

Fuel response payment plan

Following a government media release on the same day, the ATO on 1 April 2026 announced that eligible taxpayers who are experiencing difficulties in paying their tax debts due to recent high fuel prices can apply to the ATO for a temporary fuel response payment plan.

An eligible taxpayer can apply for the ATO's fuel response payment plan which has the following features:

- » no upfront payment;
- » a 3-year payment plan period of 36 equal monthly instalments;
- » the ATO will make a decision to remit any General Interest Charge that has accrued from the time of the application to the date of the third monthly instalment, provided the taxpayer has:
 - paid all instalments agreed under the payment plan for 3 months; and
 - brought any outstanding lodgements up to date in that period.

A taxpayer is eligible to apply if they are an ABN holder who meets all of the following four criteria:

- » They have experienced an increase in business operating costs, and these costs are either directly attributable to higher fuel costs, or indirectly attributable to high fuel costs because of increased transport, logistics or other supply chain costs.
- » They have a new tax debt or are unable to service an existing tax debt.
- » They can demonstrate a reduced capacity to pay due to the high fuel prices. This is separate from a



general downturn in business or ordinary cash flow issues. It means that if fuel prices had not been so high, the taxpayer anticipates they would have been able to meet their payment obligations, including their instalments under existing payment plans.

- » Their lodgements are up to date within three months of the payment plan being put in place. The ATO may cancel the payment plan if lodgements are not up to date within this period. Up-to-date lodgements are also required for the ATO to make a decision to remit GIC under the fuel response payment plans.

The plan is available by application until 30 June 2026.

If you're experiencing financial difficulties because of the spike in fuel prices due to the Middle East conflict, even indirectly, you may be able to benefit from the ATO's fuel response payment plan. It may only be a deferral, but it could make a difference in these difficult times.

And if you're not sure whether you're eligible, or you need help in making an application, please don't hesitate to contact us.

This information has been prepared without taking into account your objectives, financial situation or needs. Because of this, you should, before acting on this information, consider its appropriateness, having regard to your objectives, financial situation or needs.