



Australian Tax Office

Via Email: [VulnerabilityConsultation@ato.gov.au](mailto:VulnerabilityConsultation@ato.gov.au)

### **Consultation on the ATO's Vulnerability Framework**

Dear Australian Tax Office,

Working with Women Alliance and Women With Disabilities Australia are grateful for the opportunity to consult on the development of the Vulnerability Framework. The recommendations provided are informed by our work in the space of domestic and family violence and economic equality, particularly with a lens on how these issues are exacerbated for women with disabilities.

WwWA and WWDA support the ATO in their capability building and acknowledge the Vulnerability Framework as the founding document that will guide the ATO's implementation of future reform and underpin meaningful and accessible service provision for taxpayers. Our contribution to this consultation focuses on the spectre of financial abuse and weaponisation of the tax system to create spurious debts or other obligations.

The Tax Ombudsman Report found that one in six women and one in thirteen men have experienced economic abuse by an intimate partner. The ATO reported five cases of financial abuse to law enforcement agencies in 2024. This gap points to the ATO as an underutilised, but pivotal first contact in disclosures of financial abuse.

This letter suggests recommendations to improve the Framework as well as drafting principles that underpin the ATO's relations with people facing risk factors and consequently, tax hardship.

## **Language and Conceptual Framing**

We are concerned with some of the language used throughout the Framework which positions people with disabilities, victim survivors, and people facing systemic challenges as intrinsically vulnerable. We urge the drafters to reconsider how such users of tax office infrastructure are depicted.

The framing of people with disabilities as intrinsically vulnerable is inappropriate. Vulnerability arises from external circumstances. Ableist attitudes and structures; a lack of disability-responsive laws, frameworks and service systems; discriminatory and inaccessible systems and practices; and other mechanisms of inequality and disadvantage create vulnerability. People with disabilities, survivors of financial abuse and people facing systemic challenges are not victims of their own vulnerability, but experience compounded external barriers forced on them by flawed systems and human rights violations.

WwWA and WWDA recommend positioning external risk factors as the cause of vulnerability to recognise the agency of people with disabilities.

To achieve this, WwWA recommends the ATO replace “people experiencing vulnerability” with “people facing risk factors”.

## **Financial Abuse Oversight**

The tax system is being used to perpetrate financial abuse, yet the Framework largely fails to acknowledge financial abuse as a risk factor for vulnerability.

We note earlier reports from the Tax Ombudsman and the Parliamentary Inquiry into *Financial Services Regulatory Framework in Relation to Financial Abuse* that draw attention to the weaponisation of tax obligations. In particular, the Ombudsman’s report has recommended the ATO investigate avenues of debt-relief within existing legislation and recommended that the ATO provide advice to consumers at risk regarding how to delay or pause debt burdens that result from financial abuse.

It is vital that these intentions are written into the Vulnerability Framework and that staff within the ATO are aware of the dynamics of financial abuse and systems weaponisation.

WwWA and WWDA recommend the inclusion of financial abuse in the Framework’s *Understanding Vulnerability* passage. The section should provide information on the presentation of economic abuse, including for people with disability, and how affected users may be impacted.

## **Early Intervention of Systems Abuse – Child Support Payments**

The Vulnerability Framework employs a strategic prevention approach to reduce the incidences of tax hardship that occur in the first place.

We acknowledge that people experiencing child support related financial abuse are more likely to engage with the Department of Social Services. However, the ATO has neglected their own responsibility to enforce tax returns and pursue fraudulent tax returns that are connected to Child Support Payments. This is a vital prevention practice that already falls within the remit of the ATO and will protect victim-survivors from risk-factors that perpetuate systems abuse and tax non-compliance.

WwWA recommends the Framework acknowledge the ATO's role as a regulator of self-managed super funds, and as the enforcement authority for lodging tax returns, particularly those linked to child support payments.

## **Clarity and Transparency**

WwWA and WWDA encourage specificity within the Framework about the timeframe and implementation of subsequent phases. The Framework should include clear commitments and targets to provide more transparency about the ATO's capability building strategy. WwWA and WWDA especially encourage commitment to the recommendations from the Tax Ombudsman's report and the Parliamentary Inquiry.

We welcome opportunities to engage with the ATO further on these and other issues relating to systems abuse, risk factors and gender equality.

Yours Faithfully,

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