

Public and multinational business tax certainty programs

Insights and key observations from our tax certainty offerings for public and multinational businesses to 30 June 2026.

Last updated 17 September 2026

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Public and multinational business tax certainty findings report

This report sets out the key findings about how we provided tax certainty to public and multinational businesses for the 2021–22 to 2025–26 financial years.

Providing tax certainty is a critical part of our approach to public and multinational businesses to help them comply and prevent disputes. The effectiveness and importance of these programs is evidenced by their significant uptake, as outlined in this report.

We provide different products to allow public and multinational businesses to achieve certainty over both their domestic and international transactions. The:

- Advice and Guidance (A&G) program provides tax certainty through the provision of advice and guidance in a range of forms to taxpayers. The A&G program helps taxpayers understand how the law applies to their circumstances, including before they enter a transaction or lodge their return.
- Advance Pricing Agreement (APA) program provides a mechanism for managing and mitigating the taxpayer's transfer pricing risk by providing greater certainty, on a prospective basis, for cross-border transactions.

This report details:

- insights about the requests for tax certainty that we receive
- observations about the time it takes us to provide our service offerings and the key factors that impact our timeliness
- for the A&G program, our key findings about the outcomes of our engagements

- for the APA program, observations and insights regarding trends and changes to the APA population composition and demographics.

We have recently published the public and multinational [3-tier risk model](#) (3TM). The 3TM helps us understand key behaviours driving tax performance for large public and multinational business. This year, the Findings Report has identified where our advice and guidance activities link to the 3TM.

The insights from this report are used by us as part of our commitment to continuous improvement of the programs. We also use the findings and observations to inform how we can better educate and assist taxpayers to obtain tax certainty through the most effective and efficient use of both programs.

Public and multinational business Advice and Guidance program

The public and multinational business Advice and Guidance program is a specialised service that:

- delivers high quality advice for complex transactions undertaken by public and multinational business taxpayers on a range of transactions, including mergers and acquisitions, restructures, financing arrangements, and cross-border dealings
- provides certainty about the tax outcomes for transactions where a ruling, advice, or other guidance is provided to help taxpayers comply with their tax obligations from the outset
- engages closely with internal and external partners to identify issues early through the early engagement process, facilitating timely and collaborative resolution of tax issues to assist in minimising future compliance costs.

Advice and Guidance products provided as a part of the A&G program are outlined in Practice Statement Law Administration [PS LA 2008/3](#) *Provision of advice and guidance by the ATO*.

Key insights – Advice and Guidance program

- As a demand driven program, the volume and nature of advice requests we receive reflects market activity, macro-economic trends and legislative changes. In 2025–26, we saw demand for tax certainty through the A&G program continue to grow, with requests increasing by 10%, although patterns differ across product types and individual topics.
- As in prior years, the vast majority (more than 85%) of requests received by the A&G program are made via advisors, indicating that advisor networks remain critical to facilitating early and informed engagement with the ATO. While the number of requests received from Big 4 firms has increased in the last year, there was a larger increase in the number of requests received from Other firms. In 2025–26, 44% of requests received were from Big 4 firms and 42% were from Other firms.
- The complex and often precedential implications of our work, with broader system-wide impacts, results in some engagements running for extended periods. We found a strong correlation between cycle times and taxpayer responsiveness to our requests for information. One of the biggest controllable factors influencing cycle times is the quality of the initial application. We continue to work on internal initiatives to reduce cycle times.
- The outcome of private and class ruling requests have been stable over the years. Most rulings conclude with favourable advice providing binding tax certainty for those using the A&G program. A small number of rulings don't proceed. A very small percentage provide unfavourable views, although these taxpayers can also be better informed about how to comply with their tax obligations.

- Early engagement continues to be one of the program's most effective tools for improving outcomes by identifying issues sooner, reducing unsuitable ruling applications and increasing the likelihood of efficient resolution.
- The uptake and outcomes of early engagement among Top 100 and Top 1,000 taxpayers suggest that proactive engagement is an established feature of tax governance for many large businesses and remains an important contributor to our broader assurance approach.

Program observations – Advice and Guidance program

This report is based on aggregated data for the 2021–22 to 2025–26 financial years for cases completed within the A&G program.

Requests for advice are not one-size-fits-all and it is difficult for data alone to capture the different complexity of each engagement. Some transactions may require more than one ruling to be issued, particularly when there are:

- multiple parties to transactions each requiring individual certainty
- separate issues that need to be addressed independently.

The findings in this report are primarily based upon the number of ruling and guidance products completed each year, rather than the number of underlying transactions or schemes to which those products relate.

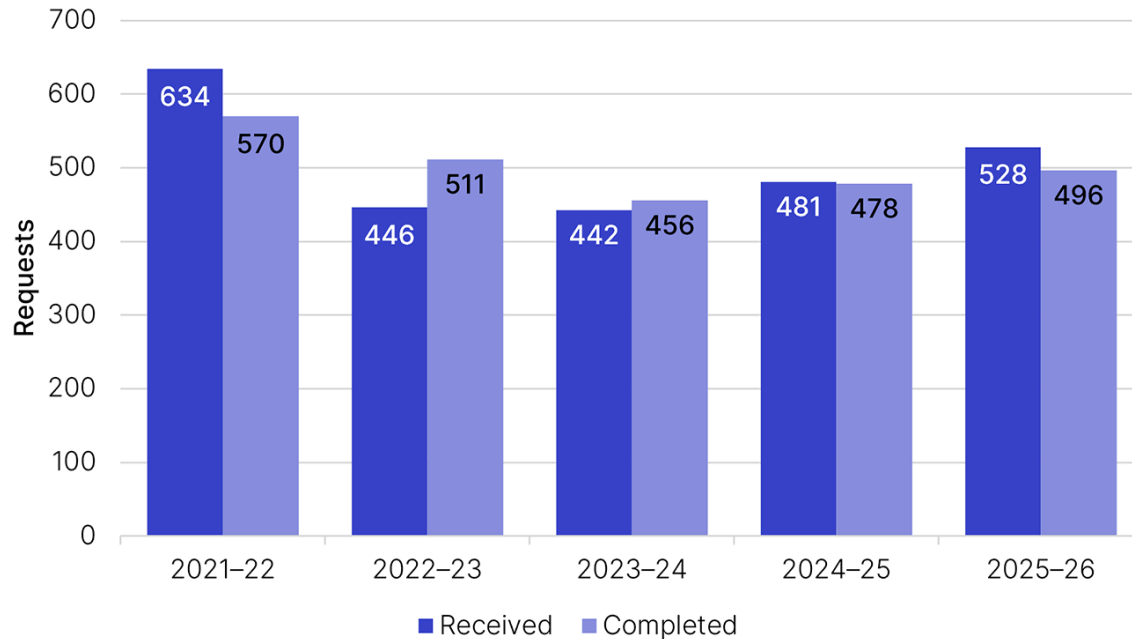
Report findings should be considered alongside broader macro-economic conditions and external influences. Changes in demand drivers for advice and guidance impact the type, nature and complexity of advice and guidance requested by our clients.

Requests received

- Overall request volumes increased by 10% in 2025–26. However, patterns differ across product types and individual topics.
- The increase in 2025–26 is underpinned by substantial increases in requests for class rulings and discretions offset by a smaller decline in requests for early engagements and private rulings.
- The increase in class ruling requests has primarily been driven by increases in class ruling requests for capital management (up 50%) and CGT (up 44%). The increase in requests for discretions is primarily a result of legislative changes to thin capitalisation rules and the introduction of public country-by-country (public CbC) reporting exemption rules.

Overall requests

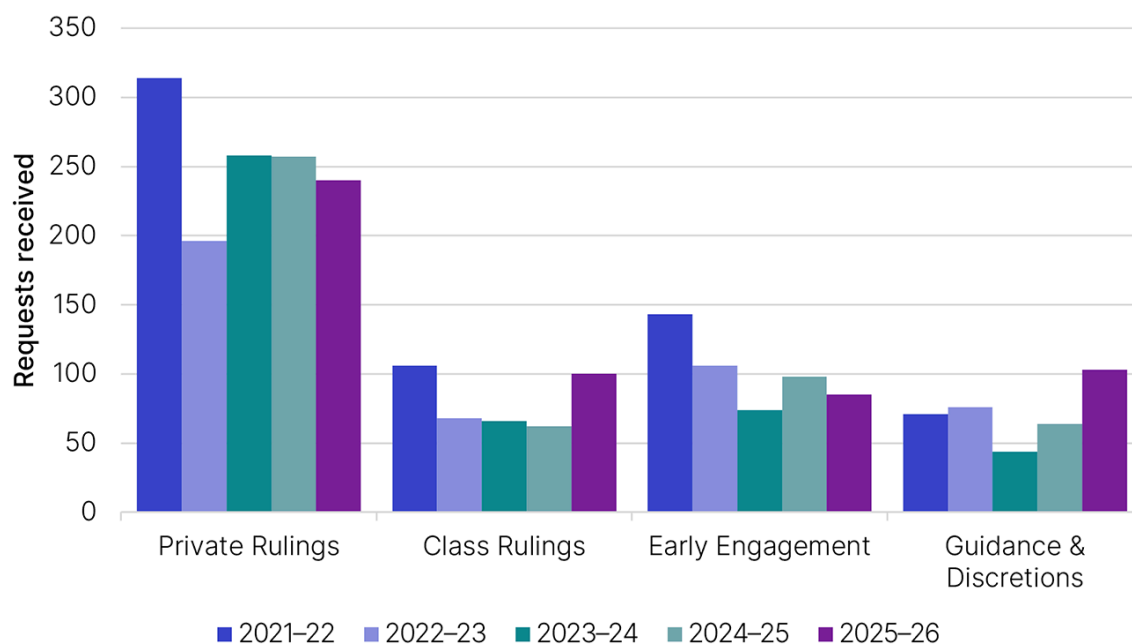
Figure 1: Total requests received and completed – 1 July 2021 to 30 June 2026



You can also view data for total requests received and completed in [Table 1](#).

The number of requests received in 2025–26 was 10% higher than in 2024–25. This follows an increase of almost 9% between 2023–24 and 2024–25. Much of this increase has been driven by legislative change, although patterns differ across product types and individual topics.

Figure 2: Requests received by product type – 1 July 2021 to 30 June 2026



You can also view data for requests received by product type in [Table 2](#).

There was a substantial increase in requests for class rulings (up 61%) and guidance and discretions (up 61%). This increased demand was offset by a smaller decline in private rulings and early engagements.

Advice and Guidance requests and the three-tier model

The [three-tier model for public and multinational businesses](#) is a comprehensive model that leverages the [OECD's 4 pillars of tax compliance](#) (registration, lodgment, correct reporting, and payment), as well as the 'fifth pillar' of third-party reporting and payment, to consider all areas of tax performance and the tax and super laws.

The model is made up of 3 tiers that drill down to the behaviours we observe for public and multinational business, including:

- Tier 1: These are the major drivers of tax performance and non-performance for these taxpayers. These behaviours are what drives improvement or deterioration in the tax gap.
- Tier 2: These are the visible events for Tier 1 behaviours. They can impact on us achieving improvements in tax performance or preventing deterioration in the system.
- Tier 3: These are the specific focus areas for each Tier 2 event. This is where we intervene to address the behaviour

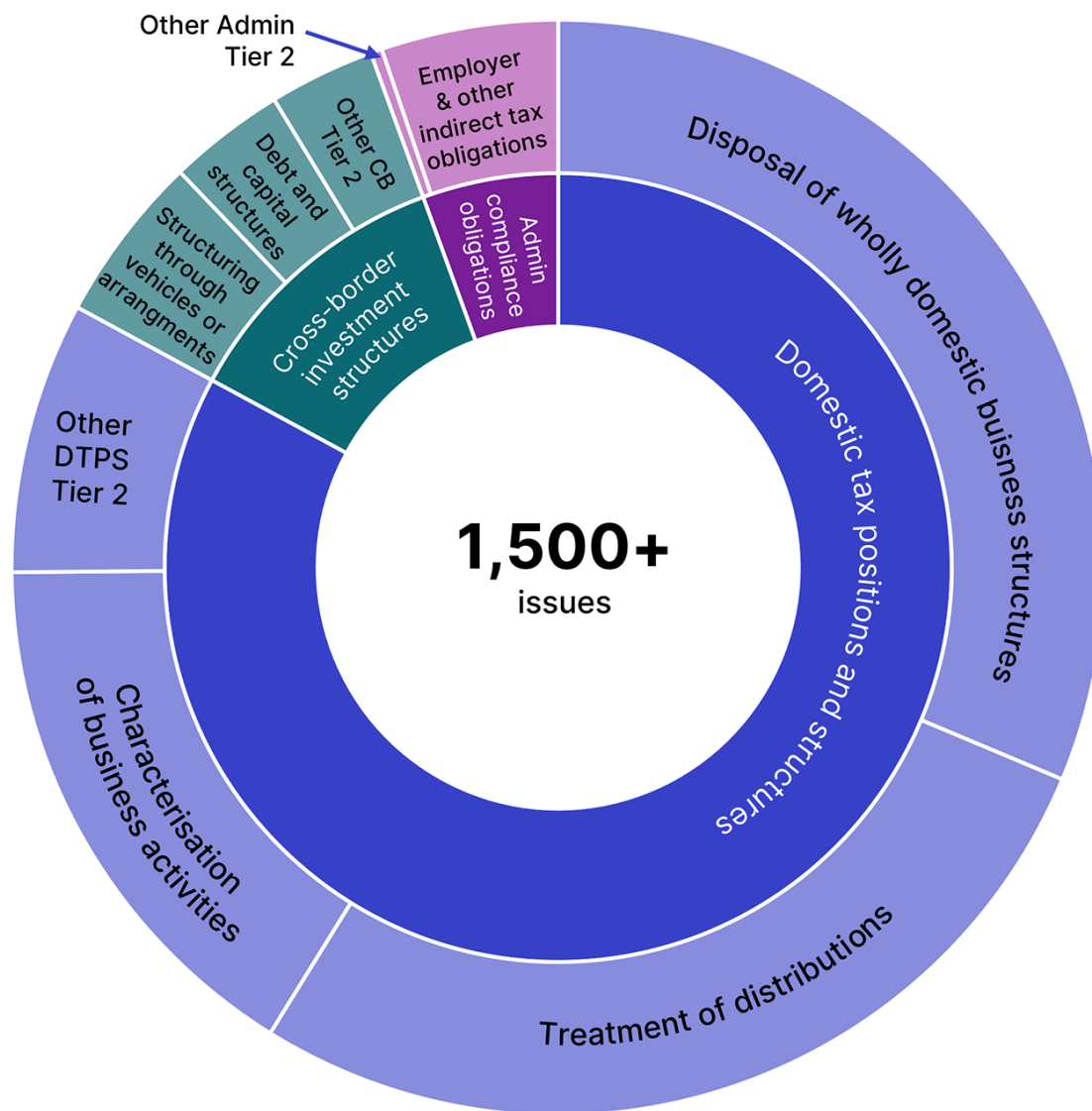
For public and multinational businesses, we have identified 5 behaviours driving tax performance:

- International related party dealings
- Cross-border investments structures
- Domestic tax positions and structures
- Administrative compliance obligations
- Actions that support tax compliance.

Our Advice and Guidance program considers a broad range of behaviours and focus areas identified within the 3TM as driving tax performance.

In this year's report we have also presented data on advice and guidance requests through a 3TM lens.

Figure 3: 2025–26 A&G issues by 3TM risk (Tier 1 and 2 only)



Note 1: A&G received 528 requests in 2025–26 covering more than 1,500 issues. We have shown where the majority of these issues map to a 3TM Tier 1 behaviour or Tier 2 event. A small percentage of issues do not appear in this figure as they are not yet mapped to the 3TM.

You can also view data on A&G issues in [Table 3](#).

Figure 3 shows the proportional breakdown of each issue considered by A&G throughout 2025–26 mapped to its equivalent Tier 1 behaviour (inner circle) and Tier 2 event (outer circle). On average, each individual A&G request considers 3–4 issues which may fall under different 3TM categories.

Figure 4 provides further details on the top 5 Tier 2 events considered in A&G requests.

Figure 4 (Table): Requests received by top 5 Tier 2 events – 2025–26

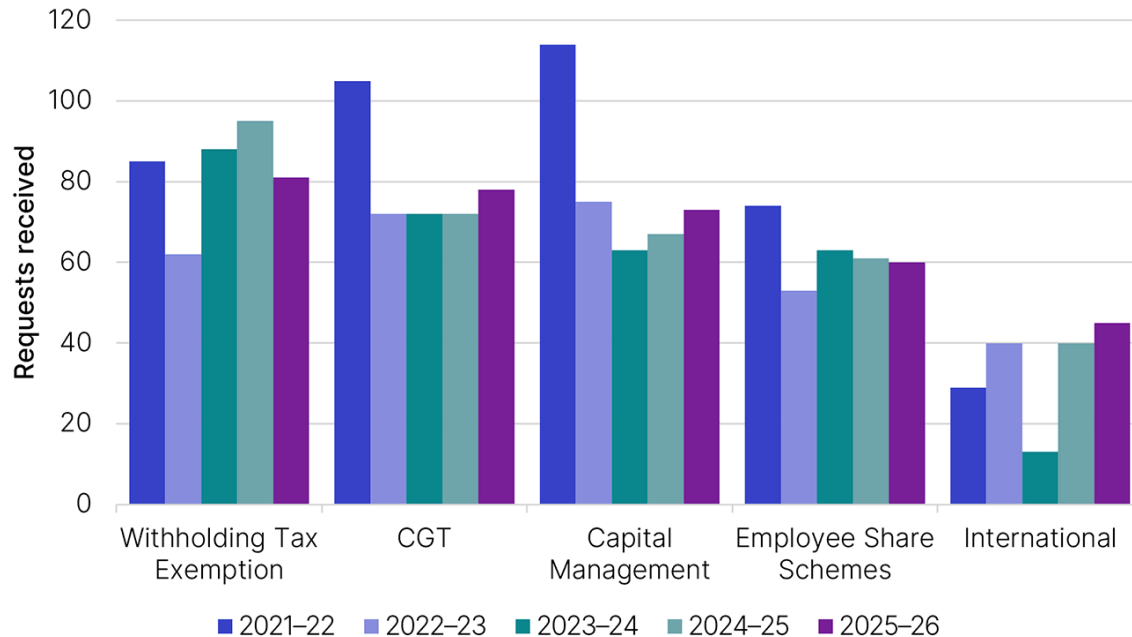
Tier 1 behaviour	Tier 2 event	Proportion of requests (see note 2)	Proportion of issues	Examples of topics considered

Domestic tax positions and structures	Disposal of wholly domestic business structures	31%	29%	Capital gains tax, rollovers, disposal of assets
Domestic tax positions and structures	Treatment of distributions	30%	25%	Capital management activities, share buy-backs, return of capital, treatment of distributions, managed investment trusts (MITs), and other international issues
Domestic tax positions and structures	Characterisation of business structures	25%	15%	Assessable income, deductions and capital allowances, WHT exemptions, and other international issues
Cross-border investment structures	Structuring through vehicles and arrangements	13%	5%	WHT exemptions, international issues including double tax agreements, foreign superannuation funds, and residency issues
Administrative Compliance Obligations	Employer & other indirect tax obligations	8%	5%	Employee Share Schemes

Note 2: Each request considers multiple issues. This figure is the proportion of requests that include at least one question relating to the given topic. As such, these figures can sum to greater than 100%.

Requests by topic

Figure 5: Requests received by top 5 topics – 1 July 2021 to 30 June 2026



You can also view data on the top 5 topic requests received in [Table 4](#).

The differing trends across product types previously discussed at Figure 2 can in part be attributed to movements in some of the A&G program's most commonly requested topics. Although individual requests often include multiple issues that cut across different areas of the tax law, requests are assigned a primary topic for reporting purposes. The top 5 topics observed in Figure 5 account for approximately two-thirds of A&G's work program.

Withholding tax exemption requests remain the most frequently requested advice topic, closely followed by CGT requests – which includes demergers, roll-overs and Division 855 – and capital management requests – which includes return of capital, off-market share buy-backs and special dividends.

As anticipated, the substantial increase in capital management early engagement requests in 2024–25 resulted in an increase in capital management ruling requests in 2025–26. The 2025–26 increase in class ruling requests observed in Figure 2 was driven by a 50% increase in capital management class ruling requests, as well as a similar increase in CGT class ruling requests.

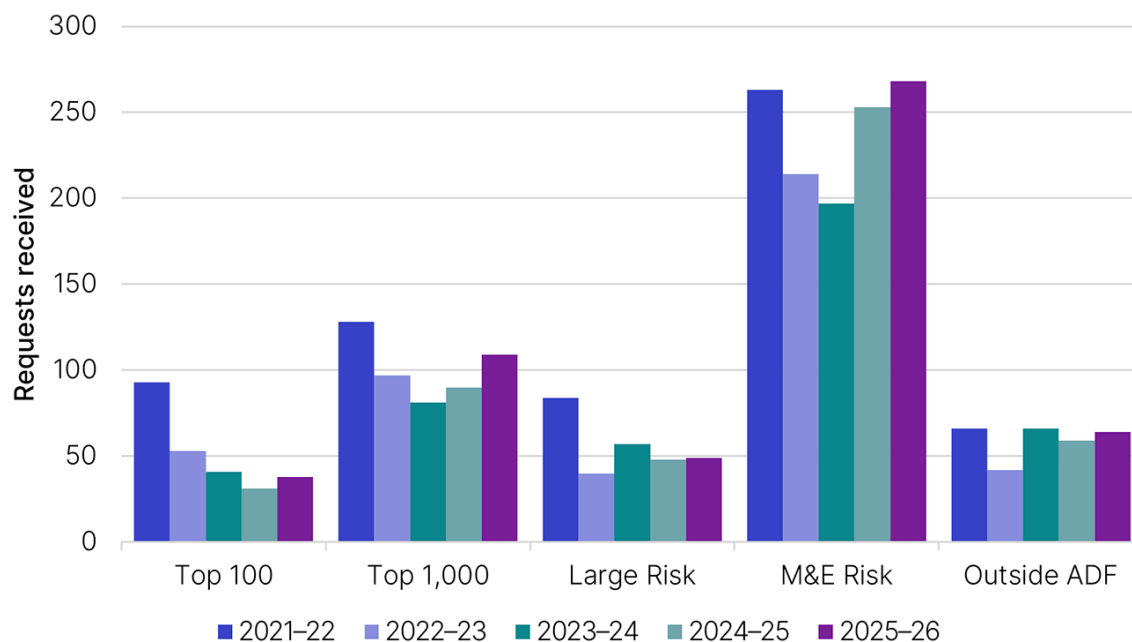
Requests relating to international issues increased marginally in 2025–26. This follows a much larger year-on-year increase in 2024–25, primarily attributable to an increase in residency and competent authority requests related to Australia's double tax agreements. The majority of the smaller 2025–26 increase can be attributed to public CbC exemption requests.

The total volume of requests to the A&G program can fluctuate beyond its base workload based on cyclical factors and the underlying economic environment. In addition, changes to legislation can have a significant effect on both request volumes and topic mix. For example, following amendments to the thin capitalisation provisions, requests relating to thin capitalisation increased 350% on 2024–25 levels and now account for approximately 6% of requests to the A&G program. Similarly, the release of guidance on public CbC reporting exemptions saw public CbC exemption requests account for approximately 5% of requests to the A&G program in 2025–26.

Requests by taxpayer population

The [Action Differentiation Framework](#) (ADF) represents a strategic methodology for engaging with public entities and multinational corporations based on their place in the framework. The A&G program also receives requests from clients outside of these ADF populations, particularly sovereign entities and foreign superannuation funds.

Figure 6: Requests received by taxpayer population – 1 July 2021 to 30 June 2026



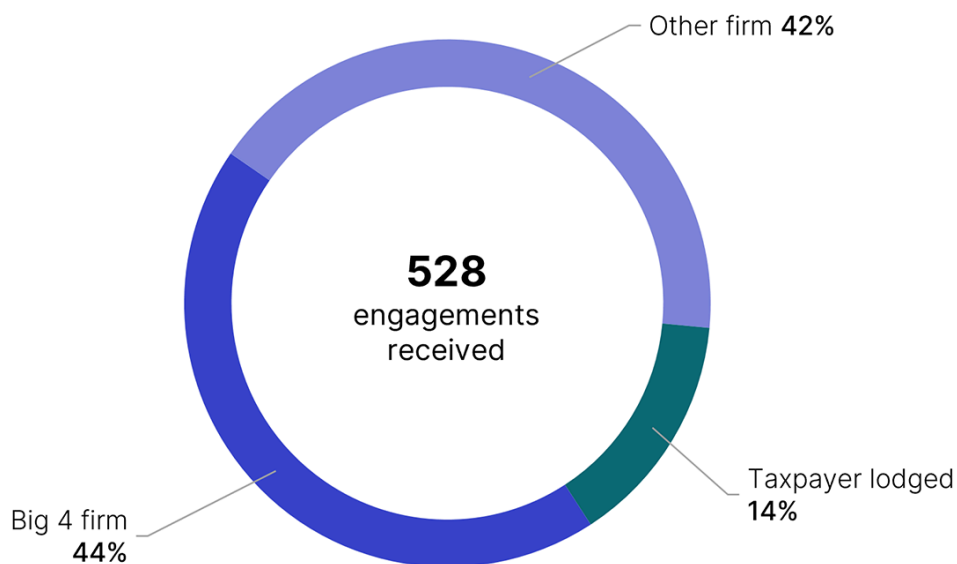
You can also view requests received by taxpayer population in [Table 5](#).

The 2025–26 increase in requests to the A&G program was spread across all taxpayer populations and no population submitted fewer requests than in 2024–25.

The increase in capital management and CGT class ruling requests discussed above appear to have primarily come from the Top 1,000 population, consistent with the increase in Top 1,000 requests observed in Figure 6.

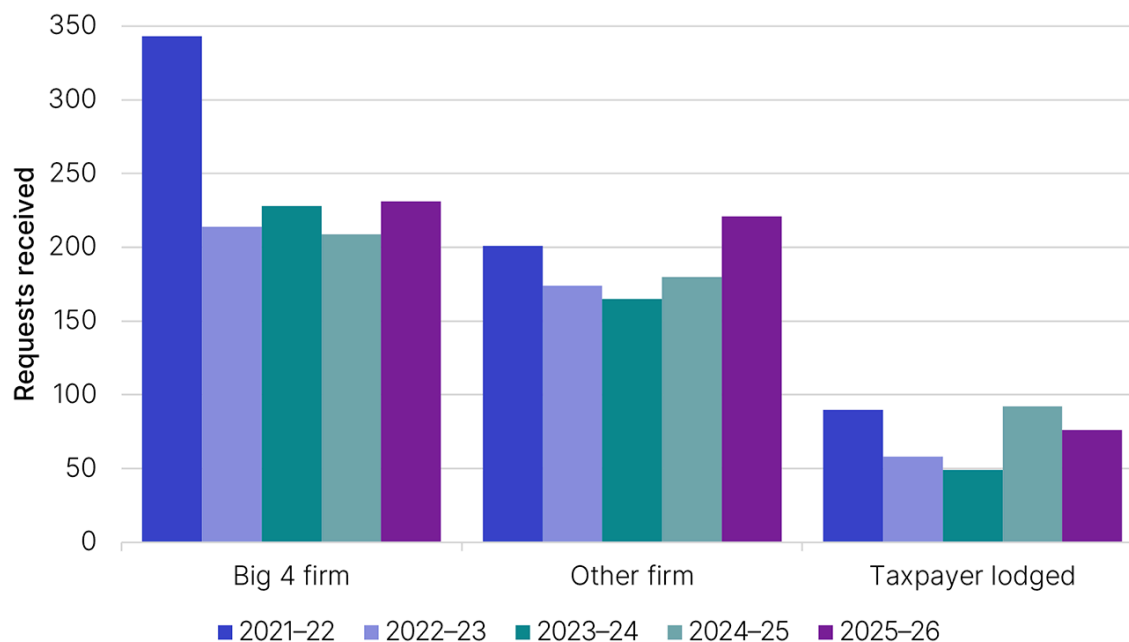
Requests received by use of advisor

Figure 7: Requests received by advisor type – 2025–26



Advisors play a key role in the A&G program, with 86% of requests for advice received through an advisor.

Figure 8: Requests received by advisor type – 1 July 2021 to 30 June 2026



You can also view requests received by advisor type in [Table 6](#).

While the number of requests received from Big 4 firms have increased in the last year, there was a larger increase in the number of requests received from Other firms in 2025–26. In 2025–26, 44% of requests received were from Big 4 and 42% were from Other firms.

Timeframes and information requests

Performance against service commitments

The A&G program is governed by the ATO’s service commitments, which set out the level of service to expect when dealing with us. As a part of these commitments, we agree to meet the following targets in 80% of private and class ruling cases:

- Respond to enquires within timeframes – we will complete rulings within 28 calendar days of receiving all required information.
- Keep clients informed of status or delays – if we find that a request raises particularly complex matters that will take more than 28 calendar days to resolve after receiving all the necessary information, we will aim to contact the applicant within 14 calendar days to negotiate a due date.

Figure 9 shows the A&G program has continued to exceed its service commitments for class and private rulings.

Figure 9 (Table): Private ruling and class ruling performance against service commitments – 2025–26

Product	Respond to enquires within timeframes	Keep clients informed of status or delays
Private ruling	95%	96%

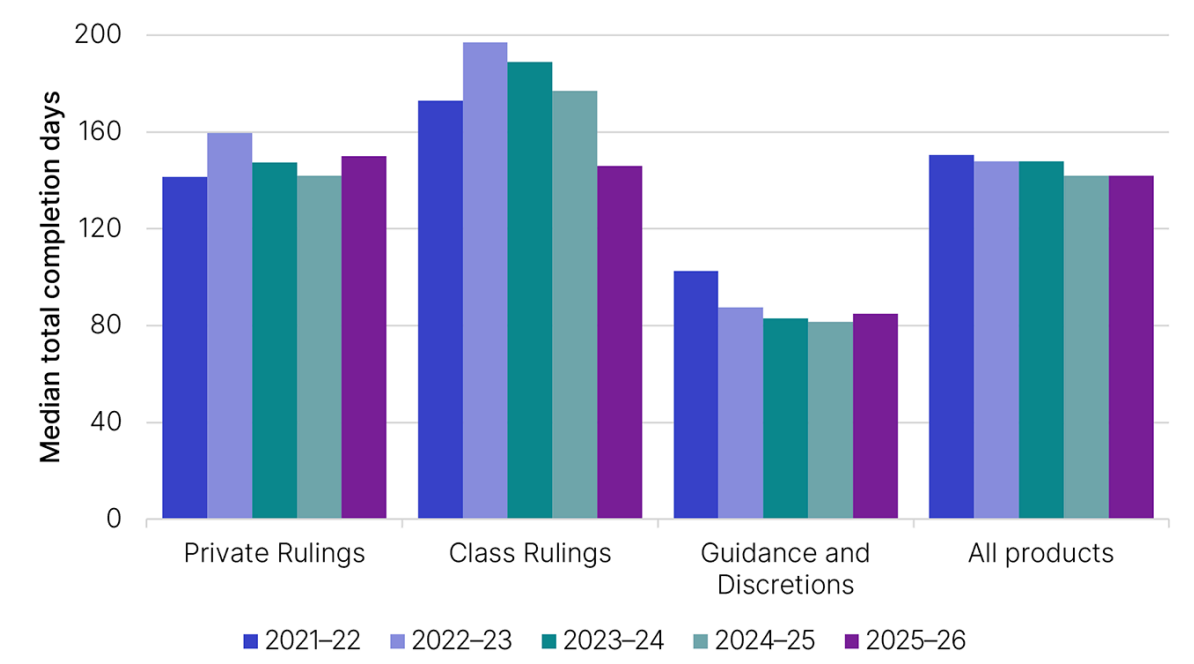
Class ruling	99%	100%
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Program completion timeframes

Our performance against service commitments doesn't provide the full picture of the time taken to complete a request for advice or guidance in the A&G program. Our service commitments don't apply to discretions or early engagement products, and don't account for the complexity of matters. Complex matters often require multiple stakeholder engagements and additional requests for information (RFIs), which extend the service standard timeframes as further issues are identified in these engagements.

Figure 10 shows the median number of days taken to complete a request in the A&G program both overall and by product type. In order to provide the most comprehensive picture of cycle times, Figure 10 combines the time taken to complete early engagement requests that weren't withdrawn with the time taken to complete their subsequent ruling or guidance products.

Figure 10: Median total days to complete requests by product – 1 July 2021 to 30 June 2026



You can also view data on median total days to complete requests by product in [Table 7](#).

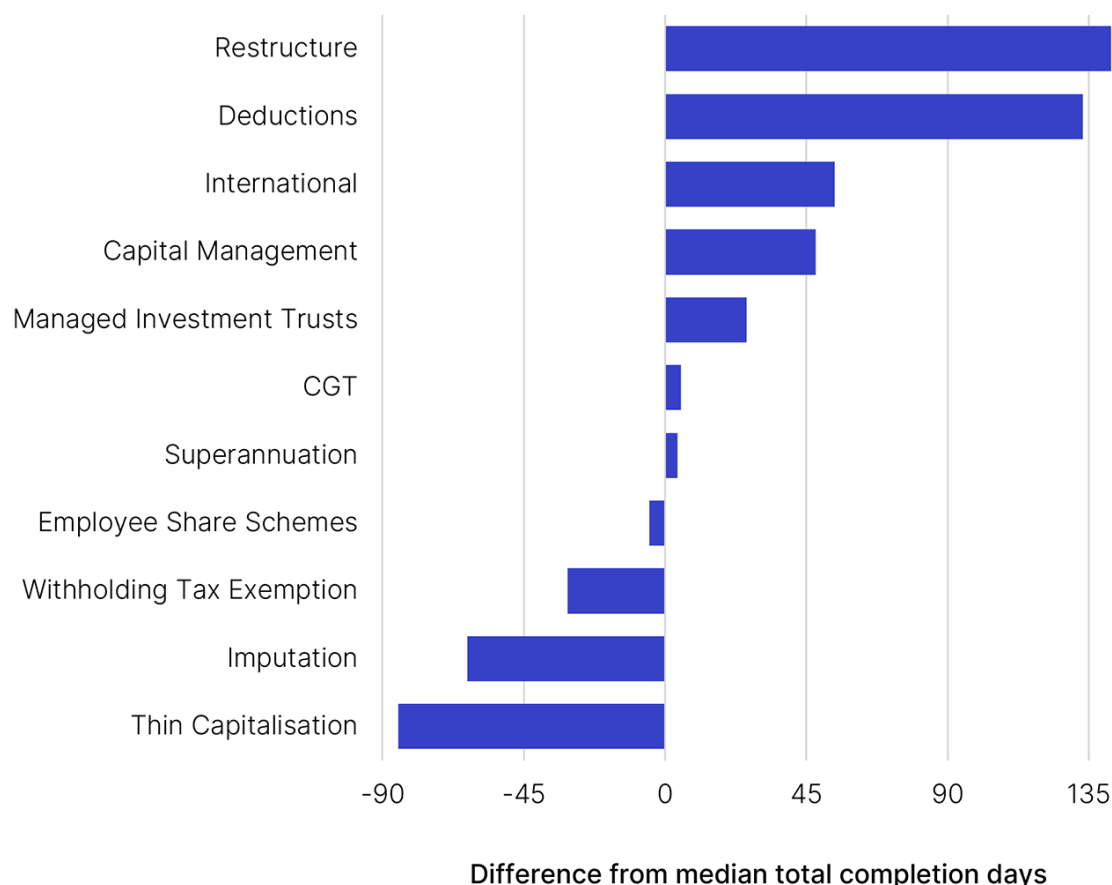
The total median time taken to complete a request in the A&G program remained stable in 2025–26 after falling slightly in 2024–25. However, the median time taken to complete class rulings fell by 31 days in 2025–26.

Class rulings generally take longer to complete than other products due to the additional consent, internal review and publication processes that are required for these products. In addition, we don't publish class rulings until the relevant schemes have been entered into, which means the completion of many class rulings that have been effectively resolved from a technical standpoint can be delayed by factors outside the control of the A&G program.

Timeframes by topics

As outlined in Figure 11, request completion times vary by topic, with some request types taking longer to complete than others. We have also observed that it takes longer to resolve matters where Part IVA is considered in addition to the substantive provisions in question.

Figure 11: Requests completed in 2025–26 – difference from median total completion days by selected topic



Note 3: This chart only includes topics with 10 or more completions in 2025–26.

You can also view data on the difference from median completion days by topic in [Table 8](#).

Cycle times may increase for several other reasons, including delays in:

- coming to a position on complex or precedential issues within the ATO
- establishing proof of record ownership
- obtaining all the information required for us to rule.

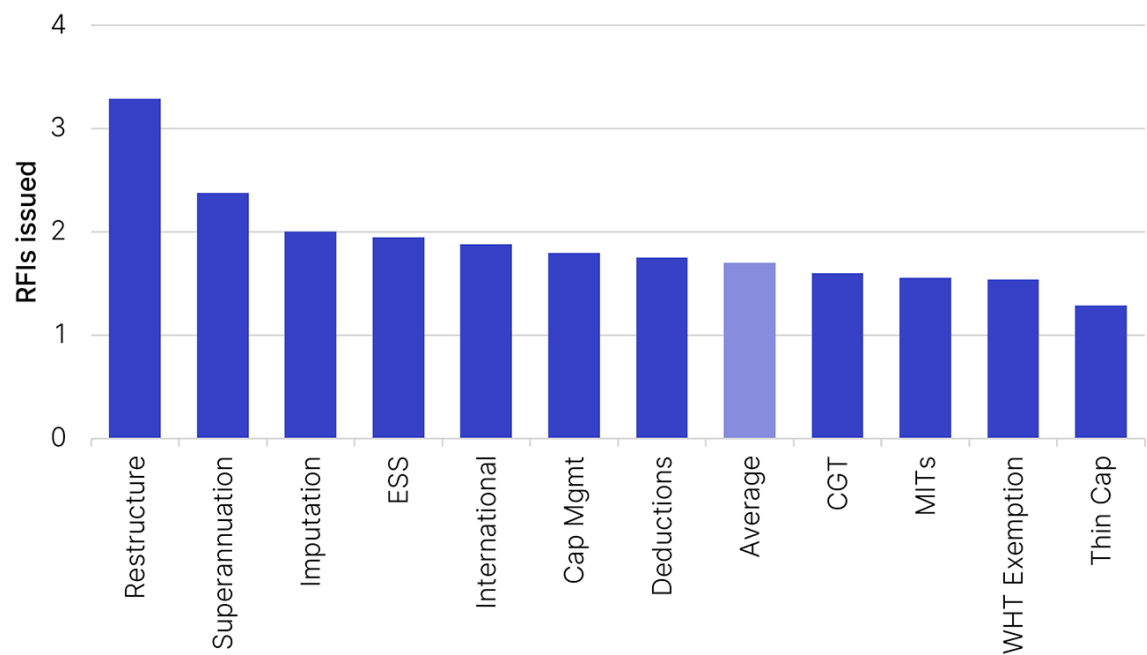
The existence of an established ATO position can impact on the median time to complete a request. For example, the median total time taken to complete requests related to Managed investment trusts (MITs) fell significantly (by nearly 50%) following the release of Taxpayer Alert [TA 2025/1](#) *Managed investment trusts: restructures to access the managed investment trust withholding regime*.

The type of request can also affect the median time taken to complete a request. The median time to complete thin capitalisation requests is particularly low in 2025–26 as amendment to the thin capitalisation provisions resulted in an influx of extension of time discretion requests that are significantly faster to complete than requests for rulings on the substantive provisions of the thin capitalisation regime.

Information requests by topic

In order to better understand the drivers of the time taken to complete requests, since 2023–24 the A&G program has tracked the number of RFIs issued for each engagement, as well as the time taken to receive a full response for each RFI.

Figure 12: Average RFIs issued per topic – 2025–26



Note 4: This chart only includes topics with 10 or more completions in 2025–26.

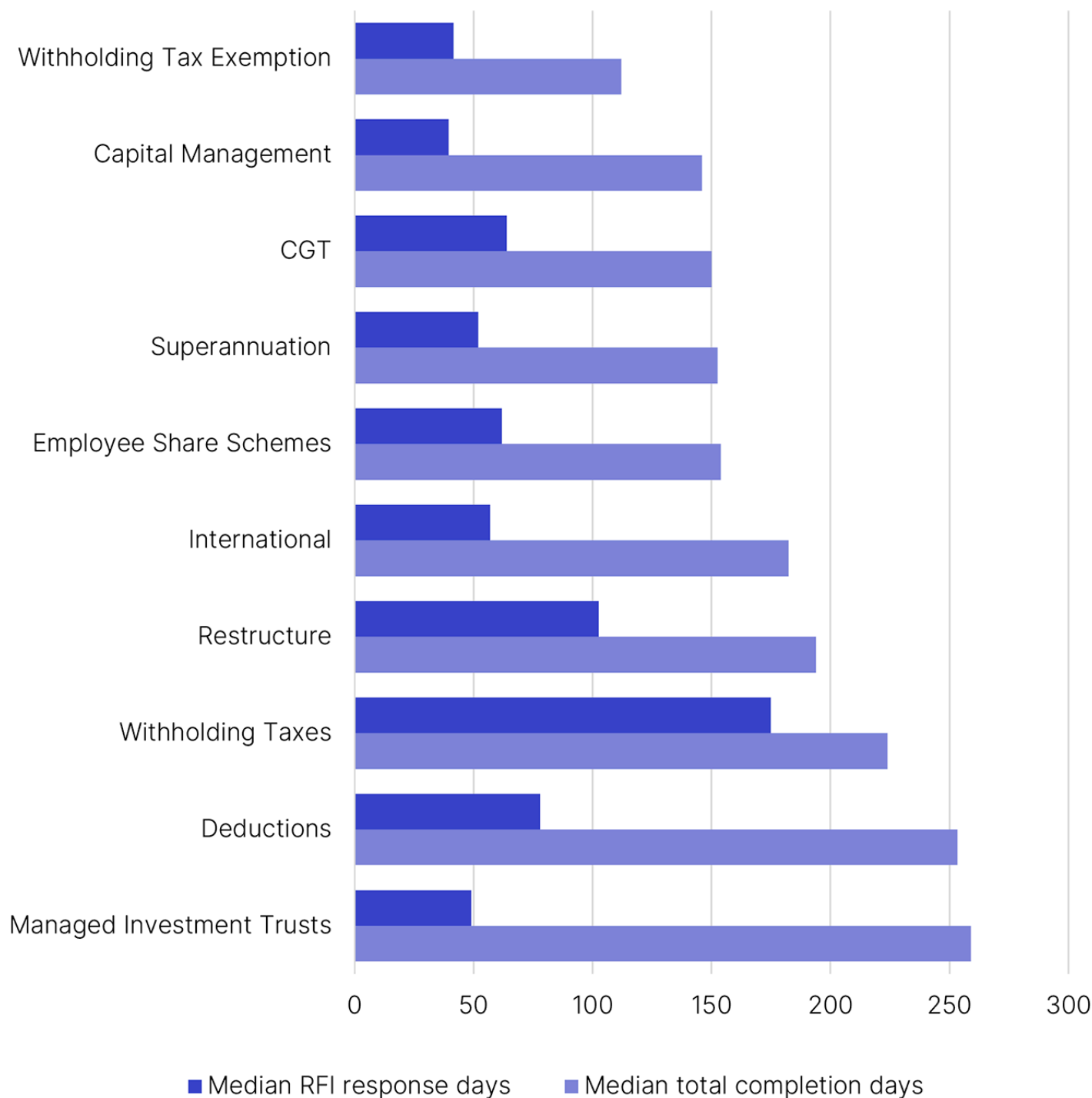
You can also view data on the average RFIs issued by topic in [Table 9](#).

We issue RFIs in approximately 50% of requests. More are issued for early engagements and rulings, while fewer are requested for guidance and discretion cases.

In addition to the number of information requests, there is a correlation between days spent awaiting responses to RFIs and total days taken to complete a request. To this end, we actively manage our cases and continually seek opportunities to provide guidance to applicants on information that should be included in ruling applications to reduce the need for repeated RFIs.

Since we have been tracking RFI data, the average number of RFIs issued per request has fallen from 2.6 in 2023–24 to 1.7 in 2025–26 and the median number of days awaiting RFI responses has fallen from 57 to 51 days.

Figure 13: Median RFI response days and median total completion days by topic – 1 July 2023 to 30 June 2026



Note 5: This chart only includes topics with 10 or more completions and RFI data available since 1 July 2023.

Note 6: Withholding tax requests involve treaty, royalty and entity-related questions.

You can also view data on the median RFI response days by topic in [Table 10](#).

Although the time taken to respond to RFIs influences our total completion times, there are also certain topics that tend to take us longer to finalise. Complex transactions, such as restructures and transactions with international elements, often take our case teams longer to work through. Total completion times can also be longer for matters that involve complex or precedential technical issues.

Because of the many factors influencing the time taken to complete our requests, we continue to improve our analysis of cycle times in order to:

- have better visibility over barriers to the progression of our work
- identify internal and external opportunities to provide more timely advice and guidance.

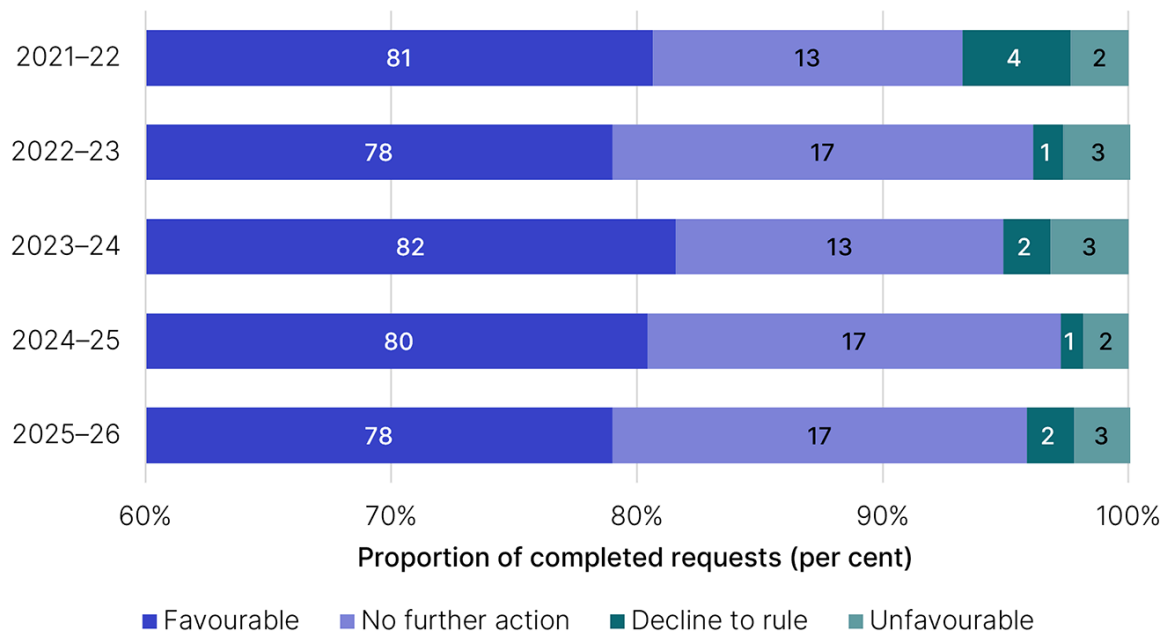
We also consult with external stakeholders on recurring issues and topics in the A&G program and contribute to the development of new and improved public advice and guidance products, with the aim of reducing the need for taxpayers to seek a binding ruling.

Outcomes

- 94% of rulings issued by the A&G program in 2025–26 were favourable rulings that confirmed the taxpayer's position and gave them the certainty required to continue on with their business as expected.
- 68% of early engagement requests progressed to a ruling in 2025–26. Early engagement continues to be one of the program's most effective tools for improving outcomes, supporting informed decision-making and preventing future disputes.

Overall ruling outcomes

Figure 14: Outcome of private ruling and class ruling requests – 1 July 2021 to 30 June 2026



Note 7: The x-axis for this chart has been truncated to allow smaller categories to be more easily visualised. The percentages in this chart won't add up to 100% due to rounding.

You can also view data on the outcome of private ruling and class ruling requests in [Table 11](#).

The percentage of class and private ruling requests with favourable outcomes has remained around 80% for the past 4 years, with only 3% resulting in an unfavourable ruling in 2025–26. The remainder were classified as no further action or decline to rule.

Cases where we decline to rule are infrequent. Most cases where we decline to rule occur when the applicant doesn't provide the information necessary to make a ruling or where a ruling would have limited immediate utility for self-assessment. This most commonly occurs in sovereign immunity and foreign superannuation fund withholding tax exemption cases or where the relevant transaction is too far in the future and not yet in serious contemplation.

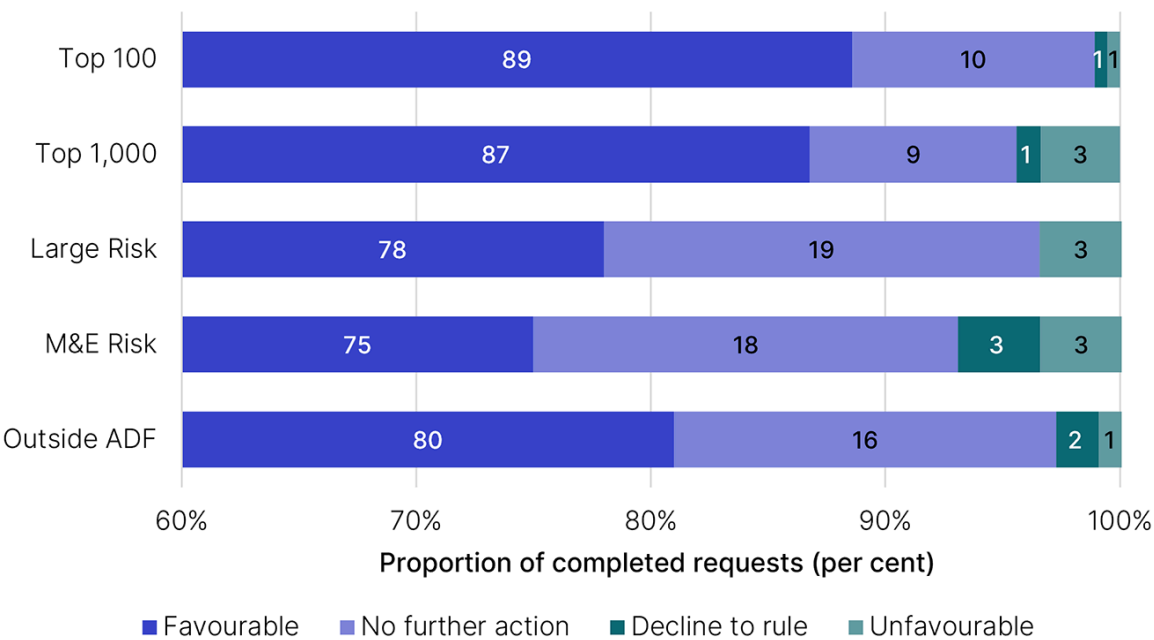
Requests for rulings which result in no further action have remained relatively stable as a percentage of total ruling requests over the past 4 years. Outcomes described as no further action include instances where it was determined a ruling wasn't required, where we provided advice in another form, or where the request for a ruling was withdrawn.

A request for a ruling may be withdrawn for many reasons, often when the taxpayer's circumstances have changed and the proposed transaction is not proceeding. Where we provide an unfavourable decision or an application is withdrawn after we identify concerns with the applicant's interpretation or application of the law, we may continue to monitor the relevant issue, for example as part of the applicant's Justified Trust review.

Outcomes by taxpayer population

Despite the relative consistency of outcomes over the past 4 years, outcomes are differentiated across taxpayer populations.

Figure 15: Class and private ruling outcomes by taxpayer population – 1 July 2021 to 30 June 2026



Note 8: The x-axis for this chart has been truncated to allow smaller categories to be more easily visualised. The percentages in this chart won't add up to 100% due to rounding.

You can also view outcomes by taxpayer population data in [Table 12](#).

Private and class ruling requests lodged by taxpayers outside the Top 100 and Top 1,000 program are more likely to result in either a withdrawn ruling request, an unfavourable ruling, or a situation where we decline to rule. This differentiation may be in part explained by differences in use of the early engagement system across taxpayer populations, as discussed further below.

Early engagement

We strongly encourage taxpayers contemplating complex transactions to seek early engagement with us before lodging a formal ruling application or implementing the transaction. Early engagement on complex transactions that starts as early as possible in the scheme implementation process ensures there is a clear understanding of the proposed scheme and the tax implications before a formal ruling application is made.

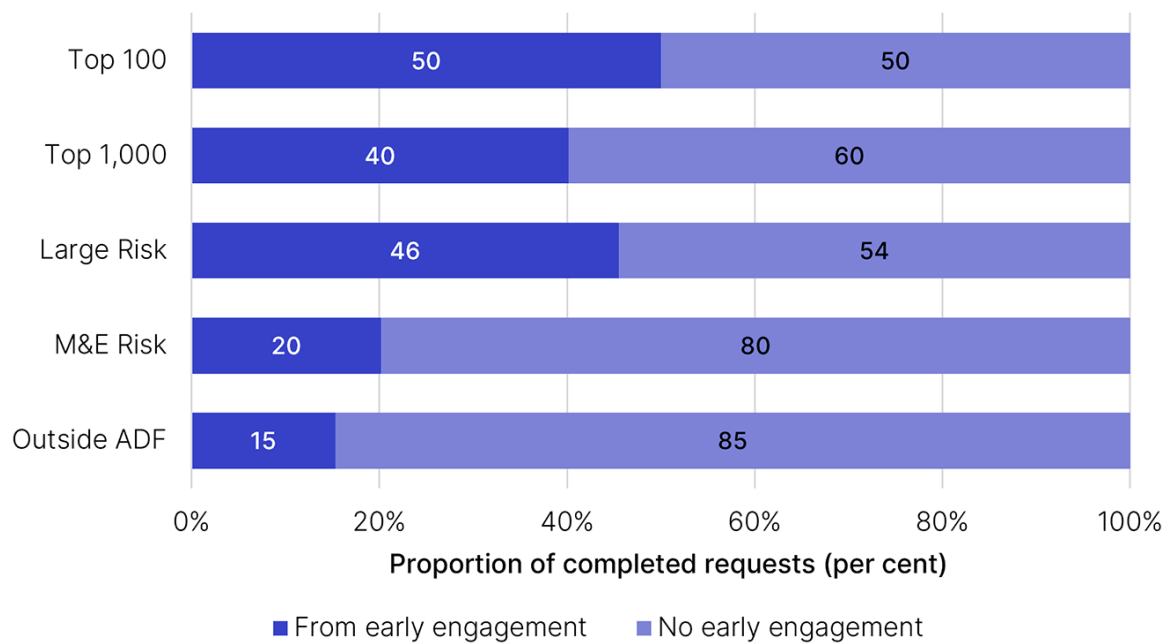
Early engagement enables taxpayers to:

- discuss an arrangement and its intended outcomes
- identify key issues and concerns and how they can be addressed
- discuss the most appropriate form of advice required and the information needed to support it
- expedite the ruling process by resolving issues upfront and reducing the need for further queries.

While taxpayers may decide through the early engagement process that a formal ruling isn't required, early engagement still assists taxpayers to understand the Commissioner's view of the transaction.

Early engagement by taxpayer population

Figure 16: Class and private ruling requests completed following early engagement by taxpayer population – 1 July 2021 to 30 June 2026

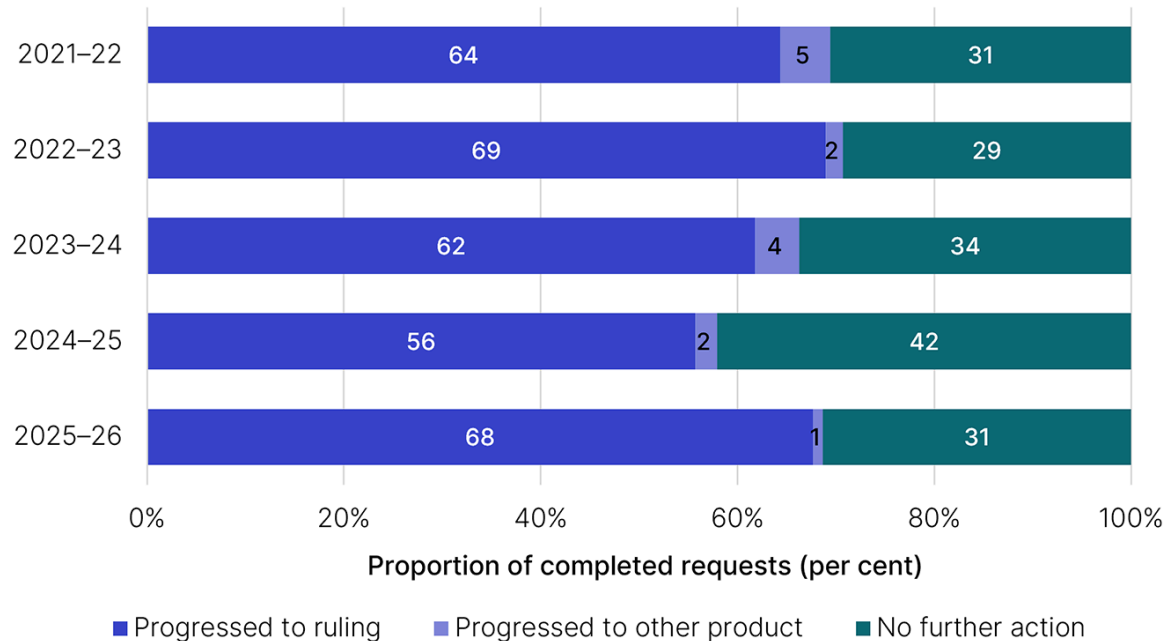


You can also view data on early engagement by taxpayer population in [Table 13](#).

Taxpayers in the Top 100 population use the early engagement process the most, with half of their requests for advice starting as an early engagement. Early engagement is also frequently used by taxpayers in the Top 1,000 and Large risk strategy populations. This is likely to reflect these taxpayers' familiarity with the A&G program and the complex nature of their transactions. Taxpayers who are a part of our Justified Trust program are also substantially more likely to take advantage of our early engagement offerings than other taxpayers.

Progression to a ruling from early engagement

Figure 17: Outcome of early engagement requests – 1 July 2021 to 30 June 2026



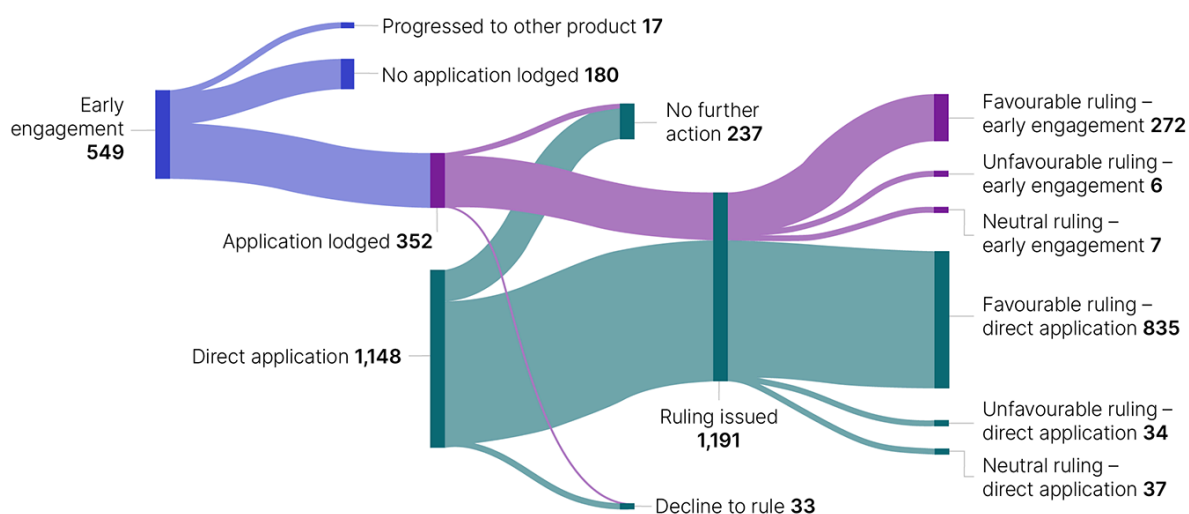
Note 9: The percentages in this chart won't add up to 100% due to rounding.

You can also view outcomes of early engagement requests data in [Table 14](#).

Over the years, generally between 60–70% of early engagements progress to a ruling, however, a substantial portion do not. Early engagements that don't progress are sometimes the result of case teams providing an indicative unfavourable view. However, non-progression most commonly occurs when transactions don't proceed or when initial analysis indicates that a ruling isn't required. This reflects the nature of early engagements, where taxpayers are speaking with the ATO early in a transaction lifecycle and about situations where there is more uncertainty about the suitability of a ruling.

Overall outcomes with and without early engagement

Figure 18: Pipeline of early engagement and direct ruling applications through the A&G program – 1 July 2021 to 30 June 2026



You can also view the pipeline of early engagement and direct ruling applications data in [Table 15](#).

This pipeline demonstrates how requests for advice move through the early engagement and rulings process and their eventual outcomes. It illustrates the flow of requests for class and private rulings completed by the public and multinational business Advice and Guidance program from 1 July 2020 to 30 June 2025, based on whether they were initially received as early engagement requests or direct ruling applications.

Approximately 30% of our ruling requests begin as an early engagement application, while the remaining 70% come to us as a direct ruling application.

Figure 19: Ruling request outcomes without early engagement – 1 July 2020 to 30 June 2026

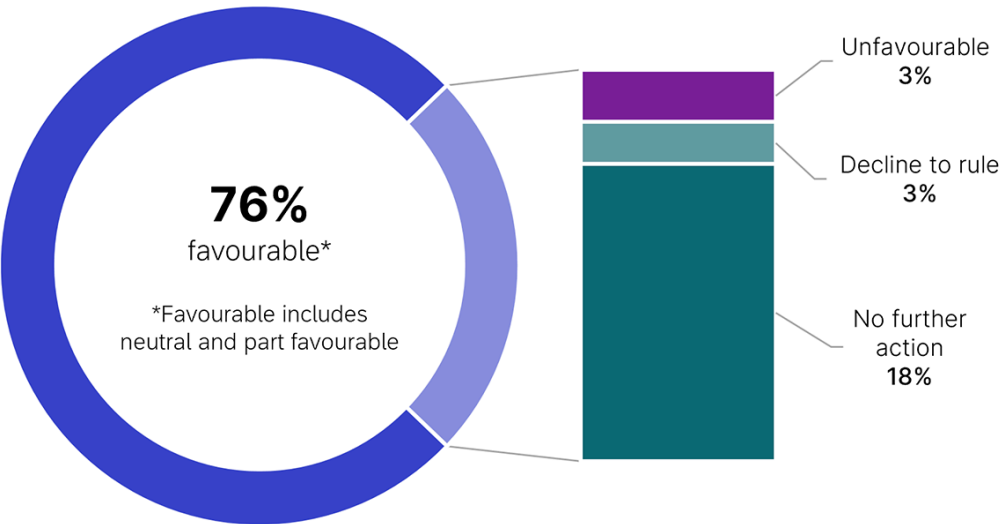
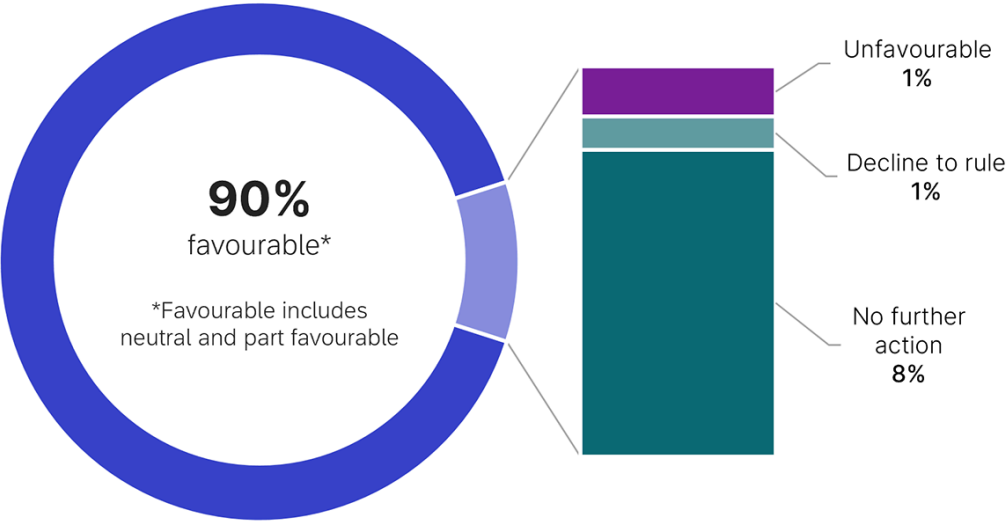


Figure 20: Ruling request outcomes with early engagement – 1 July 2020 to 30 June 2026



You can also view the outcomes of rulings with and without early engagement in [Table 16](#).

Over the past 5 years, the proportion of favourable ruling requests that followed early engagement (90%) was 14 percentage points higher than the proportion of favourable ruling requests that weren't preceded by an early engagement (76%).

Rulings that originated with the early engagement process also saw a lower proportion of unfavourable rulings (1%) and cases with no further action (8%) compared to requests without early engagement (3% and 18% respectively).

The higher rates of favourable rulings after early engagement should be considered within the context that a substantial portion of early engagement requests don't progress to formal lodgment. This reflects the early engagement system functioning as intended to allow taxpayers to discuss applications that might turn out to be unnecessary or unsuitable for a ruling. Additionally, the early engagement process generally allows us to raise any concerns before transactions have occurred. For these reasons, we encourage taxpayers contemplating complex transactions to consider early engagement with us before lodging a formal ruling application or implementing the transaction.

Public and multinational business advance pricing arrangement program

The advance pricing arrangement (APA) program is an important part of our broader compliance and assurance strategy. The APA program:

- provides the opportunity for taxpayers to reach an agreement with us and other tax authorities on the future application of the arm's length principle to their dealings with international related parties
- provides a mechanism for managing and mitigating transfer pricing risk by
 - providing greater certainty on a prospective basis
 - reducing the potential for double taxation on cross-border dealings when undertaken on a bilateral basis
- fosters a constructive working relationship built on mutual trust which is established through early engagement and full frank disclosure throughout the negotiation of the APA.

The APA program is a critical element in achieving voluntary and cooperative compliance and, in turn, building trust and confidence in the tax system.

Following the APA program review in 2023 we continue to focus on bilateral APAs for significant cross border dealings where the risk of double taxation risk is high. Clearly defined entry criteria and approach to collateral issues ensures only appropriate arrangements are accepted into the program.

The operation of an APA obligates the taxpayer to comply with requirements set out in the agreement and is subject to certain critical assumptions. These obligations are reviewed annually and documented in an Annual Compliance Report. Where those obligations are met, we are administratively bound by the terms of the APA. Therefore, we won't impose additional income tax to that which is payable based on the pricing worked out under the APA on the covered cross-border dealings.

An APA generally covers a period of 3 to 5 years. It may be reviewed if trading circumstances materially change.

For further information, see our:

- Law Administration Practice Statement [PS LA 2015/4](#) *Advance Pricing Arrangements*
- [Findings report APA program review](#).

Advance pricing arrangement program – Definitions

For the purpose of analysing the data and graphs presented in this report, the following definitions apply throughout:

- **APA population** – refers to the total number of APA cases within our inventory. This includes both APAs in place and APAs under negotiation.
- **APAs in place** – refers to APAs that have been signed, are currently active, and fall within the agreed APA period.
- **APAs under negotiation** – refers to cases that are in progress but not yet finalised (i.e. not signed) while still forming part of the overall APA population. This category also includes Early Engagement (EE) cases that have not yet formally been accepted into the APA program.
- **ADF** – refers to the Action Differentiation Framework.
- **EE request** – refers to an Early Engagement request submitted to the ATO by a taxpayer or their advisor to seek entry into the APA program. This request outlines the details of the proposed APAs.

Program observations – Advance pricing arrangement program

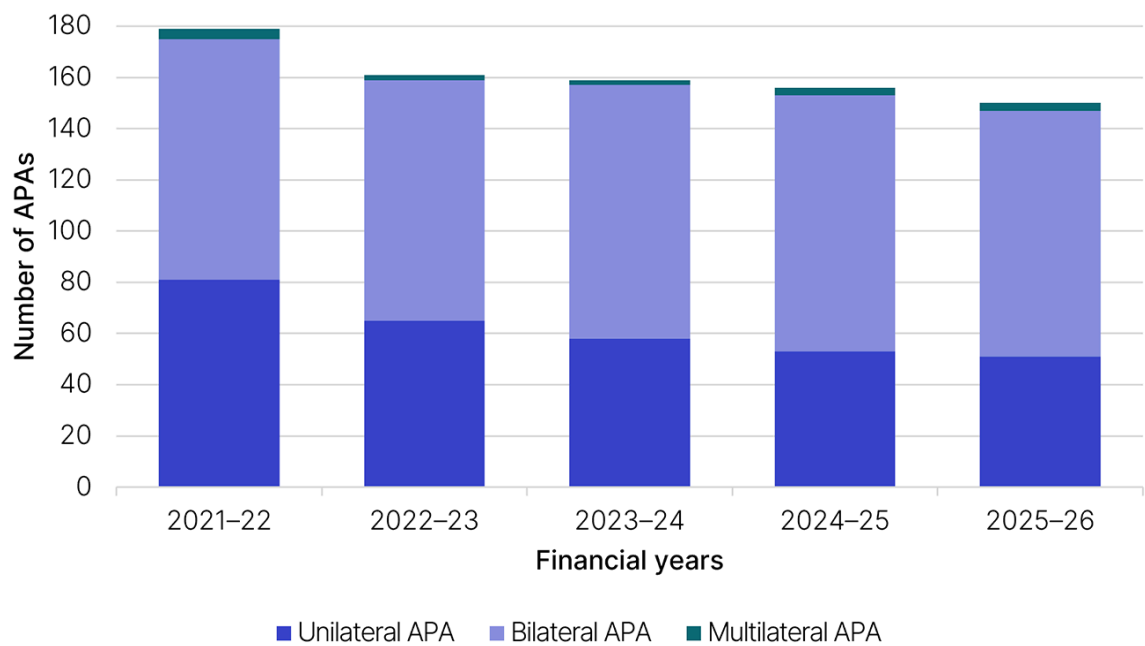
This report is based on aggregated data for the 2021–22 to 2025–26 financial years for the APA population.

Applications for an APA are not one-size-fits-all and it is difficult for data alone to capture the different complexity of each application. Key factors that differentiate APA applications include the number of transactions covered and the complexity of individual transactions.

The findings in this report are primarily based upon the number of APA cases within the APA population, rather than the number of underlying covered transactions that form part of each APA case.

APA program inventory

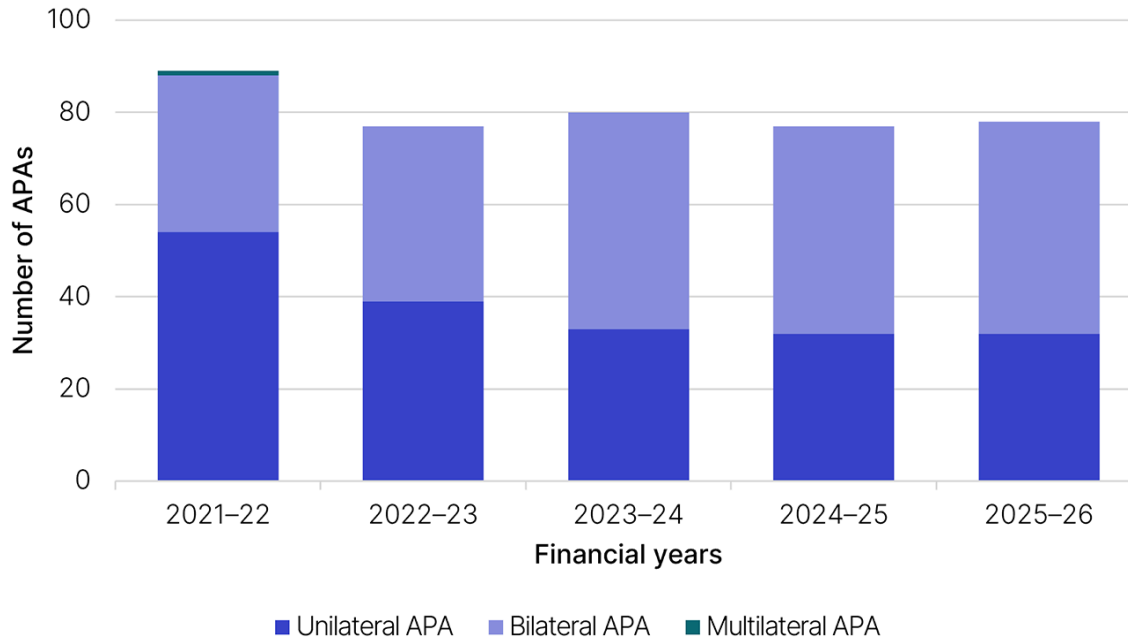
Figure 21: APA population, by type – 1 July 2021 to 30 June 2026



You can also view data for the APA population in [Table 1](#).

Figure 21 shows that the APA population has slightly decreased in 2025–26 following the trend in prior years. This trend has been primarily driven by a continued decline in unilateral APAs (UAPAs).

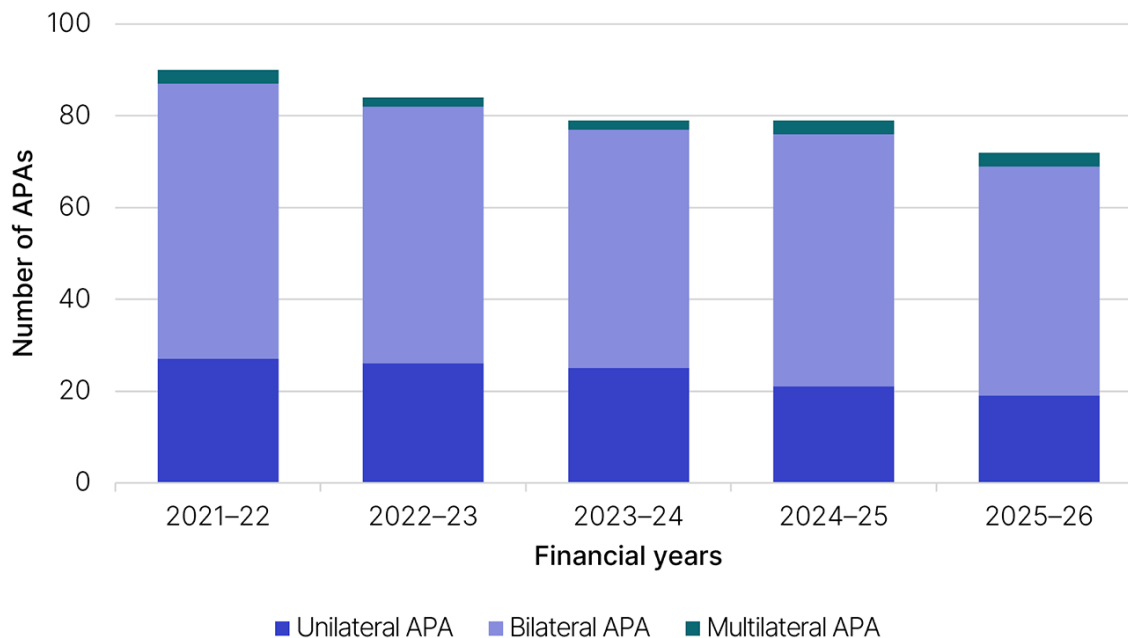
Figure 22: APAs in place, by type – 1 July 2021 to 30 June 2026



You can also view data for the APAs in place in [Table 2](#).

The 2023–24 financial year marked the first year bilateral APAs (BAPAs) in place outnumbered UAPAs in place. Since then, the gap has continued to widen, with BAPAs remaining relatively stable and UAPA numbers continuing to decrease. This trend aligns with the ATO's strategy and suggests a preference among taxpayers for the greater certainty and double-taxation relief that is provided by BAPAs.

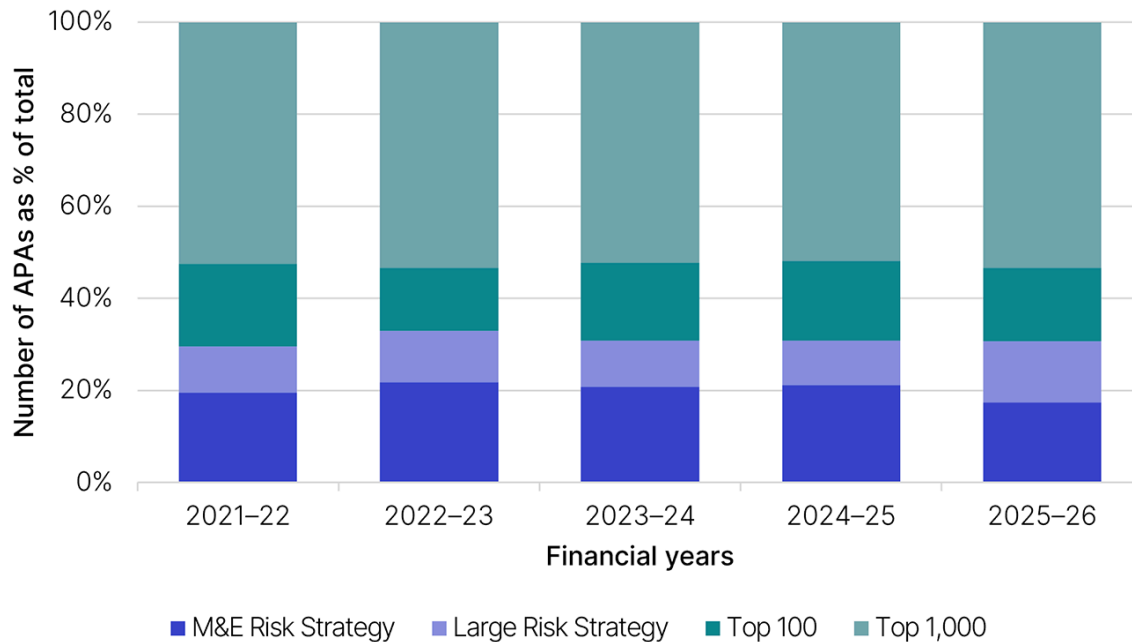
Figure 23: APAs under negotiation, by type – 1 July 2021 to 30 June 2026



You can also view data for the APAs under negotiation by type in [Table 3](#).

Figure 23 shows APAs under negotiation. The number has decreased by approximately 20% over the last 5 years, in part reflecting a general decline in EE requests. The APA population is largely comprised of incumbent taxpayers and so the number of APAs that enter the program from year to year will move over time, generally in line with the cyclical nature of APA renewals.

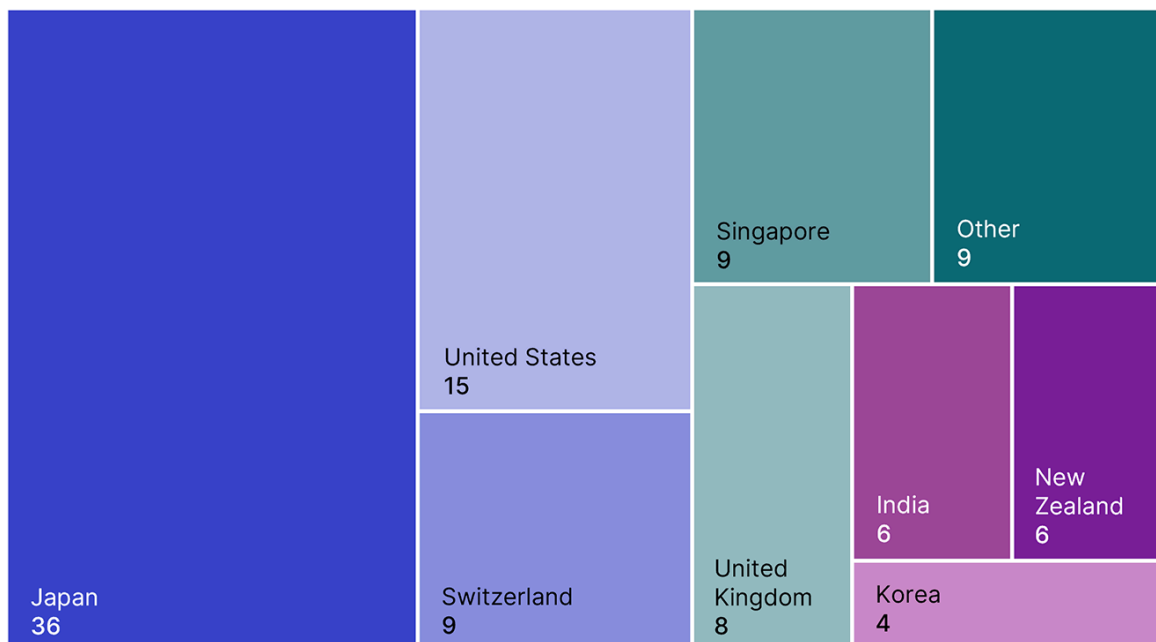
Figure 24: APA population, by ADF rating – 1 July 2021 to 30 June 2026



You can also view data for the total APAs by ADF rating in [Table 4](#).

The demographics of taxpayers within our APA population, when classified according to our [Action Differentiation Framework](#), remain broadly consistent with previous years. Figure 24 reveals that approximately 70% of the total APA population continues to be attributable to Top 100 and Top 1,000 taxpayers.

Figure 25: BAPAs/MAPAs by jurisdiction – 30 June 2026



You can also view data for the BAPA/MAPA population by jurisdiction in [Table 5](#).

Consistent with the Findings Report from last year, Japan and United States continue to be our largest treaty partners for the APA Program, representing approximately 50% of our total APA cases. While the above data relates to both BAPAs and MAPAs, there are currently only 3 MAPAs under negotiation (with the US and UK) which is consistent with the previous year.

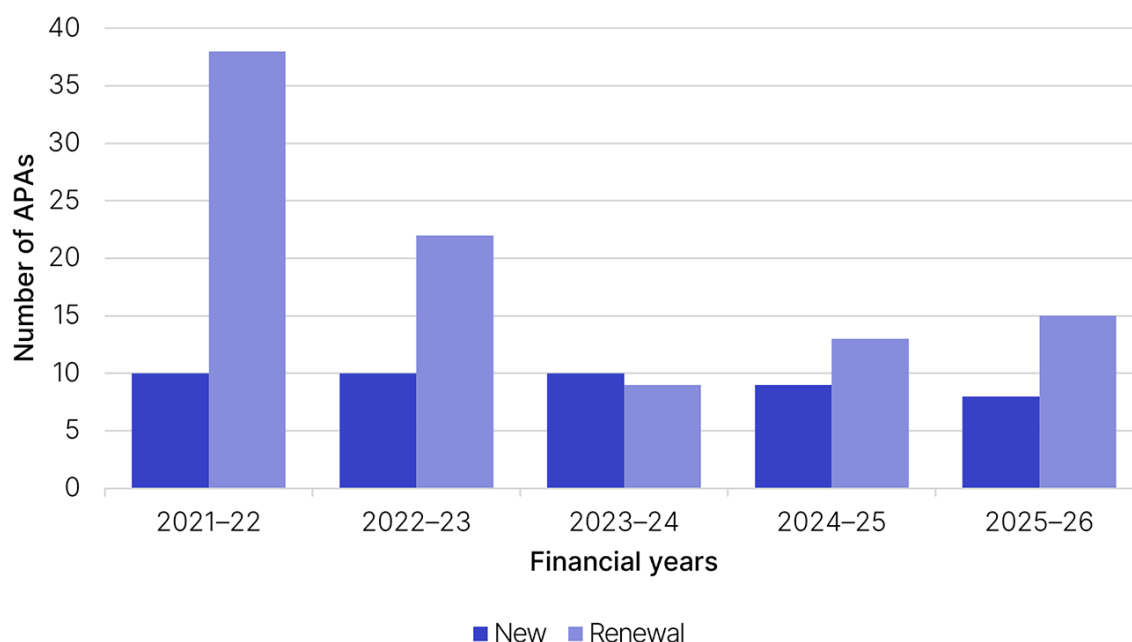
‘Other’ represents jurisdictions where we have 2 or fewer BAPAs with that jurisdiction.

It is important to note that the above data shows the jurisdiction of the overseas counterparty to the transaction subject to the relevant APA. This is not necessarily the headquarter jurisdiction of the multinational group but rather the jurisdiction where the cross border dealings that are the subject of the APA being negotiated.

APA requests

Annual fluctuations in APA request volumes is predominantly driven by fluctuations in renewal requests, which are typically lodged within 6 months of an APA’s expiry and generally follow the cyclical nature of a standard 5-year APA term. This cyclical pattern of renewal requests was a driver for the above average number of renewal requests in 2021-22.

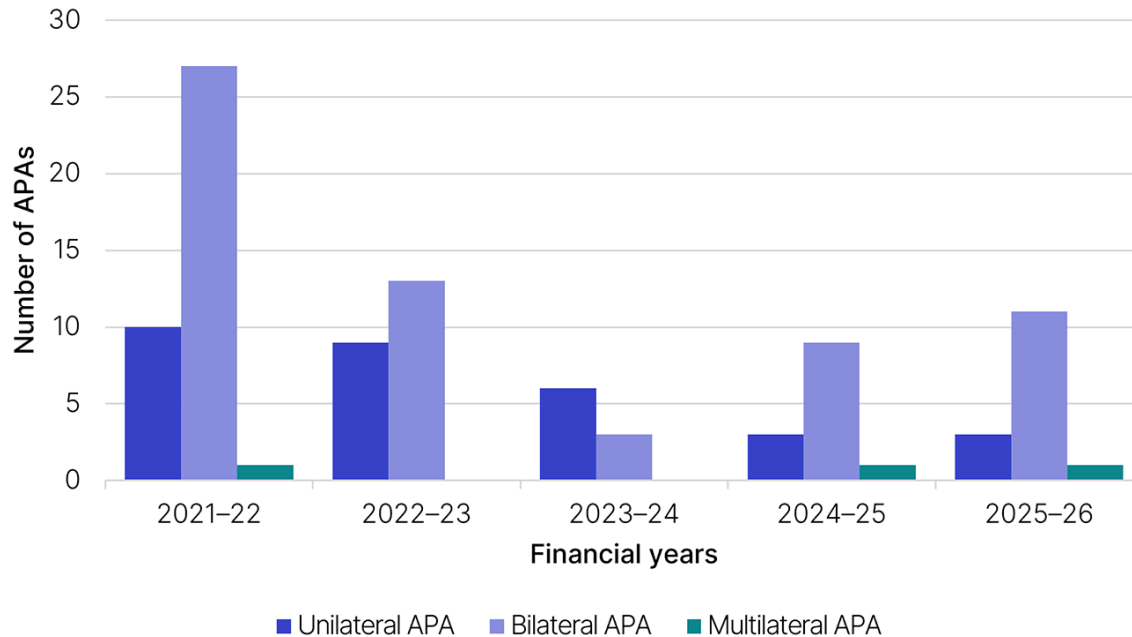
Figure 26: APA EE requests by status (new or renewal) – 1 July 2021 to 30 June 2026



You can also view data for APA EE requests by status (new or renewal) in [Table 6](#).

Renewal APA requests continue to comprise a significant proportion of the APA program inventory, reflecting that taxpayers often seek to renew APAs beyond the original term.

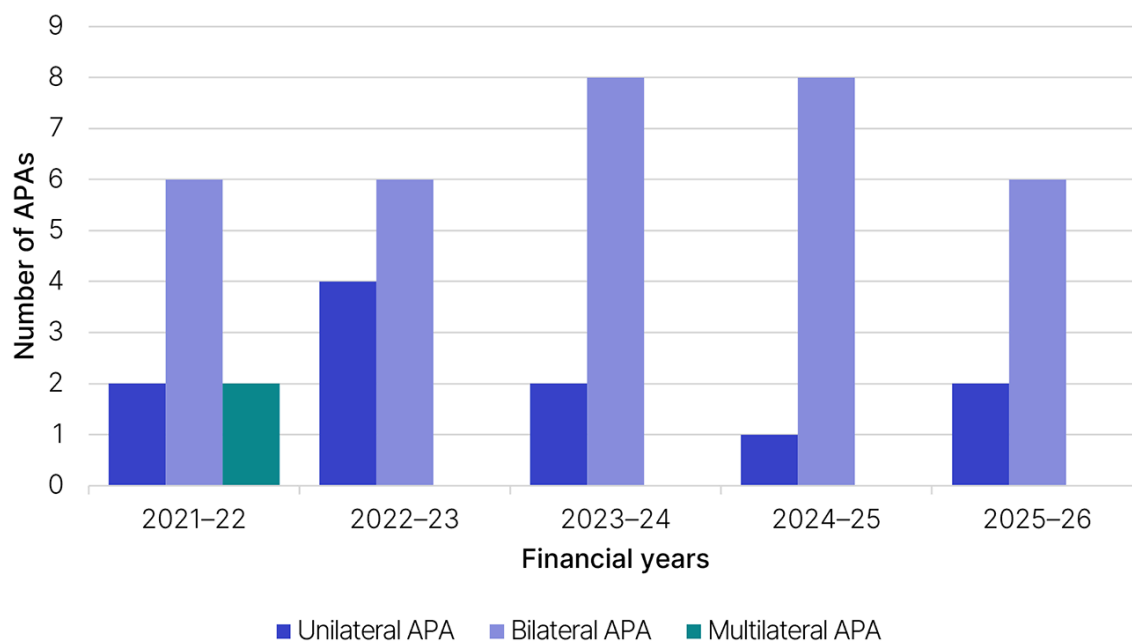
Figure 27: Renewal APA EE requests – 1 July 2021 to 30 June 2026



You can also view data for renewal APA EE requests in [Table 7](#).

Over the last 5 years, BAPAs made up the majority of renewal APA EE requests in all years except 2023–24.

Figure 28: New APA EE requests – 1 July 2021 to 30 June 2026

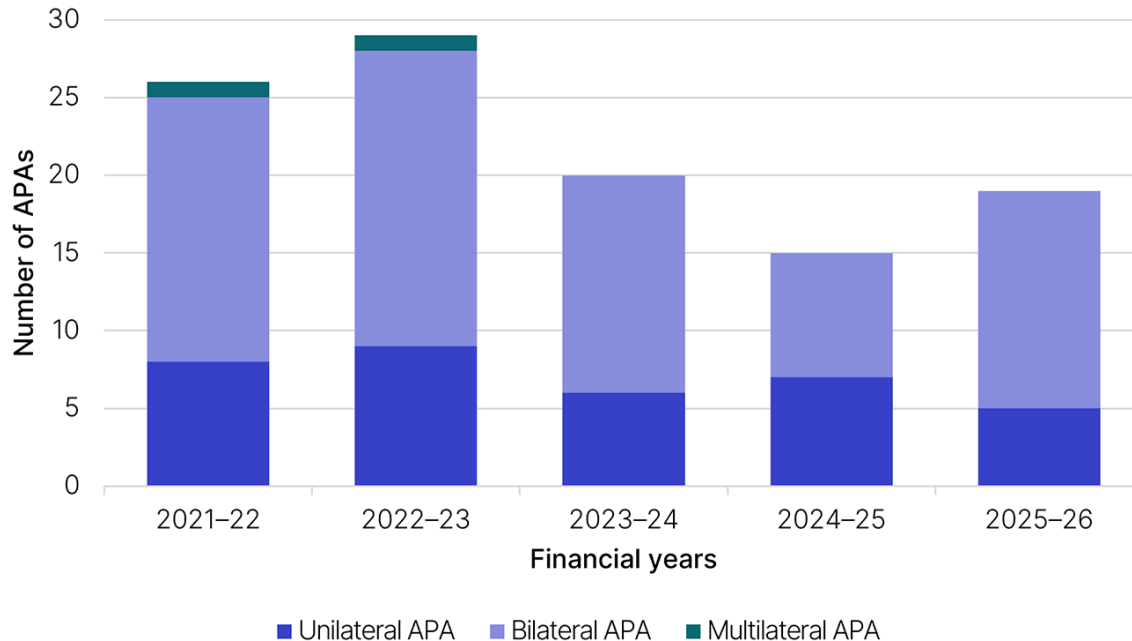


You can also view data for new APA EE requests in [Table 8](#).

There were 8 new APA EE requests in 2025–26, which is reasonably consistent with previous years. Over the last 5 years, BAPAs made up the majority of new APA EE requests in all years.

APAs completed

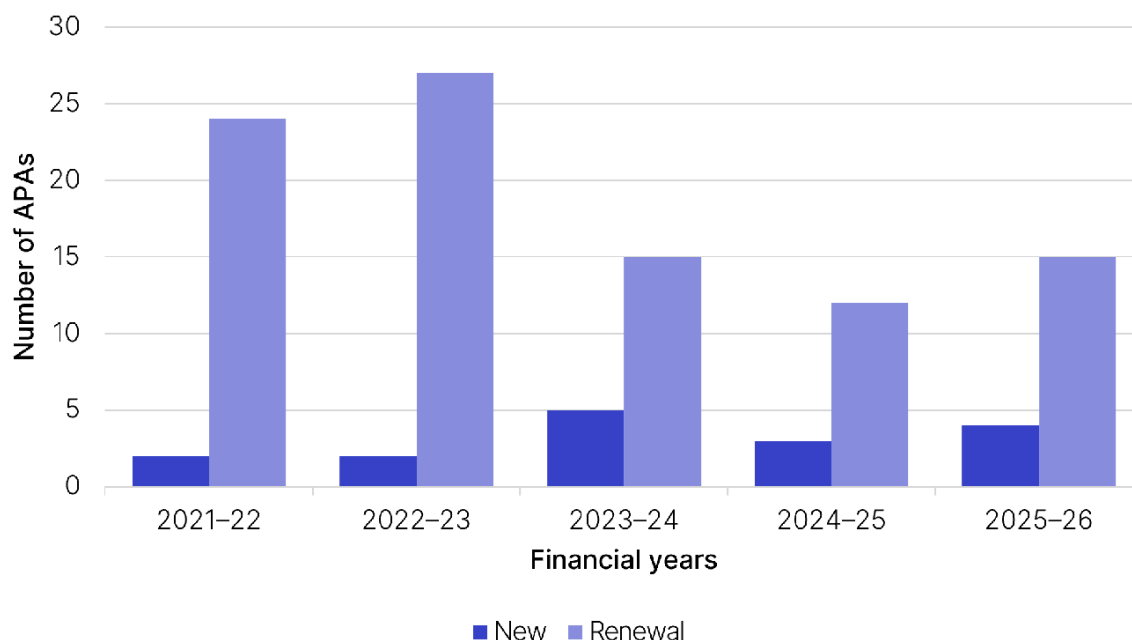
Figure 29: APAs signed, by type – 1 July 2021 to 30 June 2026



You can also view data for APAs signed by type in [Table 9](#).

The number of APAs signed during 2025–26 remains broadly consistent with the previous 2 years, indicating that APA activity has stabilised following fluctuations experienced in earlier years which were impacted by operational factors stemming from the COVID-19 pandemic.

Figure 30: APAs signed, by status (new/renewal) – 1 July 2021 to 30 June 2026



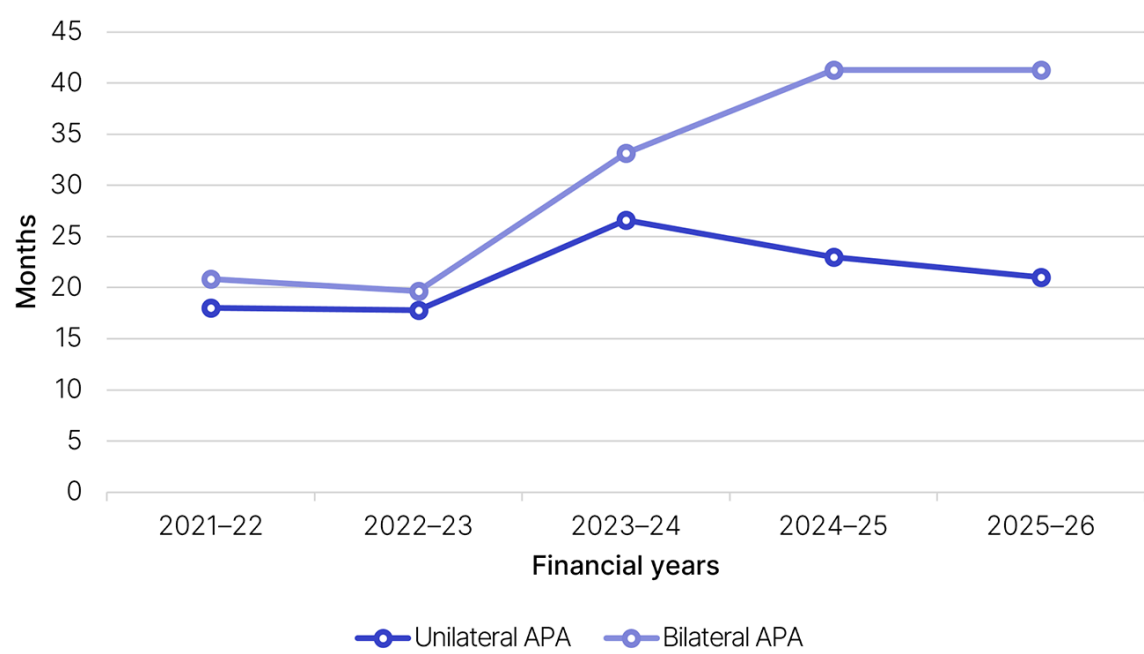
You can also view data for APAs signed in [Table 10](#).

The relatively steady number of both new and renewal APAs in recent years suggest a mature APA population and ongoing engagement from existing participants. Our average cycle time data, calculated as the average number of months taken between when a taxpayer lodges their formal application (post-acceptance) to when the APA is signed, is heavily influenced by whether it is a UAPA or BAPA, and whether it is a renewal or anew APA entrant.

UAPAs continue to be completed on average faster compared with BAPAs. Renewal requests continue to be completed faster on average than new requests, with the ATO and our treaty partners able to leverage existing information when completing renewal requests.

Additional impacts to cycle times include factors such as the complexity of the APA (including taxpayer's industry and transaction types) as well as the number and complexity of

Figure 31: Average cycle time for completed APAs, by type – 1 July 2021 to 30 June 2026

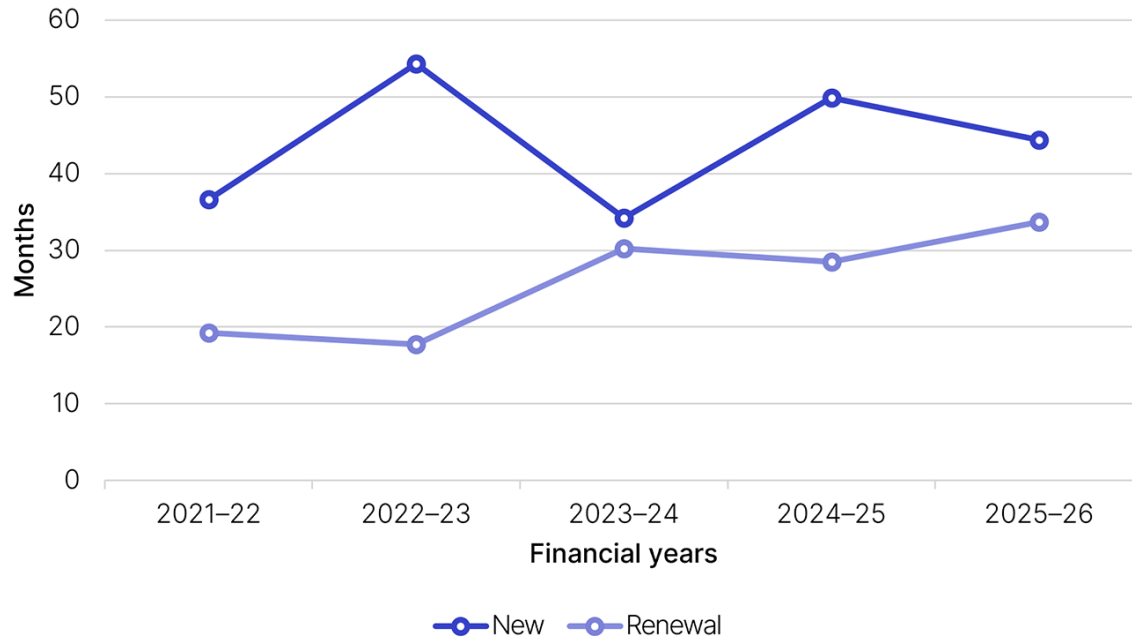


You can also view data for average cycle time for completed APAs by type in [Table 11](#).

Figure 31 shows the average cycle time for UAPAs is trending down to pre-COVID levels following a peak in 2023–24. However, the average cycle time for BAPAs has remained relatively high (with an average cycle time of 41 months in 2024–25). This is due to some significant outlier cases progressing through the program.

Excluding these outlier cases, the average BAPA cycle time reduces to just over 28 months, which is within the OECD best practice recommendation of 30 months. In general, BAPA cases involve complex technical issues, substantial fact-finding, and engagement with multiple stakeholders and treaty partners. Whilst this contributes to longer completion timeframes, it reflects the APA program’s continued focus on moving away from simpler and more routine arrangements to resolving the most complex matters and providing certainty for transactions with a higher risk of double tax.

Figure 32: Average cycle time for completed APAs, by status (new/renewal) – 1 July 2021 to 30 June 2026



You can also view data for average cycle time for completed APAs by status (new/renewal) in [Table 12](#).

As would be expected, the average cycle time for new APAs (44 months in 2025–26) is longer than the time for renewal APAs (34 months).

Figure 33 (Table): Top largest jurisdiction by number of APAs signed – 1 July 2021 to 30 June 2026

Country	Number of APAs signed	Average cycle time
Japan	39	18.65
Switzerland	7	48.20
India	5	58.49
New Zealand	5	26.91
United States	5	47.68

Consistent with prior years, average bilateral APA cycle times at the jurisdictional level are influenced by the size of the APA program inventory with our treaty partner, as well as the types of cases and complexities or collateral issues within each inventory.

As previously mentioned, Japan remains our largest APA treaty partner and one with whom we have a longstanding relationship. Accordingly, many cases with Japan are renewal APAs, which allow us to complete the cases on a more efficient basis.

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