



INFORMATION FOR TAX PRACTITIONERS

CHANGES TO THE ANTI-MONEY LAUNDERING AND COUNTER-TERRORISM FINANCING LAWS

Overview

From 1 July 2026, Australia's anti-money laundering and counter-terrorism financing (AML/CTF) regime, regulated by the Australian Transaction Reports and Analysis Centre (AUSTRAC), has been expanded to cover higher-risk services provided by certain industries, including the accounting sector.

If you provide any of these services, you will need to comply with the AML/CTF regime, in addition to your obligations under the *Tax Agent Services Act 2009* (TASA).

You should:

- familiarise yourself with the requirements of the AML/CTF regime
- determine if and how the regime will apply to the services you provide
- take steps to prepare for the changes and ensure you meet your obligations.

What is the AML/CTF regime?

The AML/CTF regime is comprised of the:

- [Anti-Money Laundering and Counter-Terrorism Financing Act 2006](#) (AML/CTF Act), and any AML/CTF Regulations made under that Act, and
- [Anti-Money Laundering and Counter-Terrorism Financing Rules](#) (AML/CTF Rules).

Together, these provisions establish a regulatory framework for combatting money laundering, terrorism financing and other serious financial crimes.

What services does it apply to?

The AML/CTF regime applies to all 'designated services' provided by registered tax practitioners, including certain professional services from 1 July 2026.

Designated services are services specified in the AML/CTF Act that pose an increased risk of money laundering, terrorism financing and proliferation financing.

Professional services are a type of designated service, typically offered by, among others, accountants, lawyers, financial advisers, conveyancers, trust and company service providers.

Table 1 on page 2 of this factsheet contains a summary of the types of professional services covered.

Which tax practitioners will it cover?

The AML/CTF regime only applies to you if you provide a 'designated service' which has a geographical link to Australia.

Therefore, the regime does not apply to all registered tax practitioners, and not all 'tax agent services' (including BAS services) automatically fall within the regime.

Obligations under the AML/CTF regime

If you provide a designated service covered by the AML/CTF regime, you must comply with certain obligations, including:

- enrolling with AUSTRAC as a **reporting entity**
- developing and maintaining a documented AML/CTF program, tailored to your business, containing a risk assessment and AML/CTF policies
- implementing appropriate governance arrangements, including appointing an AML/CTF compliance officer
- conducting an initial and ongoing customer due diligence in relation to your clients
- reporting certain suspicious activity and transactions to AUSTRAC
- conducting personnel due diligence and providing AML/CTF training to employees and personnel who will perform roles relevant to your AML/CTF obligations
- making and maintaining accurate/complete records.

You are only required to comply with these obligations to the extent that you provide designated services.

Professional services covered by the AML/CTF regime

The AML/CTF regime applies to the following 'professional services' that may be provided by registered tax practitioners, subject to certain **exceptions** and **qualifications**. All services must be provided in the course of carrying on a business.

TABLE 1

Item	Professional service	Qualifications	Examples
1	Assisting a client in planning or executing a transaction to sell, buy or transfer real estate.	Does not apply if the transaction is made to comply with a Court/Tribunal order.	<ul style="list-style-type: none"> ■ Preparing, reviewing or lodging contracts ■ Researching property titles and land use ■ Coordinating with financial institutions ■ Holding funds on behalf of a client ■ Preparing financial settlements and documents for registration.
2	Assisting a client in planning or executing a transaction to buy, sell or transfer a body corporate or legal arrangement (including acting on a client's behalf).	Does not apply if the transaction is made to comply with a Court/Tribunal order. 'Legal arrangement' includes an express trust, partnership, joint venture and unincorporated association.	<ul style="list-style-type: none"> ■ Representing a client in negotiations ■ Preparing or reviewing contracts ■ Conducting or advising on due diligence, and valuation of assets/liabilities ■ Obtaining government approvals ■ Preparing financial settlements.
3	Receiving, holding, controlling or managing a person's property to help in planning or executing a transaction.	Exceptions apply. Property includes money, accounts, securities or securities accounts and virtual assets.	<ul style="list-style-type: none"> ■ Managing or holding sale proceeds or purchase funds for a client in escrow ■ Having authority over a client's bank account and making payments on their behalf (for example, loan repayments).
4	Assisting a client in organising, planning, or executing a transaction for equity or debt financing relating to a body corporate or legal arrangement.	Includes: <ul style="list-style-type: none"> ■ Equity capital raising – initial public offerings, venture capital, share purchase plans ■ Debt financing – bonds, bills, assess financing, loans and debentures. 	<ul style="list-style-type: none"> ■ Assisting clients with gaining capital contributions ■ Structuring, negotiating or documenting transactions ■ Advising on ASX listing rules and disclosure obligations in relation to the transaction.
5	Selling or transferring a shelf company.	None.	<ul style="list-style-type: none"> ■ Selling or transferring an inactive company.
6	Assisting in the planning or execution of the creation or restructuring of a body corporate or legal arrangement.	Exceptions apply.	<ul style="list-style-type: none"> ■ Drafting, reviewing and negotiating corporate agreements and business documents (e.g. constitutions, partnership, shareholder and insolvency agreements), trust deeds and documents to support mergers/acquisitions ■ Filing ASIC application forms ■ Obtaining various approvals ■ Conducting due diligence for corporate financial transactions.

Table 1 – continued

Item	Professional service	Qualifications	Examples
7-8	Acting, or arranging for someone else to act, on behalf of a person in particular positions in a body corporate or legal arrangement.	Includes the following positions: <ul style="list-style-type: none"> ■ Company director/secretary ■ Power of attorney ■ Partner in partnership ■ Trustee of express trust ■ Nominee shareholder. Exceptions apply.	<ul style="list-style-type: none"> ■ Drafting documents to authorise or make appointments to positions on behalf of a client ■ Identifying or introducing a person to be authorised as, or appointed to, a position on behalf of a client ■ Acting as, or appointed to, a position on behalf of a client.
9	Providing a registered office address or principal place of business address of a body corporate/legal arrangement.	None.	<ul style="list-style-type: none"> ■ Providing an address to a client in lieu of a genuine office address from which an entity (body corporate or legal arrangement) operates their business from.

i Further information

When considering whether a service is a designated service, you should refer to AUSTRAC’s guidance on [Professional services](#).

Risk assessments for tax practitioners

If the AML/CTF regime applies to any of the services provided by you, you must conduct a money laundering and terrorism financing risk assessment.

As part of a risk assessment, you need to:

- identify and assess the inherent risks
- evaluate and prioritise the risks
- manage and mitigate the risks.

It is important that you understand what suspicious activity to look for with your clients, having regard to the following risks and suspicious activity indicators identified by AUSTRAC.

TABLE 2

AML/CTF risks	Indicators
Kinds of customers	Some client groups pose an increased AML/CTF risk, including: <ul style="list-style-type: none"> ■ high-net-worth clients ■ politically exposed persons ■ clients with links to high-risk jurisdictions ■ clients with limited face-to-face interaction.
Kinds of services	Some services provided by tax practitioners are vulnerable to money-laundering, including: <ul style="list-style-type: none"> ■ financial and tax advice ■ bookkeeping ■ services involving the creation of companies, complex arrangements and buying and selling of properties/business.
Delivery channel	The way tax practitioners onboard and provide services to their clients may create AML/CTF risks. For example, the risks may be higher when acting remotely or through intermediaries.
Foreign countries	Tax practitioners may deal with clients, transactions and activities with links in foreign jurisdictions . Exposure to foreign jurisdictions creates AML/CTF risks.

Getting ready for the changes

1. You should check if you provide any 'designated services' covered by the AML/CTF regime. This may include some of the professional services referred to in **Table 1 on page 2**, or other types of designated services. You can use AUSTRAC's [Check if you will be regulated tool](#) to assist you.
2. If you provide designated services, you should:
 - familiarise yourself with the requirements of the AML/CTF regime (noting that there may be some obligations under the TASA that are similar, overlap or interact – refer to **Table 3 on page 5**)
 - look at existing policies, practices and procedures, and consider what aligns with the AML/CTF obligations or needs to be changed or implemented.
 - have trained their staff on the AML/CTF program and processes
3. **By 1 July 2026**, AUSTRAC expects all new entities covered by the AML/CTF regime, including registered tax practitioners, to:
 - enrol with AUSTRAC
 - have a documented AML/CTF program (including risk assessment) in place tailored to their business
 - have an AML/CTF compliance officer appointed
 - be prepared to conduct initial and ongoing customer due diligence and report certain transactions and suspicious activities
 - understand their obligations under the AML/CTF regime
 - understand what suspicious activity to look for with their clients.

AUSTRAC has published AML/CTF '[program starter kits](#)' to help small businesses comply with the AML/CTF regime.

i Further information

For more information on the AML/CTF reform, including an explanation of the designated services covered, the risk assessment framework, main risks and suspicious activity indicators for accountants, and guidance to help registered tax practitioners get ready for the changes, refer to the [AUSTRAC website](#).

Comparing AML/CTF and TASA requirements

You must ensure you meet your obligations under both the TASA and AML/CTF regulatory regimes. The following table provides a snapshot of some of the obligations, highlighting where they overlap, are similar, or interact.

TABLE 3

AML/CTF requirements

TPB considerations

1. Client identification

You must carry out:

- initial due diligence – before providing a designated service to a client
- ongoing customer due diligence throughout the client relationship.

Part 2 of the AML/CTF Act

Both AML/CTF and TASA regimes require you to verify your clients. This assists to identify and minimise the risk of fraudulent activities, including identity fraud.

If you comply with the AML/CTF requirements in relation to the provision of your services, you will generally meet the [minimum proof of identity requirements](#) for client verification required by the Tax Practitioners Board (TPB). Both regimes do not require the retention of copies or originals of identification documents.

2. Confidentiality

You must report certain suspicious matters and transactions to AUSTRAC.

Part 3 of the AML/CTF Act

[Confidentiality of client information](#)

If you have a legal duty to report to AUSTRAC under the AML/CTF regime, you will not breach Code of Professional Conduct (Code) item 6 regarding client confidentiality.

Code item 6

[Government information confidentiality](#)

If you have a legal duty to report to AUSTRAC under the AML/CTF regime, you will not breach section 25 of the Tax Agent Services (Code of Professional Conduct) Determination 2024 (Code Determination) regarding maintaining confidentiality in dealings with government.

Section 25 of the Code Determination

3. Record keeping

You must make and maintain accurate and complete records relating to the provision of designated services. Records must generally be kept for 7 years (noting that there are some varying requirements).

Part 10 of the AML/CTF Act

You must keep [records](#) that correctly record tax agent services provided (or provided on your behalf) to clients. Records must be kept for 5 years.

Section 30 of the Code Determination

The recordkeeping obligations that apply under the AML/CTF and TASA regimes, including the scope of records to be maintained, are specific to each regime and the type of services.

However, many aspects of the recordkeeping obligations are similar and, in some cases, the same record may be kept for the purposes of both regimes.

Table 3 – continued

AML/CTF requirements

TPB considerations

4. Personal due diligence/training

You must carry out initial and ongoing personnel due diligence on personnel employed or engaged to perform AML/CTF functions. You must also provide AML/CTF training for personnel.

Sections 5-8 and 5-9 of the AML/CTF Rules

You must ensure:

- tax agent services provided on your behalf are provided competently
- you have adequate supervision and control arrangements in place
- those providing tax agent services on your behalf maintain relevant knowledge and skills
- you have systems of quality management
- you comply with the disqualified entity requirements.

Code items 7, 15 and 16; sections 35 and 40 of the Code Determination

You must comply with the obligations under both AML/CTF and TASA regimes. However, where the tax agent services you provide are also designated services, you may use or supplement existing requirements and processes under the TASA, as applicable, to meet your AML/CTF obligations.

5. Outsourcing

You may enter into an arrangement with a third party to carry out AML/CTF functions on your behalf, such as:

- risk assessments
- AML/CTF policies
- customer due diligence
- suspicious activity reporting
- transaction reporting/monitoring.

Third parties may include regulatory technology businesses, legal professionals and AML/CTF advisers/consultants.

You may enter into arrangements with a third party to [outsource](#) a specific process, function, service or activity relating to the provision of tax agent services. Third parties may include external service providers, contractors or suppliers.

Relevant Code items: Code items 6, 7, 9, 10 and 13

The outsourcing arrangement varies under each regime.

- TASA regime – the outsourcing relates to the tax agent services
- AUSTRAC regime – the outsourcing relates to the AML/CTF function or obligation that applies to the tax practitioner.

You remain responsible for exercising due diligence and ensuring you meet your obligations under both regimes. You should take steps to minimise the risks associated with outsourcing.

6. Misconduct reporting obligations

You must report the following to AUSTRAC:

- *suspicious matters* – if you suspect on reasonable grounds that a person is not who they claim to be, or a matter is linked to AML/CTF criminal activity, tax evasion, an offence against a Commonwealth, State or Territory law or proceeds of crime.
- *threshold transactions* – if you provide a designated service that involves a transfer of physical currency of A\$10,000 or more (or foreign currency equivalent).

Part 3 of the AML/CTF Act

You must self-report or report another registered tax practitioner where you have reasonable grounds to believe there has been a significant breach of the Code to the TPB (and relevant professional association, as applicable).

Sections 30-35 and 30-40 of the TASA

The [TPB's breach reporting](#) regime targets conduct by registered tax practitioners, whereas AUSTRAC reporting obligations primarily target conduct by clients of registered tax practitioners.

However, the same type of conduct or behaviour may give rise to a need for you to report under both regimes.

While there are different reporting tests, criteria and timeframes, there are some similar concepts, for example, the need to have 'reasonable grounds' for reporting.