



Australian Government
Australian Taxation Office

Emissions Reduction Plan



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Acknowledgment of Country

We acknowledge the Traditional Owners and Custodians of Country throughout Australia and their continuing connection to land, waters and community. We pay our respects to them, their cultures, and Elders past and present.

Accountable Authority sign off

The Australian Taxation Office (ATO) recognises it has a role to play in addressing climate change by implementing the government's Net Zero in Government Operations Strategy. We understand that our operations affect climate change, and we are committed to leading by example in the transition towards a low-carbon future.

This Emissions reduction plan builds on our agency's previous targets and action plans to minimise our carbon footprint and contribute to the nation's broader climate goals.

Our plan reflects our commitment to transparency, accountability, and continuous improvement in our environmental performance.

As the Commissioner of Taxation, I am the Accountable Authority for the Australian Taxation Office listed entity, which is comprised of the ATO, the Tax Practitioner's Board and the Australian Charities and Not-for-profits Commission (the ACNC), including the ACNC Advisory Board.

Through this plan, we pledge to:

- substantially reduce our greenhouse gas emissions
- improve energy efficiency across our operations
- transition to renewable energy sources
- promote sustainable practices in our operations
- foster a culture of environmental responsibility among our staff.

'The ATO is committed to achieving net zero emissions by 2030. Together, we can create a more sustainable future for our nation and contribute to the global fight against climate change.'

Rob Heferen

Commissioner of Taxation

Registrar of the Australian Business Register, Australian Business Registry Services, and Register of Foreign Ownership of Australian Assets.

About our emissions reduction plan

Purpose

The ATO has an essential role in implementing emissions reduction initiatives in line with the Australian Government's [Net Zero in Government Operations Strategy \(PDF 10MB\)](#) (the Strategy), developed by Department of Finance. The Strategy is the first of many steps in the Australian Government's approach to achieving net zero greenhouse gas emissions in its operations and reinstates public emissions reporting.

This plan sets out the steps the ATO will take to support the Strategy and achieve APS Net Zero by 2030. It encompasses both new and existing initiatives to reduce emissions that provide a pathway for the ATO to meet net zero targets.

Net zero greenhouse gas emissions

APS Net Zero 2030 is the target set by the Australian Government to achieve net zero greenhouse gas emissions from government operations by the year 2030. Net zero is achieved when consumption of resources, such as electricity, are reduced as far as possible and energy is supplied from renewable sources. Where unavoidable greenhouse gas emissions remain, they are balanced through carbon offsetting.

From an organisational perspective, this means minimising the greenhouse gas emissions that are within our control. Under the Strategy, emissions are considered in 3 areas:

- Scope 1 – Direct emissions from sources owned or controlled by an entity, including consumption of gas and fleet vehicles.
- Scope 2 – Indirect emissions from purchased electricity, heating and cooling for the entities own use.
- Scope 3 – All other indirect emissions produced through Government activities including business travel, waste disposal, purchased goods and services.

The Strategy requires entities to plan to reduce Scope 1 and Scope 2 emissions. It is anticipated the requirement will expand to Scope 3 emissions in the future.

Governance and reporting

Progress against actions identified within this plan, and any additional measures adopted, will be included in the Commissioner of Taxation annual report. This, combined with annual emissions inventory reporting, will be used as a measure of the ATO's progress towards reducing its emissions.

As part of the Net Zero in Government Operations Annual Progress Report, the Department of Finance will aggregate these measures to provide Whole-of-Australian Government (WoAG) emissions reporting.

Operational context

The ATO is the Australian Government's principal revenue collection agency, administering legislation governing the tax system, along with aspects of the superannuation, and business registry systems, and supporting the delivery of government benefits to the community.

The ATO is an agency with office buildings across all Australian states and territories, with the exception of the Northern Territory. Its building facilities include 22 commercially leased office spaces with a total net lettable area (NLA) of 269,944m² and 21,663 staff as of 30 June 2024.

The ATO has already commenced its net zero emissions pathway in line with the direction set in the Strategy and has:

- commenced planning to reduce surplus office space in line with changing work practices
- reduced vehicles by 50% since 2021 and transitioned to a fully hybrid fleet
- commenced deployment of technology that is more energy efficient, such as laptops, and reduced the number of peripherals, such as printers that are in use
- implemented NABERS energy rating assessments on all office spaces
- implemented initiatives to recycle, resell or exchange excess furniture with government agencies using Govtree
- updated workspace fit out guidelines to include sustainable practices and requirements aligned to the Strategy
- commenced exploring options to remove gas from the 2 remaining buildings that use it
- participated in initiatives like Earth Hour and the Government Energy Action Response (GEAR) protocol.

Baseline emissions

Baseline emissions are a record of greenhouse gas emissions that have been produced at a set point in time. For the purposes of this plan, the financial year 2022–23 has been established as the ATO's baseline and will be a reference point against which emissions reductions can be measured.

The baseline emissions for this plan focus on Scope 1 and Scope 2 emissions, consistent with the APS Net Zero 2030 target. Electricity related emissions were calculated using the location-based method. The complete 2022–23 greenhouse gas emissions inventory tables for the ATO are presented in our [2022–23 annual report](#).

Table 1: Priority area 2 actions

Baseline year	Location-based approach
Financial year 2022–23	
Scope 1 emissions (kg CO ₂ -e)	144,109kg CO ₂ -e
Scope 2 emissions (kg CO ₂ -e)	15,624,019kg CO ₂ -e
Total emissions (kg CO₂-e)	15,768,128kg CO₂-e

Note: location-based method reflects the average emissions intensity of the grid where the energy consumption occurs.

Engagement

In the development of this plan, the ATO has engaged with:

- the Department of Finance's Climate Action in Government Operations team to ensure this plan aligns with the Net Zero in Government Operations Strategy
- the ATO's property service provider, who holds and reports on a range of property-related information
- various teams within the ATO to consult on current practices and identify climate related risks and opportunities.

Emissions reduction targets

The ATO is pursuing the APS Net Zero 2030 target in full, as per the Strategy. The target covers the entirety of the ATO's operations within Australia for Scope 1 and Scope 2 emissions, as described in the Strategy.

To achieve net zero by 2030, we project that greenhouse gas emissions will decrease over the next 6 years to 2,646t CO₂-e by 2030. This is a reduction of 87% and is associated with participating in the WoAG electricity contracts. To achieve true net zero, offsetting will need to be considered.

These estimates are calculated and provided by our property service provider based on the 2022–23 emissions reporting data. The estimates will be reviewed annually.

As further data expansions are captured, this plan will be updated to reflect and further support ongoing emissions reduction opportunities across the ATO's portfolio and operations.

Priorities and actions

The ATO's current sustainability measures are not sufficient to achieve net zero by 2030. To achieve net zero, targeted action on existing measures and the introduction of further or new measures is required.

To support a pathway to net zero, the plan has divided emissions related activities into the following 3 categories. Net zero:

- buildings
- energy
- fleet.

Implementation plan

The following section identifies 27 actions as part of the ATO's Emissions Reduction Plan. The ATO has firmly committed to helping combat climate change and notes that implementation of the plan may be influenced by a range of factors, including changes in technology and service providers, future annual budgets, and service priorities.

This is the inaugural plan for the ATO and focuses on actions with the highest emissions reduction impact to assist in meeting the 2030 target date.

Each action has been categorised as to whether it directly reduces the ATO's carbon emissions, influences other action, or innovates by enabling the integration of new or emerging technologies.



Impact

An action that directly results in reduction of ATO's carbon emissions



Influence

An action that seeks to influence or encourage emissions reduction of contractors, suppliers, staff, or subsidiary business.



Innovate

An action that enables the use or implementation of technologies that drive net zero outcomes.






Priority area 1: net zero buildings










The highest source of carbon emissions identified in the baseline of the ATO's operations is associated with building electricity consumption. Reducing these emissions by improving energy efficiency and electrification represents the most achievable and cost-effective approach for the ATO.





To assist this approach, the Strategy identifies rating systems as an effective means to understand and reduce property-related emissions. To support this, entities are required to rate their properties over 1000m² using the Energy rating tool by National Australian Built Environment Rating Scheme (NABERS) to target ratings based on their metropolitan or regional location. Additionally, new builds must have a minimum 4-star Green Star rating from the Green Building Council of Australia.

The ATO will work with landlords to further improve the energy efficiency of our sites through upgrades to base building plant and equipment.

Table 2: Priority area 1 actions

Action number	Action detail	Action type
1.1	Actively reduce under-utilised office space and equipment as appropriate. Commencement year: 2024	 Impact
1.2	Engage with landlords to upgrade all lighting to high efficiency LED, coupled with lighting control sensors such as daylight sensors and occupancy sensors. Commencement year: 2025	 Innovate
1.3	Engage with landlords to explore the implementation of smart building management systems if not already in place, enhancing efficiency and reducing emissions. Commencement year: 2025	 Innovate
1.4	Undertake annual NABERS energy ratings for leased properties with an NLA of >1,000m ² , achieving a minimum 5.5-star rating for metropolitan sites and 4.5-star rating for sites located outside a metropolitan area wherever possible. Predicted emissions reduction if all sites are 5.5-star NABERS energy rated: 3,134t CO ₂ -e p.a. Predicted energy reduction: 7,038,643kWh p.a. by meeting a 5.5-star NABERS energy rating at all sites. Commencement year: 2025	 Impact
1.5	Ensure all office refurbishments with an office space of >1,000m ² and leased for a minimum of 4 years will achieve 5.5-star NABERS energy rating. Commencement year: 2024	 Impact

Action number	Action detail	Action type
1.6	<p>Implement Green Lease Schedules (GLS) for all leased properties with an NLA of >1,000m² and minimum 4-year lease term.</p> <p>The GLS will create a legal and management framework under which both parties, (lessor and lessee), are required to achieve and maintain the building environmental performance throughout the term of the lease. A mutually agreed GLS will assist the ATO to overcome barriers more effectively by allocating incentives and responsibilities for improved emissions reduction management across its leased portfolio.</p> <p>Commencement year: 2025</p>	 Influence
1.7	<p>Review existing GLSs to ensure they align to the Strategy and net zero 2030 target.</p> <p>Commencement year: 2025</p>	 Influence
1.8	<p>New leases to be all-electric buildings, where available.</p> <p>Commencement year: 2024</p>	 Impact
1.9	<p>Implement electric vehicle charging facilities to support electric vehicle charging of fleet vehicles on site, where possible.</p> <p>Commencement year: 2025</p>	 Influence
1.10	<p>Prioritise upgrades to eliminate the use of gas in ATO tenancies.</p> <p>Commencement year: 2025</p>	 Impact
1.11	<p>Review existing GLS's to ensure they align to the Strategy and net zero 2030 target.</p> <p>Commencement year: 2025</p>	 Impact
1.12	<p>Undertake Type-2 energy audits at sites that are identified as having high energy intensity or that don't meet the required NABERS energy rating, with the audits used to identify energy efficiency solutions for implementation.</p> <p>Predicted ongoing emissions reduction (at 10% total reduction): 1,737t CO₂-e p.a.</p> <p>Note: Total reduction is a conservative value. Energy audits typically identify energy reduction opportunities that reduce overall consumption by up to 20%.</p> <p>Predicted energy reduction: 2,233,172 kWh p.a.</p> <p>Commencement year: 2025</p>	 Influence
1.13	<p>Retire old ICT equipment and replace it with high-efficiency systems, transition to laptops, and switch from dual to single monitors to reduce energy consumption.</p> <p>Commencement year: 2024</p>	 Impact
1.14	<p>Maintain existing end of trip facilities and investigate opportunities to improve facilities to support low emission commutes.</p> <p>Commencement year: 2026</p>	 Influence



Action number	Action detail	Action type
1.15	Integrate sustainability education initiatives through a range of mediums including: <ul style="list-style-type: none"> • internal communications • good news stories • awareness campaigns. Commencement year: 2025	 Influence
1.16	Participate in Earth Hour and Government Energy Action Response (GEAR) protocol to show the ATO's commitment to net zero and climate action. Commencement year: 2024	 Influence
1.17	Investigate new and emerging technologies that support the ATO's transition to net zero buildings, as they become available and viable. Commencement year: 2024	 Innovate
1.18	Explore any eligible funding opportunities to implement net zero programs across the ATO's property portfolio, leveraging potential funding available to Commonwealth entities to support emissions reduction initiatives. Commencement year: as released	 Influence

Priority area 2: net zero energy

Reducing energy consumption through energy management strategies and improving energy efficiency is recognised as the most effective way for the ATO to reduce its emissions.

To assist this approach, the Strategy has set a renewable electricity target of 80% of electricity procured is from renewable sources (where available) by 2028 and 100% by 2030. To achieve this target, the Department of Finance will establish a whole-of-Australian-Government arrangement for electricity procurement for use by entities. The ATO commits to participate in this arrangement as it is rolled out nationally.

Table 3: Priority area 2 actions




Action number	Action detail	Action type
2.1	Participate on the whole-of-Australian-Government electricity agreement when it becomes available across the country. Emissions reduction: 17,368t CO2-e p.a. by 2030 Commencement year: as determined by Department of Finance	 Impact
2.2	Consider undertaking a behind the meter solar and battery feasibility assessment for sites where possible. Commencement year: 2025	 Influence

Priority area 3: net zero fleet

The Australian Government has committed to reducing emissions by setting a target of 75% of new passenger vehicle purchases and leases to be low emissions vehicles by 2025. The ATO is committed to supporting this target in the transition of its fleet.

Transport fuels for the ATO's corporate fleet contributes 1% of total emissions, with the current fleet consisting of 56 hybrid vehicles.

Table 4: Priority area 3 actions

Action number	Action detail	Action type
3.1	Review annual fleet and fuel data reporting in line with the net zero reporting requirement, monitoring fleet performance, vehicle utilisation, fuel consumption and emissions to identify opportunities for fleet optimisation. Commencement year: 2026	 Impact
3.2	Transition the ATO fleet to zero emissions fleet vehicles as leases expire, aiming to achieve at least 75% of all new passenger fleet vehicles procured be low emissions vehicles by 1 July 2025. Commencement year: 2024	 Impact
3.3	Provide information and support to staff on efficient driving practices to reduce emissions. Commencement year: 2025	 Influence

Future emissions reduction

The Strategy currently focuses on reducing Scope 1 and Scope 2 emissions, but it may extend to Scope 3 emissions in the future.

This expansion is likely because addressing Scope 3 indirect emissions can significantly enhance our overall sustainability efforts.

The ATO is already actively monitoring its Scope 3 emissions and continuously seeks innovative ways to improve and minimise these emissions, including encouraging our vendors to adopt more sustainable practices.





To this end, the ATO has already included Scope 3 emissions in our annual reporting, offering a comprehensive overview of our current total emissions and establishing a baseline for future assessments.

We will also review and enhance our business travel policies to prioritise virtual meetings and promote the use of public transportation for necessary travel. When air travel is most appropriate, we will strive to reduce emissions by selecting direct and low-emission flight options whenever possible.

Furthermore, we are investigating opportunities to lower emissions from our waste management processes by boosting recycling rates and minimising waste generation.

These initiatives reflect our broader commitment to sustainability and reducing our environmental footprint.

Table 5: Future emissions actions

Action number	Action detail	Action type
4.1	Update the ATO's corporate policy on travel to prioritise sustainable and low emissions travel. Sustainable and low emissions travel may include rail, shared ride services, electing low emissions travel options and purchase of travel offsets. Commencement year: 2025	 Influence
4.2	Promote the benefits of public transport, walking, and cycling to new staff during induction programs and familiarise them with end of trip facilities at their workplace. Use internal communications to promote Travel CEI. Commencement year: 2025	 Influence
4.3	Revise current waste management processes to enhance recycling rates and minimise waste generation. Commencement year: 2025	 Innovate
4.4	Actively support procurement efforts by seeking innovative strategies to reduce emissions and encourage our vendors to adopt sustainable practices. Commencement year: 2025	 Influence