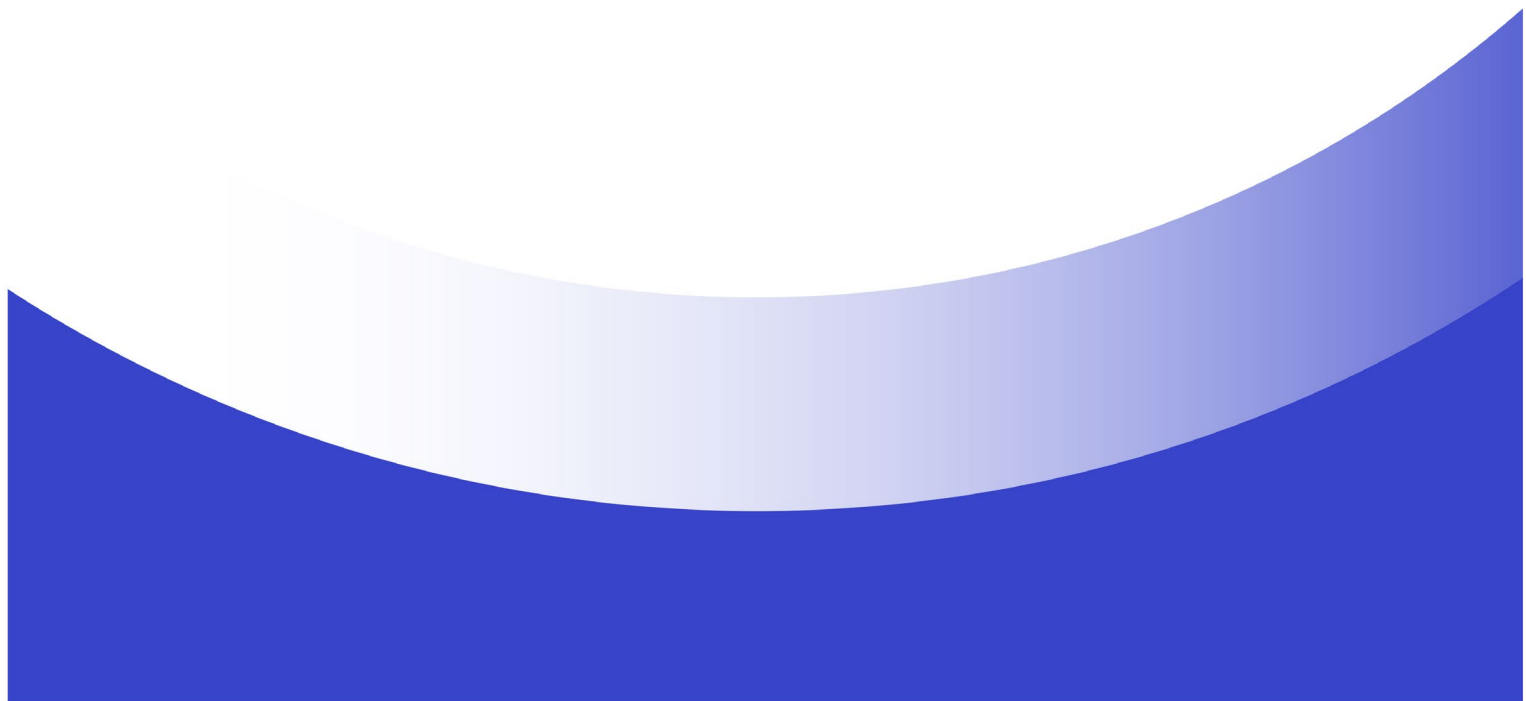




Australian Government  
Australian Taxation Office

# Top 100 Pre-lodgment disclosure framework

Top 100 justified trust program  
3 July 2024





We acknowledge the Traditional Owners and Custodians of Country throughout Australia and their continuing connection to land, waters and community. We pay our respects to them, their cultures, and Elders past and present.

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## Our commitment to you

*If you rely on this document, you have the protections that apply to Guidance – see [How our advice and guidance protects you](#). To the extent that this document outlines a compliance approach, and you apply that approach in good faith to your own circumstances, the Commissioner will act in accordance with that approach.*

## Purpose

Through the Top 100 justified trust program we engage with the largest public and multinational businesses and super funds that have substantial economic activity related to Australia. We do this through a yearly income tax pre-lodgment compliance review (**PCR**), and periodic GST assurance reviews. The justified trust methodology is applied in these reviews.

Through these reviews we aim to assure the right tax outcomes, and identify and manage material tax risks through early, tailored and transparent engagement. We encourage taxpayers to disclose material new transactions and business changes in real time during these reviews. This supports our approach of raising and resolving potential compliance concerns as they arise – that is, prevention before correction.

## When and what is required to be disclosed

Taxpayers are expected to proactively engage with us and make disclosures of material new transactions and business changes before these occur. We expect the following to be disclosed on a real time basis subject to materiality:

- new transactions
- business changes including changes to economic activity and legal structure
- changes to reporting of uncertain tax positions including as reflected in current and deferred tax balances in the financial statements
- changes that may impact correct recording, collating and reporting of GST-impacted transactions (including changes to business systems and business activity statement (**BAS**) preparation systems and processes)
- disclosure issues or errors relating to information reported in the tax return or accompanying schedules that should be corrected
- debit or credit errors relating to information reported in the BAS that should be corrected
- amendments that the entity intends to make to lodged tax returns or BAS
- significant changes to the design of the tax governance framework
- outcomes of independent operational effectiveness testing of the tax governance framework.

In addition to the above, taxpayers are expected to disclose details of any new tax risks flagged to market (irrespective of materiality). For income tax, these should align with disclosures in the reportable tax position (**RTP**) schedule.

For particular taxpayers and industries there may be additional disclosure requirements.

Taxpayers with an annual compliance arrangement (**ACA**) should also refer to the specific terms of their arrangement.

## Materiality

Consideration should be given to the [RTP materiality levels](#) and any disclosure guidelines included in ACA or PCR frameworks already in existence for the purpose of determining materiality thresholds relevant to making pre-lodgment disclosures.

## How we will engage

You can make disclosures at any time during the income year and prior to lodgment of your return or statement.

Where you make a disclosure, we will work with you to understand the relevant transaction including the associated accounting and tax treatment.

We will engage with you and request information within 30 days of a disclosure being made. We may request source documentation as part of this process and any supporting tax advice or working papers. If the requested information is not available prior to lodgment it is expected that you will provide it shortly after lodgment.

Where we have sufficient information to resolve any areas of concern prior to lodgment we will communicate this to taxpayers.

Where we have areas of concern, we will then work with you and agree on how we will resolve these. We would like to resolve any areas of concern prior to lodgment of the relevant return and not have these issues deferred until after lodgment.

No assurance or other rating will be provided prior to lodgment of the relevant return. Ratings will be communicated post-lodgment at the finalisation of the review.

Most taxpayers engage openly and transparently with us. However, where you do not disclose sufficient information in relation to material new transactions or changes to your business in a timely way, and we are not able to obtain assurance within the PCR, or agree on an appropriate timeframe, this may impact on your assurance rating for the relevant review.

Further enquiries may also be made in relation to the effectiveness of your tax governance framework where the tax implications of material new transactions or changes to your business are not known at the time of entering into a transaction or for the purpose of provisioning for tax in the financial statements.

## References

[RTP materiality levels](#)

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ATO references

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