered under Operation Ocean is \$4.4 million.

ATO Assistant Commissioner Jade Hawkins commended the results of the operation, with the destruction of tobacco crops showing the ATO's removing illicit tobacco from the community.

'Detecting, disrupting and dismantling the illicit tobacco trade is a priority for the ATO.'

'These operations are run by criminal syndicates, not farmers or producers. They put the Australian community at risk when they use profits from these activities to fund other serious crimes.'

'Involvement in illicit tobacco production is a serious offence. There are hefty penalties for possessing, selling, buying, manufacturing, or producing illicit tobacco, including jail terms for up to 10 years imprisonment.'

'This type of activity takes vital money away from the community and places it directly into the hands of organised criminals who mistakenly think they can sail under the radar,' Ms Hawkins said.

Operation Ocean adds to the 90 completed illicit tobacco operational activities between 1 July 2018 and 30 June 2024.

'A wave of illicit tobacco has been stopped in its tracks, with this warrant activity surfacing thanks to a tip-off from the community,' Ms Hawkins said.

Community tip-offs are one of the ATO's best sources of information as they provide crucial information to assist in the fight against illicit tobacco.

It's illegal to grow tobacco in Australia without the appropriate excise licence and currently no one is licensed to do so.

Signs that land is being used to grow, manufacture or produce illicit tobacco include:

- construction activities along creeks and rivers on private and public land
- unexplained and potentially unlawful use of water resources
- vans with no markings being loaded with cardboard boxes, at odd hours of the day and night
- the sound of machinery running overnight
- excessive security measures such as cameras, locks or guards.

If you suspect that illicit tobacco is being grown, manufactured, or sold in your community, you can confidentially report it to the ATO online at ato.gov.au/tipoff, or phone **1800 060 062**.

Visit ato.gov.au/illicittobacco to learn more about the signs of tobacco plants and what to look out for in your community.

Images

- [Image 1 \(JPG, 2.4MB\)](#) 
- [Image 2 \(JPG, 3.1MB\)](#) 

Notes to journalists

- Between 1 July 2018 and 30 June 2024, our Illicit Tobacco team completed 90 operational activities. These included 19 Illicit Tobacco Taskforce (whole of government) operations, 31 ATO specific operations and 40 state law enforcement support operations.
- These operations resulted in:
 - 627 acres of illicit tobacco crops located, seized and destroyed with a total weight of 3,746,240 kilograms
 - 39,224 kilograms of loose-leaf tobacco located, seized and destroyed
 - 21,759,340 cigarettes located, seized and destroyed
 - total estimated equivalent tobacco duty foregone value of above \$723 million.
- From July 2018 to July 2025 there have been 32 convictions for illicit tobacco with sentences ranging up to 3 years.
- A [high-resolution headshot \(JPG, 512KB\)](#) of Assistant Commissioner Jade Hawkins is available for download from our media centre.
- ATO stock footage and images are available for use in news bulletins from our media centre.

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