



Media release

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ATO watching for foreign income this Tax Time

The Australian Taxation Office (ATO) is urging taxpayers who receive any foreign income from investments, family members or working overseas to make sure they report it this tax time. New international data sharing agreements allow the ATO to track money across borders and identify individuals not meeting their obligations.

"This year, the ATO has received records relating to more than 1.6 million off-shore accounts holding over \$100 billion and is now using data-matching and sophisticated analytics to identify foreign income that has not been reported," Assistant Commissioner Karen Foat said.

Under the new Common Reporting Standard (CRS), The ATO has shared data on financial account information of foreign tax residents with over 65 foreign tax jurisdictions across the globe. This includes information on account holders, balances, interest and dividend payments, proceeds from the sale of assets, and other income.

"Australians that deliberately move cash overseas in an attempt to hide it should be concerned. Hiding your assets and income offshore is pointless. 'Tax havens' are becoming a less effective model as international agreements improve transparency. You can no longer hide money behind borders."

In addition to a small number of individuals deliberately engaging in tax avoidance, the ATO is concerned about a large number that are unsure of how to meet their obligations.

"If you're an Australian resident for tax purposes, you are taxed on your worldwide income, so you must declare all of your foreign income no matter how small the amount may be. This may include income from offshore investments, employment, pensions, business and consulting, or capital gains on overseas assets," Ms Foat said.


The data available to the ATO shows that many Australians have financial dealings in countries like China, the United Kingdom, Switzerland, Singapore and the United States, to name just a few.

"Whether it is rental income from your old family home, an untouched bank account earning interest, or salary from working offshore, it must be reported. Even if you have paid tax on the overseas income it must be reported to the ATO, however you may be able to claim a foreign income tax offset to account for any foreign tax paid."

The CRS data, plus existing datasets already obtained via exchange of information agreements with foreign tax authorities and from the Australian Transaction Reporting and Analysis Centre, are helping the ATO to engage with taxpayers who are struggling to report their foreign income correctly.

The ATO is committed to providing advice and guidance to help taxpayers fully comply with their Australian tax obligations. This includes contacting taxpayers who have omitted foreign income, publishing new information to make foreign income and residency easier to understand, and advising Australians with more complex foreign dealings to consult a registered tax agent and make sure they are compliant with Australia's tax laws.

Taxpayers that are concerned they have not included income from assets held offshore in their tax return are encouraged to make a [voluntary disclosure](#) as soon as possible.



The CRS is part of a range of measures that address multinational tax avoidance which includes the Tax Avoidance Taskforce. The information collected by the CRS will be invaluable in informing the taskforce's work in identifying, investigating and disrupting the most aggressive tax avoidance arrangements.

For more information:

To understand your tax situation, you first need to work out if you are an Australian or foreign resident for tax purposes: [Work out your tax residency](#)

If you are an Australian resident for tax purposes, you are taxed on your worldwide income, so you must declare any foreign income in your income tax return.

See also: ato.gov.au/Individuals/Income-and-deductions/Income-you-must-declare/Foreign-income/