



Tax Insights

ATO releases draft instructions in respect of Public Country-by-Country reporting

On 31 October 2025, the Australian Taxation Office (ATO) released draft instructions to complete the Public Country-by-Country (CbC) report [here](#).

The instructions include information that must be included in an annual Public CbC report, the level of detail expected in both quantitative and qualitative disclosures, the process for submission of the report to the ATO and how to interpret and apply the legislation and accompanying guidance in practice. Consultation closes on 28 November 2025.

We set out below an overview of the requirements of the Public CbC regime, together with highlights of the draft instructions and other guidance to date.

Overview of the Public CbC regime

The Public CbC reporting measures apply to reporting periods starting on or after 1 July 2024. The Public CbC report must be submitted to the ATO within 12 months after the end of the reporting period, and the ATO will publish the information on a government website.

The measures will operate separately (and in addition) to existing CbC reporting provisions of subdivision 815-E of the *Income Tax Assessment Act 1997* (ITAA 1997) (i.e., Australia's implementation of the OECD's CbC reporting requirements).

The penalties for non-compliance or late lodgement are significant, i.e. up to AUD 825,000 based on current penalty unit rates.

In-scope entities

The Public CbC reporting measures apply to CbC reporting parents which are constitutional corporations, or trusts where each of the trustees is a constitutional corporation, or partnerships where each of the partners is a constitutional corporation. A “constitutional corporation” is not defined in Australia’s tax laws and as such careful consideration may be required to determine if the measures apply to various forms of fiscally transparent entities.

A CbC reporting parent (as already defined in section 815-375 of the ITAA 1997):

- Is not an individual;
- Is not controlled by any other member of the same CbC reporting group; and
- Has annual global income of AUD 1 billion or more.

The CbC reporting parent is only required to publish if:

- It is a CbC reporting parent at any time during the preceding reporting period;
- It is a member of a CbC reporting group at any time during the current reporting period;
- At any point during the reporting period, it, or a member of the CbC reporting group, is an Australian resident or foreign resident with an Australian permanent establishment; and
- Its aggregated turnover includes AUD 10 million of Australian sourced income or more.

The explanatory memorandum makes clear that a CbC reporting parent that is an Australian resident and has no foreign operations is in scope, if it otherwise meets the requirements.

Registration

On 12 June 2025, the ATO published the [Public CbC registration form](#) (and accompanying [instructions](#)), for entities to register for Public CbC reporting and to appoint authorised contacts to deal with the ATO on their behalf.

A CbC reporting parent that does not have an Australian Business Number will be issued with an ATO reference number (ARN) as part of this registration process, which will identify the CbC reporting parent in correspondence with the ATO in relation to applications for exemptions or exclusion, time extension requests and the Public CbC submissions.

Information to be published

The CbC reporting parent is required to provide the following general information:

- Its own name;
- The names of each entity in the CbC reporting group; and
- A description of the CbC reporting group’s ‘approach to tax’.

The table below summarises the jurisdictional information that is required to be provided, with the list of specified jurisdictions listed in Appendix A:

Item	Australia and specified jurisdictions	Other jurisdictions
Name of the jurisdiction		Not required
Description of main business activities		
Number of employees (on a full-time equivalent basis) at the end of the reporting period		
Revenue from unrelated parties		
Revenue from related parties that are not tax residents of the jurisdiction		Required (with option to aggregate)
Profit or loss before income tax		
Book value at the end of the reporting period of tangible assets, other than cash and cash equivalents	Required on a jurisdictional basis	
Income tax paid (on a cash basis)		
Income tax accrued (current year)		
Reasons for the difference between: <ul style="list-style-type: none"> Income tax accrued (current year); and The amount of income tax due if the income tax rate applicable in the jurisdiction were applied to the amount of profit or loss before income tax 		Not required
Currency used in calculating and presenting the above information		Required (with option to aggregate)

Where relevant in interpreting the requirements entities must publish, disclosures should be made so as to best achieve consistency with GRI 207: Tax 2019. In addition, regard should also be given to both the [OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations 2022](#) and the [OECD CbC reporting guidance](#). However, GRI 207 is to be treated as the primary source of guidance.

Draft instructions to complete Public CbC reports

As indicated above, the ATO has now released draft instructions for consultation. We highlight below some of the key instructions.

Compilation requirement

The amounts reported by the entity must be based on amounts shown in the audited consolidated financial statements. In circumstances where the CbC reporting parent has not prepared audited consolidated financial statements for the reporting period, the information published must be based on amounts that would be shown in such statements, had the entity been a listed company within the meaning of section 26BC of the ITAA 1936 and been required to prepare them.

The draft instructions note that information that can be reconciled to consolidated financial reports includes:

- Information that is reported is at a more granular level than what is reported in the consolidated financial statement, for example information for jurisdictions is reconciled when the sum of this data for all jurisdictions equals the amount reported in the organisation's audited consolidated financial statements; and
- Information in respect of transactions which are eliminated as part of the consolidation process, the information reported aligns with the working papers for the transactions that were eliminated as part of the consolidation process.

Approved form

On 6 October 2025, the ATO [released](#) the final published specifications package (Version 1.0) to be used in the development of software for the electronic lodgment of the Public CbC reporting.

The approved form is in XML and the current submission process is to email the file to the ATO at PublicCBCReports@ato.gov.au.

Reporting entity details

The CbC reporting parent or reporting entity (RE) is required to provide its ABN or ARN (which is received upon registration with the ATO for Public CbC reporting), email address, phone number and street address.

Members of the CBC reporting group

The RE is required to list all the members of their CBC reporting group in respect of the relevant reporting period. The draft instructions indicate the RE should be able to rely on the list of members by jurisdiction included in their audited consolidated financial statement for the relevant reporting period. The list should include dormant entities.

Statement on approach to tax

The draft instructions indicate the statement on 'approach to tax' should align with GRI 207, in particular 'GRI 207-1 Approach to tax'. The ATO indicates the statement may define how the RE balances tax compliance with business activities, outlines their tax principles, their attitude to tax planning, the degree of risk the organisation is willing to accept and their approach to engaging with tax authorities. When outlining their approach to regulatory compliance, the RE can include information on statements in their tax strategy or equivalent documents regarding their intentions with respect to the tax laws in the jurisdictions in which the members of the CBC reporting group operate.

The field is in the free text format with a maximum of 5,000 characters allowed. Further information can be provided in the form of a URL to a website by typing it in text format, with no link.

A description of main business activities

The RE should provide a description of the primary activities conducted within the jurisdiction by the members of the CBC reporting group in that jurisdiction. An appropriate industry classification code may also be specified, such as ANZSIC, NACE, or another widely recognised industry or business activity code.

The draft instructions note that if an industry classification code is used, there is a need to provide both the code and the details of the primary core activities undertaken in the relevant jurisdiction. For example, ANZSIC 7000 Computer System Design and Related Services – XYZ Pty Ltd primarily engaged in providing IT consulting, software development, and systems integration services. Activities include designing and developing custom software, managing IT infrastructure, and offering cybersecurity and cloud computing solutions.

This free text field allows an input of a maximum of 4,000 characters.

The number of employees, on a full-time equivalent basis

The RE should provide the total number of full-time equivalent employees for all members of the CBC reporting group located in the relevant jurisdiction based on the year-end employee count. Where appropriate, independent contractors involved in the entity's ordinary operations may be included as employees.

A consistent approach should be applied across all entities across the reporting period.

Revenue from unrelated parties and/or related parties that are not tax residents of the jurisdiction

The RE should provide the total revenue earned by all members of the CBC reporting group that are tax residents in the relevant jurisdiction from transactions with independent parties.

In relation to related party revenue, the RE should provide the total revenue earned by all members of the CBC reporting group that are tax residents in the relevant jurisdiction from transactions with related entities that are not tax residents of the same jurisdiction. The term 'related parties' is defined as 'associate enterprises' in the BEPS guidance.

In both instances, this includes revenue from sales of inventory and property, services, royalties, interest, premiums, and other amounts, but excludes payments from other members of the CBC reporting group treated as dividends in the payer's jurisdiction.

Before income tax profit or loss

The profit or loss before income tax should include all extraordinary income and expense items.

Income tax paid, on a cash basis

The RE should provide the amount of income tax paid on a cash basis, which is to be calculated as the amount of income tax paid during the relevant reporting period by all members of the CBC reporting group in that jurisdiction.

Taxes paid should include cash taxes paid to both the resident and other jurisdictions and must reflect not only advance payments for the current reporting period's tax obligations but also the payments for the previous year's tax obligations. This also includes withholding taxes paid by other entities, associated or independent on payments to the member.

Reason for difference between income tax payable and income tax accrued

When reporting the difference between income tax accrued and the amount payable for a jurisdiction, the RE should provide an explanation to account for any material discrepancies between the current year income tax accrued and the income tax actually payable or paid by all members of the CBC reporting group for the reporting period. The explanation

may include reasons such as timing differences, tax reliefs, allowances, incentives or any special tax provisions where members of the CBC reporting group in the relevant jurisdiction benefitted. This free text field allows an input of maximum 4,000 characters.

The currency used in calculating and presenting the information for the jurisdiction

If it is necessary to translate an amount appearing in the audited consolidated financial statements to the currency used to report the above information, it must be translated at the average exchange rate for the year.

Further guidance: ATO consideration of exemption/exclusion requests

Full or partial exemptions may be available in limited circumstances, with the explanatory memorandum citing factors such as:

- National security;
- Breach of Australian law (disregarding the requirements imposed by these amendments) or breach of the laws of another jurisdiction; and
- Substantial ramifications for an entity (by an objective standard) by revealing commercially sensitive information.

On 3 July 2025, the ATO released a draft Law Administration Practice Statement (PS LA) [PS LA 2025/D1 Public Country-by-Country reporting exemptions](#). The draft PS LA outlines the considerations relevant to the granting of an exemption and the information that applicants should provide with the application for exemption, specifying for example the type of harm that may occur in providing commercially sensitive information, how the publication of CbC information might result in the harm occurring and supporting evidence or documentation. The draft PS LA notes that during legislative consultation, certain aspects of the Public CbC regime design were not changed on purpose, such as requests for exempting private groups, legislative carve outs for commercially sensitive information, or exemptions by self-assessment. Where differences remain—for example, from the European Union regime—that is by design. There must be something unusual or different for an exemption to be granted.

Australian government related entities may also apply to the ATO for an exclusion from the Public CbC reporting measures.

Groups that are seeking exemptions or exclusions should put in an application in writing using the form provided by the ATO ([Public CbC reporting exemption and exclusion application form](#)). An exemption for a specific entity or for particular information of a specific entity only applies for a single reporting period, requiring an annual request for such an exemption.

Considerations for potentially affected groups

Important steps for potentially affected groups will include:

- Registering for the Public CbC reporting measures and appointing an authorised contact or agent who can assist in liaising with the ATO on behalf of the group
- Considering if the group is in scope of the measures and whether exemptions or exclusions may apply;
- Assessing whether the data sources and requirements are in line with the group's current CbC reporting approach, as well as interaction with other measures such as the Pillar Two transitional safe harbor; and
- Preparation and socialisation of the group's CbC data and statement on its approach to tax with relevant stakeholders.

Appendix A

Specified jurisdictions, per final Determination		
Andorra	Guernsey	Saint Maarten (Dutch Part)
Anguilla	Granada	Saint Vincent & the Grenadines
Antigua and Barbuda	Hong Kong	Samoa
Aruba	Isle of Man	San Marino
Barbados	Jersey	Seychelles
Bahamas	Liberia	Singapore
Bahrain	Mauritius	Switzerland
Belize	Monaco	Turks and Caicos Islands
Bermuda	Montserrat	US Virgin Islands
British Virgin Islands	Nauru	Vanuatu
Cayman Islands	Niue	
Cook Islands	Panama	
Curacao	Republic of the Marshall Islands	
Dominica	Saint Kitts and Nevis	
Gibraltar	Saint Lucia	

Contacts

Priscilla Ratilal

Partner
Tel: +61 2 9322 5086
pratilal@deloitte.com.au

Geoff Gill

Partner
Tel: +61 2 9322 5358
gegill@deloitte.com.au

Graeme Smith

Partner
Tel: +61 2 9322 5632
graesmith@deloitte.com.au

Soulla McFall

Partner
Tel: +61 3 9671 7814
smcfall@deloitte.com.au

Kara Singleton

Partner
Tel: +61 3 8486 1266
kasingleton@deloitte.com.au

James McKenzie

Director
Tel: +61 3 9671 8514
jamecmckenzie@deloitte.com.au

Sharon Murray

Partner
Tel: +61 3 9671 7939
sharmurray@deloitte.com.au

Michael Manser

Director
Tel: +61 2 9322 3106
mimanser@deloitte.com.au

This publication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively the 'Deloitte Network') is, by means of this publication, rendering professional advice or services.

Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this publication.

About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms, and their related entities. DTTL (also referred to as "Deloitte Global") and each of its member firms and their affiliated entities are legally separate and independent entities. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Deloitte is a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, tax, and related services. Our network of member firms in more than 150 countries and territories serves four out of five Fortune Global 500® companies. Learn how Deloitte's approximately 286,000 people make an impact that matters at www.deloitte.com.

About Deloitte Asia Pacific

Deloitte Asia Pacific Limited is a company limited by guarantee and a member firm of DTTL. Members of Deloitte Asia Pacific Limited and their related entities provide services in Australia, Brunei Darussalam, Cambodia, East Timor, Federated States of Micronesia, Guam, Indonesia, Japan, Laos, Malaysia, Mongolia, Myanmar, New Zealand, Palau, Papua New Guinea, Singapore, Thailand, The Marshall Islands, The Northern Mariana Islands, The People's Republic of China (incl. Hong Kong SAR and Macau SAR), The Philippines and Vietnam, in each of which operations are conducted by separate and independent legal entities.

About Deloitte Australia

In Australia, the Deloitte Network member is the Australian partnership of Deloitte Touche Tohmatsu. As one of Australia's leading professional services firms, Deloitte Touche Tohmatsu and its affiliates provide audit, tax, consulting, and financial advisory services through approximately 8000 people across the country. Focused on the creation of value and growth, and known as an employer of choice for innovative human resources programs, we are dedicated to helping our clients and our people excel. For more information, please visit our web site at <https://www2.deloitte.com/au/en.html>.

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Asia Pacific Limited and the Deloitte Network.

© 2025 Deloitte Touche Tohmatsu