

Industry Engagement update – Tranche 2 – Legal Sector – 18 July 2025

Update overview: Costs of compliance – AUSTRAC support

Australia's anti-money laundering and counter-terrorism financing (AML/CTF) regime is risk based, allowing businesses the flexibility to apply AML/CTF measures proportionate to the level of risk they face. As such the costs of compliance for businesses will differ depending on the nature, size and complexity of the business.

At our most recent Industry Forum and in a past fortnightly update email, AUSTRAC shared figures from the [Attorney-General's Department's impact analysis statement](#). The modelling of compliance costs produced by the Attorney-General's department during the development of the legislation is a high-water mark. It assumed that every small, regulated business would need to prepare its own AML/CTF Program without any assistance.

AUSTRAC is working to reduce the costs of compliance on industry where it can. Smaller businesses who have lower risks of facilitating money laundering and terrorism financing (ML/TF) are expected to experience lower costs than larger businesses, who offer a broader range of designated services to a larger number, and more diverse kinds, of customers. AUSTRAC are currently developing and will publish AML/CTF starter program kits for small businesses with a typical, less complex profile in Tranche 2 sectors. The starter program kits will substantially reduce the cost of developing an AML/CTF program and enable businesses to focus their costs and efforts on implementing the policies and controls and training staff.

The starter program kits will be free and publicly available.

Industry contribution levy

Larger reporting entities are currently charged an industry contribution levy. AUSTRAC is considering what a fair and sustainable revenue model could look like after the Reforms commence. AUSTRAC intends to consult with industry in September 2025 about the options available. Any change to the current levy is a matter for government and would not commence until 2027 at the earliest. Further information on the industry contribution levy can be found [here](#).



Education:

AML CTF Essentials webinars for new reporting entities

As mentioned in our last update, the AMLCTF Essentials webinar series has commenced. The webinar series introduces new reporting entities to AUSTRAC, AML CTF obligations, ML/TF risk, and outsourcing practices. A checklist and factsheet will also be provided to support understanding and implementation.

AML/CTF Essentials is the first tier of AUSTRAC's five-tier education campaign, ahead of the release of core guidance in October 2025. After October 2025, the Industry Education and Outreach team will roll out tiers two to five, delivering more practical education to support new reporting entities as they prepare for regulation.

If your members would like to attend these webinars, the schedule and registration links are available via the [Education and Guidance](#) page on the AUSTRAC website. While live webinars are not being recorded, webinars will be published for on-demand viewing later this year.

Reform-related education and guidance currently available

Further educational material has been uploaded to our website to help Tranche 2 entities prepare for the upcoming reforms. Please find **enclosed** an AML/CTF essentials checklist and AML/CTF obligations fact sheet. Following the release of the guidance in October this year, more detailed education will be delivered, including sector-specific education. The [Education and Guidance](#) page on the AUSTRAC website provides further information on currently available education products.

InBrief Subscription

We encourage you to subscribe to [AUSTRAC InBrief](#), our quarterly newsletter with the latest news, guidance and developments in the AML/CTF space. InBrief is a valuable resource to help your members understand their obligations and stay informed about AUSTRAC's priorities and expectations.

