

Identifying and supporting financially vulnerable women experiencing economic abuse: a grounded theory approach

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Abstract

This study extends the literature by exploring the role of pro bono tax clinics within the social impact ecosystem with a focus on the experiences of women in financial distress who are otherwise unable to access professional tax advice. Using clinic data derived from a pro bono tax advisory clinic, this article finds that 58 per cent of financially vulnerable women seeking pro bono tax services have experienced domestic and family violence (DFV), confirming again the link between financial stress and economic abuse. Yet only 3 per cent of these women were receiving domestic and family violence-related support, highlighting the hidden nature of economic abuse within DFV and underscoring the potential for financial services to document the tactics and effects of economic abuse.

Overall, the findings suggest that the relationship between tax problems, financial stress and economic abuse merits further exploration, so that large-scale initiatives can be designed to support women experiencing economic abuse as part of DFV. Further, this article establishes the important role of tax clinics, as a site of research and knowledge and also of support, intervention, engagement and assistance for victim-survivors of DFV.

Keywords: tax, tax clinics, domestic and family violence (DFV), coercive control, economic abuse, financial abuse, structural justice, reduce inequalities

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1. INTRODUCTION

Governments and policy-makers are increasingly aware of the need to provide legislative and regulatory protections for women experiencing coercive control, culminating in the recent release of the National Principles to Address Coercive Control in Family and Domestic Violence on 22 September 2023.¹ Similarly, from July 2024 coercive control will be a criminal offence in New South Wales when a person uses abusive behaviours towards a current or former intimate partner with the intention to coerce or control.² However, the tax system is notably absent from the policy development and resulting law design, presenting a potential gap in addressing coercive control comprehensively. Similarly, as noted by Apps, there is an almost complete absence of reference to the impacts on women in Australia's longstanding tax reform debate.³ Further, there is a dearth of literature exploring the impacts of the tax and transfer system on financially vulnerable cohorts.

This article explores and bridges these disparate areas. Specifically, it explores whether and, if so, how the operation and design of the tax system (and, in particular, the operation of tax clinics) can be used as a mechanism to identify and support financially vulnerable women experiencing economic abuse.

Kayis-Kumar and co-authors highlight the importance of conceptualising tax clinics as a platform for grassroots academic research with the overarching purpose of attaining tax justice by identifying systemic injustices and advocating for tax reform.⁴ They propose tracking client outcomes across the short, medium and long term through the Tax Clinics Program Logic model,⁵ which further presents a useful framework for scaffolding further research focused on attaining tax justice.

Accordingly, the overarching research question presented by this study is:

¹ Australian Government, Attorney-General's Department, 'Coercive Control', available at: [https://www.ag.gov.au/families-and-marriage/families/family-violence/coercive-control#:~:text=The%20Australian%20Government%20recognises%20coercive,Violence%20\(the%20National%20Principles](https://www.ag.gov.au/families-and-marriage/families/family-violence/coercive-control#:~:text=The%20Australian%20Government%20recognises%20coercive,Violence%20(the%20National%20Principles) (accessed 23 November 2023).

² In November 2022, the New South Wales Parliament passed the *Crimes Legislation Amendment (Coercive Control) Act 2022* (NSW). This Act was passed following the New South Wales Joint Select Committee on Coercive Control recommending a criminal offence of coercive control, and after detailed and public consultation on an exposure draft Bill. The Act makes coercive control in current and former intimate partner relationships a criminal offence. The offence has not commenced yet – and will likely commence in June 2024. The Act also provides a definition of 'domestic abuse' for the *Crimes (Domestic and Personal Violence) Act 2007* (NSW). The definition will commence in February 2024. See further, New South Wales Government, 'Coercive Control: Know the Signs of Abuse', available at: <https://www.nsw.gov.au/family-and-relationships/coercive-control/the-law> (accessed 23 November 2023).

³ Patricia Apps, 'Gender Equity in the Tax-Transfer System for Fiscal Sustainability' in Miranda Stewart (ed), *Tax, Social Policy and Gender: Rethinking Equality and Efficiency* (ANU Press, 2017) 69.

⁴ A Kayis-Kumar, J Noone, F Martin and M Walpole, 'Pro Bono Tax Clinics: An International Comparison and Framework for Evidence-based Evaluation' (2020) 49(2) *Australian Tax Review* 110 ('Pro Bono Tax Clinics').

⁵ Ann Kayis-Kumar and Jack Noone, 'Measuring the Social Impact of University-Based Pro Bono Tax Clinics: Co-Creating a Framework for Evidence-Based Evaluation', *Austaxpolicy: Tax and Transfer Policy Blog* (Article, 3 October 2019), <https://www.austaxpolicy.com/measuring-the-social-impact-of-university-based-pro-bono-tax-clinics-co-creating-a-framework-for-evidence-based-evaluation/> (accessed 16 June 2023). The authors acknowledge the contribution of academics across all ten universities involved in the National Tax Clinic pilot, in particular: Donovan Castelyn, Michelle Cull, Brett Freudenberg, Sunita Jogarajan, Van Le, Gordon Mackenzie, Annette Morgan, Connie Vitale, Sonali Walpole, Michael Walpole and Rob Whait.

RQ: *Can tax clinics complement the existing social impact ecosystem by identifying and supporting women experiencing domestic and family violence? If so, how?*

Relevantly, this article examines the relationship between tax problems, economic abuse and economic hardship. Evidence confirms that financial stress and economic hardship for women is significantly associated with economic abuse.⁶ This type of abuse is increasingly recognised as a strategy of the coercive control perpetrated as part of domestic and family violence (DFV). DFV '[i]ncludes any behaviour, in an intimate or family relationship, which is violent, threatening, coercive or controlling, causing a person to live in fear. The behaviour is usually part of a pattern of controlling or coercive behaviour'.⁷

A recent review of the available literature confirms that women experiencing economic abuse may not know they are being subjected to economic abuse or may not recognise their experiences constitute DFV.⁸ They may see this type of abuse as less serious than other forms of abuse such as physical and sexual abuse and are less likely to seek assistance from specialist DFV support services unless other forms of DFV are also occurring. This latter finding is salient and highlights the opportunity for a range of non-DFV specialist service providers and in particular, those involved in providing financial services, to assist in the identification and response to economic abuse perpetrated as part of DFV.

Economic abuse (also known as financial abuse) is now recognised as a form of DFV and forms part of a pattern of coercive control of one partner or family member over another.⁹ It is a gendered problem predominantly experienced by women,¹⁰ but the extent of perpetration remains largely under-estimated.

Economic abuse is particularly problematic given the economic aftermath of the Covid-19 pandemic, putting into focus the urgent need to support financially vulnerable women experiencing economic abuse. However, identifying and supporting abuse victims as well as preventing the incidence of economic abuse is a significant challenge.¹¹

The purpose of this research is to assess the suitability of a free tax clinic to identify those who have experienced DFV and refer them appropriately. This article also discusses potential mechanisms for working with these women, noting the safety risks to be overcome through this process.¹² Established in 2019 following a successful prototype initiated by Curtin University the year prior, Australia's National Tax Clinic Program has the overall purpose of helping low-income taxpayers and small businesses

⁶ Gendered Violence Research Network (Jan Breckenridge, Co-Convenor), *Understanding Economic and Financial Abuse in Intimate Partner Relationships* (October 2020).

⁷ *Ibid* 4, quoting New South Wales Government, *It Stops Here: Standing Together to End Domestic and Family Violence in NSW* (Report, 2014) 7.

⁸ Gendered Violence Research Network, above n 6, 11-12. Relevantly, economic abuse occurs in nearly all cases of DFV.

⁹ *Ibid* 8-10.

¹⁰ The authors recognise that DFV may also be experienced by men and people with diverse gender identities. However, this article has a specific focus on women given that the overwhelming majority of DFV victim-survivors are women.

¹¹ Gendered Violence Research Network, above n 6, 9-11.

¹² *Ibid* 31.

that are unable to afford professional advice and representation.¹³ Importantly, while the grant administrator is the Australian Taxation Office (ATO), these clinics operate independently of the ATO and act in a complementary manner to the existing range of services that the ATO offers to unrepresented taxpayers, including small businesses.¹⁴ This has given the founders of each clinic the flexibility to adapt their clinics to their respective communities and work in partnership with each other.

The Clinic presents one such model for pro bono tax advice. Offering state-wide, year-round tax and accounting advisory services, the Clinic specifically targets vulnerable taxpayers in genuine financial distress. In order to maintain the integrity of the client base, the Clinic works directly with financial counsellors, crisis support services, community centres, homeless services and pro bono legal clinics to identify and support people with otherwise unmet tax and accounting needs.

This article proceeds as follows. First, section 1.1 explores the definitions of economic abuse and DFV. Second, section 1.2 identifies some of the most recent statistics to understand the extent of the problem and who is experiencing it. Third, section 1.3 discusses why economic abuse affects women's financial (in)security and creates financial stress and the challenge this presents for those looking to support those experiencing economic abuse. Section 1.4 highlights the complexities surrounding economic abuse and introduces the Clinic program as a means of supporting socially and financially disadvantaged women with their tax affairs. The remainder of this article presents in section 2 an overview of the Australian tax and legal landscape, with an emphasis on identifying unmet needs and identifying – and bridging – gaps between tax problems, economic abuse, and economic hardship. Section 3 outlines the research design, details the clinic setting and presents both the qualitative and quantitative components of this study. Section 4 outlines the results of the study, and section 5 presents the conclusion.

1.1 Defining economic abuse

There is an emerging international literature with various definitions and measures of economic abuse.¹⁵ Economic abuse refers to '[a] pattern of control, exploitation or sabotage of money, finances and economic resources which affects an individual's capacity to acquire, use and maintain economic resources and threatening their economic security and self-sufficiency'.¹⁶ Economic abuse commonly occurs alongside other forms of DFV, including physical, sexual, psychological and emotional abuse, as well as threats, intimidation and controlling behaviours.¹⁷ A recent evidence review conducted by Breckenridge et al identified common tactics used to perpetrate economic abuse, including the control of money within a relationship, failing to contribute to household expenses, appropriating one partner's income or assets, making one partner

¹³ For a detailed overview of the introduction of the National Tax Clinics Program, see Kayis-Kumar et al, 'Pro Bono Tax Clinics', above n 4.

¹⁴ Hon Stuart Robert (Assistant Treasurer), Address to the Australasian Tax Teachers Association 31st Annual Conference (16 January 2019), <https://ministers.treasury.gov.au/ministers/stuart-robert-2018/speeches/address-australasian-tax-teachers-association-31st-annual>.

¹⁵ Judy L Postmus, Gretchen L Hoge, Jan Breckenridge, Nicola Sharp-Jeffs and Donna Chung, 'Economic Abuse as an Invisible Form of Domestic Violence: A Multicountry Review' (2020) 21(2) *Trauma, Violence, and Abuse* 261, 265-277.

¹⁶ Gendered Violence Research Network, above n 6, 4.

¹⁷ *Ibid* 28.

liable for joint debt and employment sabotage.¹⁸ However, it is of note that the review did not identify the incidence of tax problems as a potential symptom of DFV or economic abuse perpetration.

Indeed, this is the first article in the Australian literature to conceptualise tax problems as a potential symptom for DFV or economic abuse perpetration.

Similarly to the economic abuse and tax literatures remaining disconnected to date, tax laws have also not conceptualised economic abuse as grounds for potential relief from tax debts.¹⁹ This is despite precedent in the US, which has had in place ‘innocent spouse relief’ since 1971, which provides relief for spouses who may be jointly liable for tax debts, with the Internal Revenue Service recognising that survivors of economic abuse may deserve relief from tax debts since legislative reform of the provisions in 1998.²⁰ This is the subject of further research by the authors, as it presents an opportunity for law reform in Australia. A brief outline is presented in section 2.2 below.

For completeness, Australian States and Territories have begun to recognise economic abuse as part of DFV within relevant legislation.²¹ However, Tasmania is the only Australian jurisdiction which explicitly criminalises economic abuse,²² with New South Wales likely to both criminalise coercive control and implement a legislative definition of ‘domestic abuse’ by July 2024.²³ While economic abuse is defined differently in each jurisdiction, it ultimately recognises the fundamental underpinning of economic abuse as part of coercive control.

1.2 Prevalence, indicators and consequences of economic abuse

It is not possible to accurately report the prevalence of economic abuse in Australian households as it is largely underreported.²⁴ However, research suggests that economic

¹⁸ Ibid 22.

¹⁹ See, for example, Evgenia Bourova, Ian Ramsay and Paul Ali, ‘Limitations of Australia’s Legal Hardship Protections for Women with Debt Problems Caused by Economic Abuse’ (2019) 42(4) *University of New South Wales Law Journal* 1146. This article finds that in the absence of provisions for severing liability for joint debt, the legal hardship protections have limited capacity to assist victims of economic abuse.

²⁰ See, for example, the *Internal Revenue Service Restructuring and Reform Act of 1998*, PL 105-206, 112 Stat 685 (US), which substantially revised the situations when spouses or ex-spouses can be relieved of a joint tax liability and provides three different categories for relief: s 6015(b) traditional innocent spouse relief, which was modelled on relief that had been provided since 1971; s 6015(c) allocation of liability for taxpayers divorced, legally separated or living apart for more than twelve months, and s 6015(f) equitable relief, which provides that the Internal Revenue Service (IRS) may weigh a taxpayer’s individual circumstances when deciding whether to grant relief. Equitable relief was a major expansion of the law, allowing for potential relief for not only those who understate their tax liability but also those who underpay. Taken together, these provisions are generally known in the US as ‘spousal relief’ or ‘innocent spouse relief’: Christine S Speidel and Audrey Patten, *A Practitioner’s Guide to Innocent Spouse Relief: Proven Strategies for Winning Section 6015 Tax Cases* (American Bar Association, 3rd ed, 2022) 1. It has been noted that, since 1988, ‘the IRS has received tens of thousands of innocent spouse relief requests annually. The National Taxpayer Advocate has consistently reported that innocent spouse claims are among the most serious problems faced by taxpayers, and innocent spouse relief has been one of the 10 most-litigated tax issues in the past decade’: Wei-Chih Chiang, Rachana Kalelkar and Xiaobo Dong, ‘New Rules for Innocent Spouse Equitable Relief’, *Journal of Accountancy* (1 May 2014).

²¹ See, *Domestic and Family Violence Act 2007* (NT) s 5; *Domestic and Family Violence Protection Act 2012* (Qld) s 10; *Family Violence Act 2016* (ACT) s 8; *Family Violence Protection Act 2008* (Vic) s 5.

²² *Family Violence Act 2004* (Tas) s 8.

²³ See *Crimes Legislation Amendment (Coercive Control) Act 2022*, above n 2; *Crimes (Domestic and Personal Violence) Act 2007*, above n 2.

²⁴ Gendered Violence Research Network, above n 6, 9-11.

abuse is likely to be a problem for at least 50 per cent of women who have experienced abusive relationships.²⁵ Further, Australian Bureau of Statistics (ABS) data suggest that approximately 16 per cent of women and 7 per cent of men have experienced some form of economic abuse.²⁶

Further, there is no ‘stereotypical’ target of economic abuse: it can affect men or women (though more often the latter) irrespective of wealth and social class.²⁷ However, the ABS Personal Safety Survey demonstrates that women are most likely to be the victims in intimate partnerships and may not realise they are experiencing abuse given the gendered financial management that is typical of these relationships.²⁸ The literature simultaneously identifies that economic abuse clusters around certain social categories: men and women between 40 and 49 years of age are most at risk, as are individuals with a disability or long-term health condition.²⁹ It is important to note that older people and people with a disability may experience financial abuse outside the context of an intimate partner or family relationship, so not all experiences of financial abuse are DFV related.³⁰

Economic abuse is associated with lower levels of financial wellbeing – that is, a person’s capacity to meet their expenses, be in control of their finances and feel financially secure.³¹ For example, Kutin, Russell and Reid³² found that women experiencing financial stress, as indicated by cashflow problems across nine areas, were significantly more likely to report abuse than those reporting limited stress. These results remained significant even after controlling for factors such as household income, labour force status and education.³³ One important study by Sharp highlights the direction of the relationship between economic abuse and financial wellbeing.³⁴ This study showed, for example, that before female participants had entered an abusive relationship, 20 per cent were in rent arrears.³⁵ This increased to 33 per cent while they were in a relationship with their abuser.³⁶ Similar results were found for having savings

²⁵ Nicola Sharp, ‘What’s Yours Is Mine’: The Different Forms of Economic Abuse and its Impact on Women and Children Experiencing Domestic Violence’ (Research Report, Refuge, 2008) 35 citing Evan Stark, *Coercive Control: How Men Entrap Women in Personal Life* (Oxford University Press, 2007).

²⁶ The Australian Bureau of Statistics (ABS) interviewed 17,050 women and men in Australia in 2012 about their experiences of violence in the community and in their homes. For the first time, data included items that measured economic abuse, but these were hidden in the emotional abuse statistics: ABS, *Personal Safety, Australia, 2012* (Catalogue No 4906.0, 11 December 2013) (*‘Personal Safety, 2012’*); ABS, *Australian Social Trends, 2014* (Catalogue No 4102.0, 27 June 2014).

²⁷ Gendered Violence Research Network, above n 6, 10 citing Jozica Kutin, Roslyn Russell and Mike Reid, ‘Economic Abuse Between Intimate Partners in Australia: Prevalence, Health Status, Disability and Financial Stress’ (2017) 41(3) *Australian and New Zealand Journal of Public Health* 269.

²⁸ ABS, *Personal Safety, 2012*, above n 26.

²⁹ Kutin et al, above n 27, 270, 273.

³⁰ Gendered Violence Research Network, above n 6, 39; Kutin et al, above n 27, 271.

³¹ Fanny Salignac, Myra Hamilton, Jack Noone, Axelle Marjolin and Kristy Muir, ‘Conceptualizing Financial Wellbeing: An Ecological Life-Course Approach’ (2020) 21(5) *Journal of Happiness Studies* 1581, 1590-1591.

³² Kutin et al, above n 27, 272-273.

³³ Ibid. See, eg, Tanya Corrie and Magdalena McGuire, *Economic Abuse: Searching for Solutions* (Good Shepherd Youth and Family Service and Kildonan UnitingCare, 2013) 32-34.

³⁴ Sharp, above n 25, 38-40.

³⁵ Ibid 38.

³⁶ Ibid.

(37 per cent reduced to 20 per cent); having a loan, credit card or overdraft (12 per cent to 39 per cent); and having other forms of debt (8 per cent to 41 per cent).³⁷

The links between economic abuse and psychological distress are also well documented. For example, US data has shown that ‘mothers who experienced economic abuse were 1.9 times more likely to exhibit depression symptomatology than mothers who had not’.³⁸ Similar results were found in Queensland,³⁹ in a Philippines population study⁴⁰ and in India.⁴¹

Finally, the literature indicates that the potential consequences are exacerbated for certain social groups. For instance, women from lower and working class backgrounds are more likely to use refuges or get by without food.⁴² Likewise, women who are financially insecure may feel unable to leave an abusive relationship or may feel they must return to their violent partner.⁴³ It is also likely that economic abuse will continue after the relationship has ended, albeit with slightly different tactics. Accordingly, ‘policy [and practice] responses need to be sensitive and tailored to differing degrees of vulnerability’.⁴⁴

1.3 Complexities surrounding economic abuse

Economic abuse is a complex social problem for many interrelated reasons, the full extent of which cannot be covered here.⁴⁵ However, an important issue is that those experiencing financial abuse may not recognise abuse. This is because there are a multitude of tactics that perpetrators can use, ranging from changing a personal identification number, to making a partner liable for joint debt, to sabotaging their education or work commitments.⁴⁶ Likewise, traditional gender roles, where males control the household finances, can mask (and facilitate) abuse.⁴⁷ Economic abuse is

³⁷ Ibid.

³⁸ Judy L Postmus, Chien-Chung Huang and Amanda Mathisen-Stylianou, ‘The Impact of Physical and Economic Abuse on Maternal Mental Health and Parenting’ (2012) 34(9) *Children and Youth Services Review* 1922, 1927.

³⁹ Heather Nancarrow, Stewart Lockie and Sanjay Sharma, *Intimate Partner Abuse of Women in the Bowen Basin and Mackay Region of Central Queensland* (Australian Institute of Criminology, 2008) 5. See also Amanda M Stylianou, ‘Economic Abuse Experiences and Depressive Symptoms Among Victims of Intimate Partner Violence’ (2018) 33(6) *Journal of Family Violence* 381.

⁴⁰ Diddy Antai, Ayo Oke, Patrick Braithwaite and Gerald Bryan Lopez, ‘The Effect of Economic, Physical, and Psychological Abuse on Mental Health: A Population-Based Study of Women in the Philippines’ [2014] *International Journal of Family Medicine* 852317, 6.

⁴¹ Suman Kanougiya, Nayreen Daruwalla, Lu Gram, Apoorwa Deepak Gupta, Muthusamy Sivakami and David Osrin, ‘Economic Abuse and its Associations with Symptoms of Common Mental Disorders Among Women in a Cross-Sectional Survey in Informal Settlements in Mumbai, India’ (2021) 21 *BMC Public Health* 842, 6-11. See also Amanda M Stylianou, ‘Economic Abuse Within Intimate Partner Violence: A Review of the Literature’ (2018) 33(1) *Violence and Victims* 3, 9.

⁴² Whitney Bartlett and Rachel Busbridge, ‘Preventing the Financial Abuse of Women in Australia: Can Intersectionality Help?’, *ABC Religion and Ethics* (online, 10 September 2019), <https://www.abc.net.au/religion/iintersectionality-and-the-financial-abuse-of-women/11497004> (accessed 23 November 2023).

⁴³ ABS, *Personal Safety, Australia, 2016* (8 November 2017) (‘*Personal Safety, 2016*’).

⁴⁴ Bartlett and Busbridge, above n 42. For completeness, a comprehensive analysis is contained in Gendered Violence Research Network, above n 6.

⁴⁵ See generally Gendered Violence Research Network, above n 6, 26-40.

⁴⁶ Sharp, above n 25, 19-32; Gendered Violence Research Network, above n 6, 18-19.

⁴⁷ Sharp, above n 25, 37-38; Gendered Violence Research Network, above n 6, 26-27.

also an insidious form of abuse; the abusers' tactics may slowly increase over time, going unnoticed.⁴⁸

As economic abuse is often hidden with wide-ranging tactics, it is also difficult to measure. Breckenridge et al argued that the lack of clear and consistent definition has hampered measurement activity.⁴⁹ The measurement issue partly arises because it is not appropriate to ask direct questions about economic abuse and because it is difficult to create a scale that captures these many tactics.⁵⁰ There are also ethical issues associated with measuring economic abuse as it may inadvertently place the person experiencing abuse in greater harm. This leads to a third area of complexity – safety for those experiencing abuse.

In many instances it is very difficult for those affected by economic abuse to come forward. This is partly because of the identification issue, but also because they may fear the safety ramifications of coming forward or may not have the financial means to leave the relationship.⁵¹ Additionally, those experiencing economic abuse are likely to experience financial hardship and high levels of psychological distress.⁵²

These and other complexities of economic abuse mean that any intervention [or service] assisting individuals must be cognisant of safety and economic hardship issues.⁵³ Potential targets of economic abuse may benefit from actions being taken by financial institutions and financial services.⁵⁴ This includes the early identification of abuse, appropriate hardship programs for those leaving abusive relationships and training to identify risk factors for abuse and the financial hardship that often follows.⁵⁵ Financial services may also benefit from establishing specific family violence teams to minimise the impact of economic abuse on individuals.⁵⁶ In order to provide appropriate referrals and tailored solutions for individuals affected by economic abuse, financial institutions should also be linked to other DFV services within the community.⁵⁷ These actions exemplify the interdisciplinary and integrated response being advocated for within the legal needs literature, which canvasses the need to address the wide-ranging legal problems experienced by targets of abuse.⁵⁸ The UNSW Tax and Business Advisory Clinic (Clinic) is one such example of an interdisciplinary financial service.

2. IDENTIFYING AND ADDRESSING UNMET NEEDS

In general, individuals will not only face a wide range of additional family, criminal or civil law problems, but their severity will be compounded due to circumstances of

⁴⁸ Sharp, above n 25, 20; Bartlett and Busbridge, above n 42.

⁴⁹ Gendered Violence Research Network, above n 6, 11-21.

⁵⁰ Ibid 16.

⁵¹ Ibid 9, 10, 23; Natasha Cortis and Jane Bullen, *Domestic Violence and Women's Economic Security: Building Australia's Capacity for Prevention and Redress* (Australia's National Research Organisation for Women's Safety, 2016) 11, 48, 56-58.

⁵² See above section 1.2.

⁵³ Gendered Violence Research Network, above n 6, 48-50.

⁵⁴ Ibid 48-50.

⁵⁵ Ibid.

⁵⁶ Owen Camilleri, Tanya Corrie and Shorna Moore, *Restoring Financial Safety: Legal Responses to Economic Abuse* (Good Shepherd Australia New Zealand and Wyndham Legal Service, 2015).

⁵⁷ Kathy Landvogt, *Collaborating for Outcomes: Networks in the Financial Support Service System* (Good Shepherd Youth and Family Service, 2014) 108.

⁵⁸ Christine Coumarelos, 'Quantifying the Legal and Broader Life Impacts of Domestic and Family Violence' (Law and Justice Foundation Paper No 32, June 2019) 23-29.

DFV.⁵⁹ Recent research conducted by the Law and Justice Foundation substantiates the relationship between DFV victimisation and a heightened experience of legal problems.⁶⁰ Accordingly, the Law and Justice Foundation promotes a ‘collaborative or joined-up approach’.⁶¹ An example of this is the partnership between health and legal services, primarily targeting victims of physical or sexual violence.⁶² This partnership was recommended by the Victorian Royal Commission into Family Violence, which also warned against a ‘siloing’⁶³ of services that could create greater difficulty for women.⁶⁴ Other partnerships are concerned with housing,⁶⁵ criminal justice and child protection.⁶⁶ The literature also supports the collaboration of legal and financial advisers for individuals experiencing economic abuse.⁶⁷

Despite the extensive body of research that exists, many areas remain unexplored.⁶⁸ Relevantly for this article, Australia’s tax needs literature is currently in its infancy. While this is typically the case for other comparable jurisdictions, the United States present a notable exception given the availability of ‘innocent spouse relief’ provisions. These provisions present useful comparison as an example of how a revenue authority or tax regime can respond to DFV and, in particular, economic abuse. These issues present the focus of this section 2.

2.1 Unmet tax and accounting needs in Australia

The Australian tax system presents significant problems for financially and socially disadvantaged people, especially those who experience economic abuse.⁶⁹ Prior research has found that over one-third of financially vulnerable people per year have a

⁵⁹ Ibid.

⁶⁰ Ibid.

⁶¹ Ibid 25.

⁶² Ronli Sifris, Kate Seear and Genevieve Grant, ‘Gender, Health and the Law: Opportunities and Challenges for Reform’ (2016) 25(1) *Griffith Law Review* 1, 3-4; S Forell and M Nagy, *Health Justice Partnership as a Response to Domestic and Family Violence* (Health Justice Australia, May 2021) 11-14. See also Jan Breckenridge, Susan Rees, Kylie Valentine and Samantha Murray, *Meta-Evaluation of Existing Interagency Partnerships, Collaboration, Coordination and/or Integrated Interventions and Service Responses to Violence Against Women: Key Findings and Future Directions* (Australia’s National Research Organisation for Women’s Safety, 2016) (‘*Meta-Evaluation of Existing Interagency Partnerships*’).

⁶³ Sifris et al, above n 62, 3 citing *Royal Commission into Family Violence* (Full Report, 2016).

⁶⁴ Sifris et al, above n 62, 3-4, discussing *Royal Commission into Family Violence* (Full Report, 2016).

⁶⁵ Kylie Valentine and Jan Breckenridge, ‘Responses to Family and Domestic Violence: Supporting Women?’ (2016) 25(1) *Griffith Law Review* 30, 34-37.

⁶⁶ Breckenridge et al, *Meta-Evaluation of Existing Interagency Partnerships*, above n 62, 18-21.

⁶⁷ Evelyn Rose, Charlotte Mertens and Jennifer Balint, *Addressing Family Violence: Contemporary Best Practice and Community Legal Centres, Final Report* (University of Melbourne in collaboration with the Federation of Community Legal Centres, July 2018) 98-103; see also, Evelyn Rose, Charlotte Mertens and Jennifer Balint, ‘Structural Problems Demand Structural Solutions: Addressing Domestic and Family Violence’ (2023) *Violence Against Women*, 7 June advance online.

⁶⁸ Lynette M Renner and Carolyn Copps Hartley, ‘Psychological Well-Being Among Women Who Experienced Intimate Partner Violence and Received Civil Legal Services’ (2021) 36(7-8) *Journal of Interpersonal Violence* 3688, 3705.

⁶⁹ ‘Tax Symposium: Critical Junctures/Critical Perspectives – A Call for New Voices in Tax Reform’, *Monash University Centre for Commercial Law and Regulatory Studies* (Web Page, 2021), <https://www.monash.edu/law/research/excellence/clars/news-events/critical-juncturescritical-perspectives-a-call-for-new-voices-in-tax-reform> (accessed 23 November 2023); ‘Let’s Talk About Tax’, *SLS 2021 Annual Conference* (Web Page, 2021), <https://virtual.oxfordabstracts.com/#/event/public/2020/submission/319> (accessed 31 August 2021).

tax problem for which they are unable to access independent professional tax advice.⁷⁰ This means that around 36,000-48,000 financially vulnerable people seen by financial counsellors each year are unable to access independent professional tax advice (being 30.1-40.6 per cent of the 120,000 clients with in-person appointments per year).⁷¹ Importantly, this is an underestimate of the total unmet need across Australia as the calculation is limited by the segment of the population that is aware of financial counsellors and can obtain their assistance. Not everyone who needs a financial counsellor will know that financial counsellors can help them. This means that between 745,000-1,004,000 financially vulnerable people are unable to access professional independent tax advice (with 9.9 per cent of women and 8.3 per cent of men across Australia experiencing severe or high financial stress).⁷²

Of significant concern is that this figure is likely to grow, with ever-increasing shocks to the Australian economy (ranging from natural disasters, the cost of living and housing affordability crises, to the economic aftermath of Covid-19) putting further financial pressure on those already vulnerable.

This is particularly problematic given the existing design of Australia's tax and transfer system. Notably, in order to obtain income support payments, including Family Tax Benefit,⁷³ individuals are required to lodge an income tax return.⁷⁴ The Henry Review had anticipated that this requirement creates administrative complexity and increases compliance burdens. Further – and more troublingly – women report the weaponisation of the tax and transfer system as a mechanism to perpetuate coercive control both during and after escaping abusive relationships,⁷⁵ with methods include non-lodgement of tax returns, the diversion of Family Tax Benefit, the non-disclosure of income, and maliciously generating Family Tax Benefit debts. Notably, Cook and co-authors identify that abusive ex-partners often minimise their taxable incomes or avoid lodging

⁷⁰ Ann Kayis-Kumar, Jack Noone, Youngdeok Lim, Michael Walpole and Gordon Mackenzie, 'Tax Accounting for Financial Wellbeing: Quantifying the Unmet Need for Pro Bono Tax Advice' (2022) 51(3) *Australian Tax Review* 228 ('Tax Accounting for Financial Wellbeing').

⁷¹ Financial Counselling Australia, 'A Survey: The Unmet Need for Financial Counselling' (December 2018), <https://www.financialcounsellingaustralia.org.au/docs/a-survey-the-unmet-need-for-financial-counselling> (accessed 23 November 2023).

⁷² National Australia Bank and Centre for Social Impact (UNSW), *Financial Security and the Influence of Economic Resources: Financial Resilience in Australia 2018* (2018) 41.

⁷³ Australian Government, 'Guides to Social Policy Law – Family Assistance Guide' (6 November 2023) 6.4.3 (Requirement to Lodge an Income Tax Return), available at: <https://guides.dss.gov.au/family-assistance-guide/6/4/3> (accessed 4 December 2023).

⁷⁴ While beyond the scope of this article, notable recommendations for reform include those contained in the Henry Review; specifically, Recommendation 2 which would 'improve the relationship between the tax and transfer systems: allied with a tax exemption for transfer payments, more people would be in only one system at any given time': Australia's Future Tax System Review Panel (Dr Ken Henry, chair), *Australia's Future Tax System: Report to the Treasurer* (December 2009) pt 2, vol 1, 22-23 ('Henry Review'), available at: https://treasury.gov.au/sites/default/files/2019-10/afts_final_report_part_2_vol_1_consolidated.pdf.

⁷⁵ See, for example, Australian Law Reform Commission, 'Family Violence and Commonwealth Laws: Child Support and Family Assistance' (Issues Paper IP 38, March 2011), available at: <https://www.alrc.gov.au/wp-content/uploads/2019/08/IP-38-whole-document.pdf>; Dina Bowman and Seuwandi Wickramasinghe, *Trampolines, Not Traps: Enabling Economic Security for Single Mothers and Their Children* (Brotherhood of St Laurence, 2020), available at: <https://nla.gov.au/nla.obj-2904137381/view>; Kay Cook, Adrienne Byrt, Rachel Burgin, Terese Edwards, Ashlea Coen and Georgina Dimopoulos, *Financial Abuse: The Weaponisation of Child Support in Australia* (Swinburne University of Technology and the National Council of Single Mothers and their Children, 2023), available at: <https://doi.org/10.26185/72dy-m137>.

tax returns in order to lower their child support liabilities, or threaten not to lodge a tax return if their former spouses did not do what they wanted.⁷⁶ Cook et al find that separated mothers endure lasting impacts to their financial security, emotional and mental wellbeing, food security, and housing safety through child support-facilitated economic abuse, sometimes long after separation.⁷⁷

These issues are exacerbated by women generally having lower tax literacy levels.⁷⁸ As noted in advocacy efforts including by the North Queensland Women's Legal Service, there is also widespread system abuse including of the interaction between the ATO and Services Australia, inadvertently supported by organisational processes and privacy legislation.⁷⁹ For example, government departments assume that couples share control of finances, and therefore make decisions to take childcare rebate overpayments from the mother's tax refund.

This is problematic and further compounded by the absence of tax relief on grounds of economic abuse – in both Australian law and those of other comparable jurisdictions. The United States presents a notable exception. Its 'innocent spouse relief' provisions present a useful example of how a revenue authority and tax regime can respond to DFV and, in particular, economic abuse. This is explored in the following section 2.2.

2.2 Alternative regulatory responses to economic abuse

It is important at the outset to contextualise that the US innocent spouse relief provisions apply because of joint liability in a jointly filed 'married' tax return. There is no joint assessment nor joint filing in Australia. Rather, joint and several liability for taxes in Australia may arise in some situations including debts in bankruptcy⁸⁰ and corporate directorships,⁸¹ and the ATO issuance of director penalty notices.⁸²

Nonetheless, it is instructive to compare the experience of comparable jurisdictions to explore alternative approaches to bridging the gap between tax problems, economic abuse, and economic hardship. Accordingly, the remainder of this section outlines the role of tax clinics in advocacy, the resultant innocent spouse relief provisions, and lessons learnt that may be instructive for Australian policy-makers.

⁷⁶ Cook et al, above n 75.

⁷⁷ Ibid.

⁷⁸ Toni Chardon, Brett Freudenberg and Mark Brimble, 'Tax Literacy in Australia: Not Knowing Your Deduction from Your Offset' (2016) 31(2) *Australian Tax Forum* 321, 359.

⁷⁹ The North Queensland Women's Legal Service, Submission to the Women's Safety and Justice Taskforce (April 2021), available at: https://www.womenstaskforce.qld.gov.au/_data/assets/pdf_file/0004/691339/wsjs-submission-north-queensland-women-s-legal-service-nqwls.pdf.

⁸⁰ See *Commissioner of Taxation v Tomaras* (2018) 265 CLR 434.

⁸¹ Vivien Chen, 'Hidden Risks of Economic Abuse through Company Directorships' (2024) 47(1) *University of New South Wales Law Journal*, forthcoming, https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4515673.

⁸² See further Australian Taxation Office, 'Director Penalties' (last updated 6 May 2022), available at: <https://www.ato.gov.au/business/engaging-a-worker/in-detail/director-penalty-regime/>.

2.2.1 *The role of tax clinics in advocacy efforts*

As observed by Kayis-Kumar et al, the US is the only other comparable jurisdiction which has employed a tax clinic program with as extensive reach as the Australian system.⁸³

First introduced in 1970, the US Low Income Tax Clinics program was part of an academic movement to equip students with skills training, as well as a broader social movement in providing legal services to vulnerable taxpayers.⁸⁴ With growing criticism around graduates lacking sufficient practical skills, and an increasing push for protection of vulnerable taxpayers, it was natural for conversations around the development of the legal skills training and legal aid movements to converge.⁸⁵

Legal scholars such as one of the co-authors of this article emphasise the role played by clinics in addressing the national crisis in relation to access to justice and observe that tax clinics have enabled ‘greater access to legal representation in tax controversies than in many other essential civil matters’.⁸⁶

The US experience also highlights how clinics have played a significant role in advocacy and law reform. For example, as Fogg has discussed, a number of US tax clinicians distinguished themselves by advocating and writing on issues that related to vulnerable taxpayers, issues that typically received less attention from the greater number of other academics and practitioners.⁸⁷

In addition to US tax clinicians providing a general focus on vulnerable taxpayers, some US tax clinicians have highlighted the particular problems that relate to joint and several liability and the opportunity for taxpayers to qualify for innocent spouse relief.⁸⁸ First introduced in 1971, the US innocent spouse relief provisions afforded relief for spouses who faced oppressive tax burdens.⁸⁹ The work of US clinicians was instrumental in bringing about change to provisions in the wake of 1988 legislation.⁹⁰

⁸³ For an international comparative analysis of the pro bono tax clinic experiences of Australia, United States, United Kingdom and Canada, see Kayis-Kumar et al, ‘Pro Bono Tax Clinics’, above n 4, 116-122.

⁸⁴ ‘Tax Clinics, as we know them today, began in the 1970s as part of an academic movement to provide skills training to students and as part of the broader social movement to provide free or very low cost legal services to the poor. Law schools were looking for platforms through which to teach practical skills to students because of growing criticism that their graduates entered the profession with inadequate practical skills. Communities and the legal profession were looking for ways to protect the most vulnerable members of society from processes over which they could exert little control’: Keith Fogg, ‘Taxation with Representation: The Creation and Development of Low-Income Taxpayer Clinics’ (2013) 67(1) *The Tax Lawyer* 3, 5 (footnotes omitted).

⁸⁵ *Ibid.*

⁸⁶ Leslie Book, ‘Academic Clinics: Benefitting Students, Taxpayers, and the Tax System’ (2015) 68(3) *The Tax Lawyer* 449, 453; ‘Federal Tax Clinic Practicum’, *Hofstra Law* (Web Page, 2016), <https://law.hofstra.edu/clinics/federaltaxclinicpracitum/> (accessed 9 January 2020).

⁸⁷ Fogg, above n 84, at 32-37.

⁸⁸ *Ibid* 32-33 (discussing the role that tax clinicians have played in litigating and publicising the innocent spouse provisions).

⁸⁹ As described by Congressman Boggs when urging its consideration, this legislation was intended to ‘provide relief in compelling situations ... in connection with the imposition upon innocent spouses of large liabilities for taxes and penalties attributable to income omitted from a joint return by the other spouse’: Thomas Hale Boggs, Sr, 116 *Congressional Record* 43350 (1970), House of Representatives.

⁹⁰ Fogg, above n 84, 34-37, discussing how after the 1998 legislation, tax clinician Bob Nadler was an early contributor to scholarship on the provisions and tax clinician Carlton Smith’s advocacy contributed to the change in law allowing for requests for equitable relief to be made beyond two years from the first IRS

Relevantly, in the context of economic abuse and hardship, it is instructive to examine the US innocent spouse relief provisions. In the US, there are three avenues for obtaining innocent spouse relief. Traditional innocent spouse relief requires that the spouse requesting relief did not know or have reason to know that there was an understatement of tax and in considering the facts and circumstances it would be inequitable to hold the requesting spouse liable for the understatement of tax.⁹¹ Second, for an understatement of tax, relief is available when a requesting spouse is divorced, widowed, legally separated or apart from the non-requesting spouse for one year from the date of a request for relief.⁹² Finally, under equitable relief, the IRS can grant relief when a taxpayer is unable to qualify for the first two forms of relief if in its view it would be inequitable to continue to hold the spouse liable.⁹³ This last path is available both for understatements of tax and underpayments of tax, while the first two paths are only available with respect to tax liabilities flowing from IRS determinations that a taxpayer has understated their true tax liability.

The IRS, in administering the innocent spouse provisions, has adopted guidelines for its employees.⁹⁴ In the first and third paths for relief, that is traditional innocent spouse relief and equitable relief, economic hardship and financial abuse are important factors that the IRS evaluates in determining the equity of whether to grant relief. While a detailed discussion of the eligibility criteria is beyond the scope of this article, a requesting spouse's knowledge, or reason to know, of a tax liability can be a disqualifying factor for traditional relief and an important factor in the IRS's evaluation of a request for equitable relief.

Below is a brief discussion concerning how the IRS has prioritised issues of economic abuse and financial hardship in its determinations regarding eligibility for innocent spouse relief, especially with respect to equitable relief.

2.2.2 *Innocent spouse relief and defining economic abuse*

Revenue Procedure 2013-24 § 4.01(7)(d) states, 'if a requesting spouse establishes that he or she was the victim of abuse prior to the time the return was filed, and that, as a result of the prior abuse, the requesting spouse was not able to challenge the treatment of any items on the [tax] return, or was not able to question the payment of any balance due reported on the [tax] return, for fear of the nonrequesting spouse's retaliation, the Service will consider granting equitable relief...'.⁹⁵

Abuse here is defined as including '*physical, psychological, sexual, or emotional abuse, including efforts to control, isolate, humiliate, and intimidate the requesting spouse, or to undermine the requesting spouse's ability to reason independently and be able to do what is required under the tax laws*'.⁹⁶ Even if the requesting spouse knew or had reason to know (the knowledge factor) about the erroneous tax liability understatements or

collection activity. In the US, tax clinicians continue to be at the forefront of issues of the innocent spouse provisions. For example, Professors Christine Speidel and Audrey Patten, tax clinicians at the Villanova Law School and Harvard Law School, have recently written the sixth edition of a detailed book on the provisions, *A Practitioner's Guide to Innocent Spouse Relief*, above n 20.

⁹¹ Internal Revenue Code (IRC) § 6015(b).

⁹² Ibid § 6015(c). The tax must also be attributable to erroneous items of the non-requesting spouse.

⁹³ Ibid § 6015(f).

⁹⁴ IRS, Revenue Procedure 2013-34 ('Revenue Procedure 2013-34').

⁹⁵ Ibid § 4.01(7)(d).

⁹⁶ Ibid § 4.03(2)(c)(iv) (emphasis added).

deficiencies, the abuse or financial control in terms of household finances and access to financial information could weigh in favour of relief.⁹⁷

2.2.3 *Innocent spouse relief and economic hardship*

The economic hardship factor is satisfied when a failure to grant relief from joint and several liability, would ‘cause the requesting spouse to be unable to pay reasonable basic living expenses’.⁹⁸ According to § 4.03(2)(b) of the Revenue Procedure, hardship would be suffered if (1) the requesting spouse’s income is less than 250 per cent of the federal poverty guidelines,⁹⁹ and (2) the requesting spouse does not have assets from which they can make payments towards the tax liabilities and still meet reasonable basic living expenses.¹⁰⁰ If this test is not met, additional factors are considered such as taxpayer’s age, earning potential, amount reasonably necessary for food, clothing, housing, medical expenses and transportation, total available assets and the cost of living in the geographical area in which the taxpayer lives.¹⁰¹

The Australian regime presents a notable contrast. Academics such as Fisher¹⁰² and Villios¹⁰³ have observed that while the threshold test turns on the criterion of ‘serious hardship’, the legislation remains silent on the issue, providing no definition or criteria as to what may constitute serious hardship. Similarly, the Explanatory Memorandum accompanying the Taxation Laws Amendment Bill (No. 6) 2003 (Cth) contains no interpretive guidance.¹⁰⁴ Thus, the meaning of serious hardship is interpreted by reference to judicial considerations and administrative guidance – and has been described by O’Rourke et al as outdated and in urgent need of reform.¹⁰⁵

2.2.4 *Lessons learnt from the US experience*

In determining whether equity favours granting relief, the US tax system provides for a multi-factored consideration. The determination is context specific; abuse and hardship are important variables that the IRS must weigh when a taxpayer requests relief. While a requesting spouse’s knowledge of a tax liability is a barrier to relief, it can be mitigated in the presence of abuse, inappropriate financial control or financial hardship.

⁹⁷ Ibid § 4.03(3)(c)(i)(A).

⁹⁸ Ibid § 4.03(2)(b).

⁹⁹ 42 USC §9902(2).

¹⁰⁰ *Contreras v Commissioner*, TC Memo. 2019-12, 16-17 (US Tax Court, 2019) (‘*Contreras*’).

¹⁰¹ IRS, Revenue Procedure 2013-34, above n 94, § 4.02(2).

¹⁰² Rodney Fisher, ‘Tensions in Tax Decision-Making: The Decision to Not Collect Tax’ (2012) 27(4) *Australian Tax Forum* 885; Rodney Fisher and Cynthia Coleman, ‘The Hardship Discretion – Building Bridges with the Community’ (2010) 8(2) *eJournal of Tax Research* 162.

¹⁰³ Sylvia Villios, ‘Tax Collection, Recovery and Enforcement Issues for Insolvent Entities’ (2016) 31(3) *Australian Tax Forum* 425.

¹⁰⁴ Rather, the Explanatory Memorandum highlights a twofold objective of this amendment: ‘... to streamline the procedures under which an individual taxpayer can be released from a tax liability where payment would entail serious hardship. Consistent with contemporary review practices, the amendments will also introduce a new right to have tax relief decisions reviewed internally under the ATO objections process, and externally by the AAT sitting as the Small Taxation Claims Tribunal’; Explanatory Memorandum to the Taxation Laws Amendment Bill (No. 6) 2003, 5.

¹⁰⁵ See further Kevin O’Rourke, Ann Kayis-Kumar and Michael Walpole, ‘Serious Hardship Relief: In Need of a Serious Rethink?’ (2021) 43(1) *Sydney Law Review* 1; see also ATO, ‘Debt Relief, Waiver and Non-Pursuit’, Practice Statement Law Administration PS LA 2011/17, <https://www.ato.gov.au/law/view/document?docid=PSR/PS201117/NAT/ATO/00001> (‘PS LA 2011/17’).

For example, the US tax system recognises that inappropriate financial control may negate knowledge and thus explicitly recognises a spectrum of abusive conduct that may justify relief from a tax debt.¹⁰⁶ In addition, a recent analysis of relevant US tax cases by Fogg indicates that while the Tax Court still places significant negative weight on a requesting spouse's knowledge of a tax liability, the presence of economic hardship can be the determinant in deciding whether to grant equitable relief. Notably, Fogg observes that when knowledge of the tax was a negative factor, but other positive factors are present, 'the taxpayer always wins if one of the positive factors is also financial hardship'.¹⁰⁷

In contrast, the Australian legislative landscape affords no specific avenues for relief of tax debts on grounds of economic abuse, and very limited grounds for relief of tax debts on grounds of economic hardship.¹⁰⁸ Indeed, the existing provisions have most recently been described as 'outdated and in urgent need of reform'.¹⁰⁹

It remains underexplored in the Australian context whether affording relief from tax debts on grounds of economic abuse and economic hardship would have the potential to improve client outcomes and financial wellbeing, and improve long-term trajectories of financially vulnerable taxpayers.¹¹⁰ Accordingly, this is the subject of further research by the authors.

3. RESEARCH DESIGN

3.1 Research framework, methodological approach and research method

A grounded theory strategy was selected as the most appropriate methodological approach for this research. McKerchar and co-authors¹¹¹ note that in grounded theory, the theory derived by the researcher is 'grounded' in the views and observations of the interviewees in the study. This process involves using multiple stages of data collection and data coding and the ongoing refinement of information and theories derived. Grounded theories, because they are drawn from data, are likely to offer insight, enhance understanding and provide a meaningful guide to action.¹¹² Further, the research findings and recommendations arising from the use of grounded theory can contribute

¹⁰⁶ In *Contreras*, above n 100, 28-29, for example, the Tax Court was unable to conclude that the requesting spouse met her burden of proof in establishing alleged physical or emotional abuse, but was able to negate knowledge by proving her ex-spouse exercised inappropriate financial control, including requiring her to ask permission to purchase household items and preventing her from reviewing tax returns.

¹⁰⁷ Keith Fogg, 'Is Economic Hardship the Antidote for Knowledge in an Innocent Spouse Case?', *Procedurally Taxing* (Blog Post, 24 August 2021), <https://www.taxnotes.com/procedurally-taxing/economic-hardship-antidote-knowledge-innocent-spouse-case/2021/08/24/7h77w?pt=1>.

Conversely, Fogg noted that when knowledge was a negative taxpayer factor, the presence of multiple positive factors in the taxpayer's favour, combined with an absence of hardship, resulted in taxpayer losses.

¹⁰⁸ For a detailed analysis of Australia's legislative background, case law history and specific recommendations to modernise Australia's serious hardship relief provisions, see O'Rourke et al, above n 105.

¹⁰⁹ *Ibid* 1.

¹¹⁰ For a range of short-, medium- and long-term outcomes, see: Kayis-Kumar et al, 'Pro Bono Tax Clinics', above n 4.

¹¹¹ Margaret McKerchar, Helen Hodgson and Michael Walpole, 'Understanding Australian Small Businesses and the Drivers of Compliance Costs: A Grounded Theory Approach' (2009) 24(1) *Australian Tax Forum* 151.

¹¹² *Ibid*.

to policy or knowledge development and service provision and can reform thinking to initiate change in the substantive area of inquiry.¹¹³

Given the Clinic setting and procedures (detailed in section 3.2), the research method adopted is in-depth interviews and observations. These interviews contain both quantitative and qualitative questions, thereby drawing on the strengths of both type of data analysis.

Specifically, the qualitative questions provide access to deeper understandings of people's lives and experiences, whereby the interviewers (namely, the clinic supervisors and students) have the freedom to ask follow-up questions, to digress, to tease out issues and underlying concerns. As a result, each interview becomes a unique and challenging experience. The quantitative questions are coded into the client dataset and include a combination of yes/no questions, Likert scales, and various screening scales (including the Kessler 6 and the Scale of Economic Abuse 2).

Together, the quantitative and qualitative components complement and inform each other, thereby providing a deeper understanding of client experiences.

3.2 Clinic setting and procedures

3.2.1 Clinic setting

The Clinic provides its clients, all of whom are financially disadvantaged, with a pro bono tax agent service to get their tax affairs back on track. This can increase their levels of financial control, which is associated with financial security in the short and long term.¹¹⁴ As a result of targeting this cohort, clients are often dealing with the financial implications of mental health issues, financial abuse, natural disasters, gambling addictions, substance abuse, an inability to afford food and medical care, and the risks of financial despair leading to self-harm.

To date, the vast bulk of the Clinic's work has involved debt management and tax compliance including filing long-term overdue income tax returns and Business Activity Statements, with most clients' backlog spanning nearly a decade.¹¹⁵

3.2.2 Clinic procedures

Following initial screening based on strict eligibility criteria¹¹⁶ or direct 'warm referrals' from a social impact ecosystem partner organisation, prospective clients are invited to make a client appointment. Client appointments are subsequently made on a bookings-only basis to ensure that matters can be triaged by degree of need. Clients are given their choice of appointment date and time, their preferred mode of meeting (in person,

¹¹³ Ylona Chun Tie, Melanie Birks and Karen Francis, 'Grounded Theory Research: A Design Framework for Novice Researchers' (2019) 7 *Sage Open Medicine* 1, <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6318722/>.

¹¹⁴ Jack H Noone, Christine Stephens and Fiona Alpass, 'The Process of Retirement Planning Scale (PRePS): Development and Validation' (2010) 22(3) *Psychological Assessment* 520, 520.

¹¹⁵ UNSW Tax and Business Advisory Clinic, *Annual Report 2022*, <https://www.unsw.edu.au/content/dam/pdfs/events/business-school/2023-02-documents/2023-02-documents-UNSW-Tax-and-Business%20Advisory-Clinic-2022-Annual-Report.pdf>.

¹¹⁶ See 'Get Free Tax Advice and Business Coaching', *School of Accounting, Auditing and Taxation, UNSW Business School* (Web Page), <https://www.unsw.edu.au/business/our-schools/accounting-auditing-taxation/about-us/unsw-clinic/free-tax-advice-business-coaching>.

telephone or online), and asked whether they would like the involvement of a support person and/or interpreter.

As a teaching clinic, the client is typically first interviewed by a student under the supervision of a professional tax agent. This comprises the in-depth interview (comprising both a Client Consent Form and a Client Advice Form) and subsequent observations used in this research. The duration and frequency of client interaction varies depending on the complexity of the case, with most clients requiring an additional two follow-up appointments and on average approximately 17 hours to finalise their matters.¹¹⁷

The Client Advice Form provides a mechanism to confirm eligibility and determine whether the client consents to their data being used for secondary research purposes. The verbal consent is twofold; first, it obtains consent from the client to their personal information being used for secondary research purposes, subject to such information being de-identified, and evidence of human ethics approval being provided.¹¹⁸ Second, it determines whether the client consents to being contacted by the Clinic to complete a voluntary Client Satisfaction Survey following completion of their matter.

The Clinic's screening form also collects data on the referring organisation, what other services are being utilised by each client, and if a client would like to be referred to a DFV service. However, clients are only offered a referral to a DFV provider if the screening tool puts them at risk for DFV. Risk is categorised as answering sometimes, often or very often to any of the screening questions. The wording is:

Thank you so much for sharing your experience with us. Your answers suggest possible coercive control, which can often take the form of financial control within intimate partner relationships. We partner with specialist services that can help. Would you like us to connect you with one of our partner services?

It is important to note that given the likelihood of interviewers being directly exposed to confronting subject matter, an integral part of the Clinic's internal onboarding procedure involves both mental health awareness and domestic violence awareness training. These training sessions are conducted before any new Clinic team member has exposure to client casework, and are led by external providers.¹¹⁹

3.3 Qualitative component

The period of the study is from September 2019 to May 2023. The in-depth interviews and client observations conducted over this time were with a team of five accountants as clinic supervisors and 53 university students enrolled or volunteering at the Clinic. Facilitating the provision of advice from accountants was important given the ethical prerogative of supporting those with otherwise unmet needs for professional tax advice by providing them with said professional tax advice.

Tax clinic clients typically present with mental health and similar problems which make it difficult for them to handle their own affairs unaided and make it difficult for them to

¹¹⁷ UNSW Tax and Business Advisory Clinic, above n 115.

¹¹⁸ The current research was approved by the human ethics committee of the researchers' university.

¹¹⁹ Relevantly, Women's Legal Service NSW has generously conducted all of the Clinic's domestic violence awareness training sessions.

understand what is required of them.¹²⁰ In such situations, independent, free and confidential advice is key to the resolution of the taxpayer's problem.¹²¹ Further, tax clinic clients have comorbid issues and need to be referred on to other support services (including DFV support services). However, there is a research gap on whether these referral pathways are effective. This presents the subject of further research by the authors.

The literature on domestic and family violence demonstrates that those affected may have complex needs – particularly those clients who have experienced economic abuse. As such, this research critically examines: (1) the Clinic processes; (2) the client characteristics, and, (3) the tax issues that clients present with, to assess the Clinic's capacity to deal with that complexity.

The overarching research question presented by this study is:

RQ₁: *Can tax clinics complement the existing social impact ecosystem by identifying and supporting women experiencing domestic and family violence? If so, how?*

The following sub-questions are designed to guide the analysis of the above RQ₁.

3.3.1 *Clinic processes to identify clients experiencing domestic and family violence*

Some clients may not clearly identify the violence and abuse they suffer as domestic and family violence and others may feel shame or that it is not safe to disclose their experiences. Therefore, more sophisticated measures need to be used in the screening process to ensure the Clinic provides a safe and appropriately targeted service to address these clients' needs. These new measures focus on known abusive behaviours (including those known to constitute economic and financial abuse) rather than overtly asking if people have been abused or not. However, more sophisticated measures mean there would be a typically longer interview with clients and to date, there is little or no data demonstrating the efficacy of such measures.

Therefore, the research questions are:

RQ_{1.1}: *Are there variations in detecting DFV depending on whether clients are asked direct questions vs indirect screening questions? Are these women current seeking support from DFV services?*

3.3.2 *Clinic processes to support clients experiencing domestic and family violence*

The literature stresses the importance of being able to provide appropriate and targeted referrals to relevant services to support those experiencing DFV financially, psychologically and practically. This evidence suggests the need for effective relationships between the Clinic and DFV specialist, mental health, financial counselling, legal and housing services. The way in which clients are referred to the

¹²⁰ See, eg, Van Le and Tina Hoyer, '2019 National Tax Clinic Project: James Cook University Tax Clinic' (2020) 22(2) *Journal of Australian Taxation* 162, 162-173; Donovan Castelyn, Stephanie Bruce and Annette Morgan, '2019 National Tax Clinic Project: Curtin University – Curtin Tax Clinic' (2020) 22(2) *Journal of Australian Taxation* 1, 1-26.

¹²¹ Kayis-Kumar et al, 'Tax Accounting for Financial Wellbeing', above n 70.

Clinic provides an early indication of the Clinic network's strength and opportunities for growth in interprofessional relationships within the social impact ecosystem.¹²²

However, it is challenging to track and determine whether these cross-referral pathways are effective. Accordingly, this presents the subject of further research by the authors. So, the following sub-question is limited to exploring the tax-specific supports provided to clients.

The research questions are:

RQ_{1.2}: *Which service providers refer clients to the Clinic? How do clients feel about the support they have received from the Clinic?*

3.3.3 *Characteristics of clients experiencing domestic and family violence*

There is no one population group who experience violence and abuse. It is therefore important to assess whether the Clinic client base demonstrates the same diversity, excepting that the participants are all women in economic hardship by design. If analysis identifies a lack of diversity on other characteristics, the Clinic may need to change its processes to attract more diverse female clients. The Clinic's client base also provides an opportunity to explore which, if any, characteristics are associated with the incidence of DFV.

The research question is:

RQ_{1.3}: *What are the characteristics of clients experiencing DFV?*

3.3.4 *Tax problems faced by clients experiencing domestic and family violence*

As observed in the above section 2, the research on the relationships between tax and DFV is in its infancy. But those experiencing DFV are more likely to have experience financial and economic abuse, which could include tax-related issues. Likewise, issues around 'shared debt' are known to exist in the literature and may come up in a tax context. The nature of clients' tax issues is important to establish because it may affect the provisioning of services. If clients commonly present with specific tax issues, then more training and support could be provided to clinic staff in those areas. At this point, the specific tax issues of those experiencing DFV are unknown.

The question is therefore:

RQ_{1.4}: *What tax issues do clients experiencing DFV present with?*

Answering this question will provide insights into the Clinic's capacity to identify and support those experiencing domestic and family violence.

3.4 **Quantitative component**

The Federal government's 2018 Australian Institute of Health and Welfare report establishes six specific population groups as being most at risk of DFV; namely, Aboriginal and Torres Strait Islander women; young women; pregnant women; women with disabilities; women experiencing financial hardships; and women and men who

¹²² Ann Kayis-Kumar, Gordon Mackenzie and Michael Walpole, 'Interprofessional Collaborative Practice in Pro Bono Tax Clinics: A Case Study Approach' (2020) 22(2) *Journal of Australian Taxation* 49.

experienced abuse or witnessed domestic violence as children.¹²³ However, it is important to emphasise that there is no ‘typical’ target of economic abuse. Rather, it can affect men or women (though more often the latter) irrespective of wealth and social class.¹²⁴

This study adopts quantitative data analysis in the form of descriptive statistics to explore whether specific population groups are at risk of DFV. Utilising a logit regression model with the dependent variable being DFV and various indicators as independent variables, the logit regression model is as follows:

$$DFV = f(\text{client characteristics, tax-related variables, and socio-economic status})$$

where:

Dependent variable:

DFV is equal to 1 if respondent experience of DFV is ‘Yes’ and is zero otherwise.

Independent variables:

Clients’ characteristics

- *Age* is the number of years after the year of birth.
- *Country of Birth* is equal to 1 if country of birth is ‘Australia’ and is zero otherwise.
- *Indigenous* is equal to 1 if Indigenous is ‘Yes’ and is zero otherwise.
- *Mental Illness* is equal to 1 if respondents write ‘Yes’ for an item of Mental Illness and is zero otherwise.
- *Physical Disability* is equal to 1 if respondents write ‘Yes’ for an item of Physical Disability and is zero otherwise.
- *Small business owner* is equal to 1 if respondents write ‘Yes’ for an item of Small business owner and is zero otherwise.
- *Centrelink benefit* is equal to 1 if respondent receives any benefit including Jobseeker, parenting payment, disability support pension from Centrelink and is zero otherwise.
- *Contact type – referral* is equal to 1 if the Clinic received the referral as contact type and is zero otherwise (eg, online query, phone etc).

Tax-related variables

Type of Tax Issue – Debt is equal to zero if Type of Tax Issue is ‘Debt’ and is 1 otherwise.

¹²³ Australian Institute of Health and Welfare, *Australia’s Health 2018* (Australia’s Health Series No. 16, 2018) 70-115, available at: <https://www.aihw.gov.au/getmedia/7c42913d-295f-4bc9-9c24-4e44eff4a04a/aihw-aus-221.pdf>.

¹²⁴ Gendered Violence Research Network, above n 6, 10 citing Kutin et al, above n 27.

Lodge own tax return is equal to 1 if respondent lodged own tax return and zero otherwise.

Community-level Socio-Economic Status

- *IRSAD* is the Index of Relative Socio-Economic Advantage and Disadvantage as per postcode through one of the Socio-Economic Indexes for Areas (Census, 2016).

4. RESULTS

The following sections 4.1 and 4.2 detail the results of both the qualitative and quantitative analysis, respectively.

4.1 Qualitative analysis

4.1.1 *Clinic processes to identify clients experiencing domestic and family violence*

The research questions for this sub-section are:

RQ_{1.1}: *Are there variations in detecting DFV depending on whether clients are asked direct questions vs indirect screening questions? Are these women current seeking support from DFV services?*

It is well-established that women experiencing DFV have significantly poorer general health, physical function and mental health.¹²⁵ Accordingly, the authors consider whether respondents have access to both mental health-related and DFV-related support services. Among respondents who self-report experiencing DFV, 50 per cent have received mental health-related support services. In contrast, only 3 per cent of this cohort has received DFV-related support services. This suggests a substantial unmet need for specialist DFV support services among this cohort. This highlights just how difficult it is to identify and support this cohort, which heightens the need for novel intervention strategies, including the use of pro bono tax clinics as a mechanism to identify and support women experiencing DFV.

4.1.2 *Clinic processes to support clients experiencing domestic and family violence*

The research questions for this sub-section are:

RQ_{1.2}: *Which service providers refer clients to the Clinic? How do clients feel about the support they have received from the Clinic?*

In line with the expectations of the researchers, most Clinic clients were referred by, and already obtain support from, service providers in the social impact ecosystem. These include financial counsellors, crisis support services, community centres, homeless services and pro bono legal clinics.

Regarding the second element of this ***RQ_{1.2}***, two key themes emerged from the follow-up interviews conducted upon completion of client matters. Specifically, when asked ‘How did you feel before you came to the Tax Clinic? How do you feel now?’, all

¹²⁵ Australian Institute of Health and Welfare, above n 123, 68.

responses can be grouped under one of two themes; either (1) relief from financial and psychological stress, and/or (2) empowerment.

Select examples of client feedback under these two themes include:

Thank you so much ... just got out of Family Court now and this is such a relief! I really don't think people understand the magnitude of offering this assistance to people in hardship and situations where financial abuse is a factor. I can't explain what a weight has been lifted by having these completed – something I should be capable of figuring out myself but at this time in my life simply unable to cope with! Thank you again so much, it really has made a difference to my life and my children's lives [Client #19053];

Reduced my stress about tax, I couldn't do it alone. I needed help, was too overwhelming [Client #20046];

Before I contacted the Tax Clinic I felt like the world was spinning in the wrong direction and my anxiety was through the roof. After they helped me I'm so thankful and grateful [Client #20055];

Stressed, confused, hopeless. After tax clinic assistance relief, out of blindness about the problem I had [Client #20078];

I had severe financial stress and couldn't discuss finances with close family. I am now less stressed about managing money and being tax ready [Client #22001];

Before coming to the tax clinic, I was really afraid of what would happen once I finally did my tax returns. Now I am actually considering doing an accounting course so I can too help other sole traders who struggle with this stuff. Liz has helped me so much, and I have realised that tax is a language that I not only can understand but may also be able to learn and pass on [Client #22018].

4.1.3 Characteristics of clients experiencing domestic and family violence

The research question is:

RQ_{1.3}: *What are the characteristics of clients experiencing DFV?*

Most (that is, 58 per cent) Clinic clients self-reported that they have experienced DFV. In contrast, the latest figures on the prevalence of domestic violence and economic abuse are 27 per cent and 16 per cent, respectively.¹²⁶ As such, Clinic observations demonstrate that financially vulnerable women presenting with tax problems are substantially more likely than the general population to be experiencing DFV.

This again highlights and amplifies the need to support this cohort. Existing research has also clearly demonstrated that financial services have an important role to play in supporting individuals affected by economic abuse. This may be achieved through training for staff so that they can identify abuse, financial hardship programs and

¹²⁶ ABS, *Personal Safety, Australia, 2021-22 Financial Year* (15 March 2023), <https://www.abs.gov.au/statistics/people/crime-and-justice/personal-safety-australia/latest-release> ('*Personal Safety, 2021-22*').

referrals to external support services to ensure that individuals receive tailored responses which meet their needs.

4.1.4 *Tax problems faced by clients experiencing domestic and family violence*

The research question is:

RQ1.4: *What tax issues do clients experiencing DFV present with?*

As detailed in the Client Advice Forms and subsequent client observations, all tax issues related to either overdue returns and/or debt discussions. This is broadly consistent with the existing literature, which finds that for the vast majority of financially vulnerable taxpayers, their unmet tax needs are in relation to requiring professional assistance with lodging tax returns and handling tax debt.¹²⁷

The median number of outstanding income tax returns and BAS returns amongst the cohort of female clinic clients experiencing DFV was 3 years of income tax returns and 9 quarters of BAS returns, respectively. Given this client profile includes outstanding BAS returns, these clients are operating businesses (predominantly as sole traders or are merely ABN holders, which by default puts them in the ‘business’ category). This disqualified these clients from the ATO’s Tax Help program,¹²⁸ which highlights the critical role and importance of clinics providing tax advice for complex matters involving taxpayers in economic hardship. This is punctuated by the observations in the literature that women who are financially insecure may feel unable to leave an abusive relationship or may feel they must return to their violent partner.¹²⁹

4.2 Quantitative analysis

A total of 112 women participated in the study from September 2019 to May 2023, with a final sample of 71 who responded to the question relating to DFV. This DFV variable provides enough variation for additional univariate and multivariate analyses.

4.2.1 *Clinic processes to support clients experiencing domestic and family violence*

The second and third columns in Table 1 show that of those using a service, general counselling and mental health counselling were popular for both those who were or were not experiencing DFV. This is not surprising given that this is where most of the Clinics referrals came from. Also, 23-32 per cent of our clients were also using mental health services. However, 12-15 per cent of clients did not answer the questions on existing services received.

¹²⁷ Kayis-Kumar et al, ‘Tax Accounting for Financial Wellbeing’, above n 70.

¹²⁸ ‘ATO Tax Help Program: Eligibility for Tax Help’, *Australian Taxation Office* (Web Page, 9 March 2023), <https://www.ato.gov.au/Individuals/Your-tax-return/Help-and-support-to-lodge-your-tax-return/Tax-Help-program/#EligibilityforTaxHelp>.

¹²⁹ ABS, *Personal Safety, 2016*, above n 43.

Table 1: Proportion of Clients Using Support Services According to Their Self-Reported Experience of DFV

	Total sample		Reports being affected by DFV		Does not report being affected by DFV	
	N	Percentage	N	Percentage	N	Percentage
Financial services	16	0.23	8	0.20	8	0.27
Gambling services	4	0.06	1	0.02	3	0.10
Disability services	4	0.06	3	0.07	1	0.03
Mental health services	20	0.28	13	0.32	7	0.23
Housing services	3	0.04	3	0.07	0	0.00
Employment services	2	0.03	1	0.02	1	0.03
Legal services	7	0.10	6	0.15	1	0.03
General counselling	18	0.25	12	0.29	6	0.20
Domestic violence services	2	0.03	2	0.05	0	0.00
Not answered	11	0.15	5	0.12	6	0.20

Notes: Double selections are allowed in the question.

4.2.2 Characteristics of clients experiencing domestic and family violence

Table 2 shows the descriptive statistics of the variables used in the study. When asked, ‘Have you ever been affected by family or domestic violence?’, 58 per cent of respondents self-reported experiencing DFV. This figure is above the general population levels of 27 per cent (or 2.7 million) women experiencing DFV.¹³⁰ The clinical observations demonstrate that financially vulnerable women presenting with tax problems at the Clinic are substantially more likely than the general population to be experiencing DFV.

Clients experiencing DFV ranged in age from 24 to 82 years (M=71, SD=11.74). The majority (61 per cent) were born in Australia, and 11 per cent self-identified as Indigenous. Nearly two-thirds (70 per cent) self-reported experiencing mental health issues and 27 per cent self-reported experiencing physical disability. Sixty-eight per cent of clients were small business owners and 78 per cent received Centrelink benefits. Fourteen per cent were engaged in tax debt discussions with the ATO and 71 per cent of clients were referred to the Clinic from the social impact ecosystem.

¹³⁰ ‘Of women, 27% (2.7 million) have experienced violence or emotional/economic abuse by a cohabiting partner’: ABS, *Personal Safety, 2021-22*, above n 126.

Table 2: Descriptive Statistics

	Obs	Mean	Std.Dev	Min	Max
DFV	71	0.58	0.50	0	1
Age	71	52.03	11.74	24	83
Country of Birth	71	0.61	0.49	0	1
Indigenous	71	0.11	0.32	0	1
Mental Illness	70	0.70	0.46	0	1
Physical Disability	70	0.27	0.45	0	1
Ever been small business owner	63	0.68	0.47	0	1
Centrelink Benefit	67	0.78	0.42	0	1
Contact Type – Referral	71	0.51	0.50	0	1
Type of Tax Issue - Debt	57	0.14	0.35	0	1
Lodge Own Tax Return	52	0.44	0.50	0	1
IRSAD	68	1025.88	98.17	817	1171
SEA2	23	16.57	16.66	0	52

Notes: DFV is equal to 1 if respondent experience of DFV is ‘Yes’ and is zero otherwise. Age is the number of years after the year of birth. Country of Birth is equal to 1 if country of birth is ‘Australia’ and is zero otherwise. Indigenous is equal to 1 if Indigenous is ‘Yes’ and is zero otherwise. Mental Illness is equal to 1 if respondents write ‘Yes’ for an item of Mental Illness and is zero otherwise. Physical Disability is equal to 1 if respondents write ‘Yes’ for an item of Physical Disability and is zero otherwise. Ever having been a small business owner is equal to 1 if respondents write ‘Yes’ for an item of Ever been small business owner and is zero otherwise. Centrelink benefit is equal to 1 if respondent receives any benefit including Jobseeker, parenting payment, disability support pension from Centrelink and is zero otherwise. Type of Tax Issue – Debt is equal to zero if Type of Tax Issue is ‘Debt’ and is 1 otherwise. Lodge own tax return is equal to 1 if respondent lodged own tax return and zero otherwise. Contact type – referral is equal to 1 if UNSW Tax and Business Advisory Clinic receives referral as contact type and is zero otherwise (eg, online query, phone etc). IRSAD is the Index of Relative Socio-Economic Advantage and Disadvantage as per postcode through one of the Socio-Economic Indexes for Areas (Census, 2016).

Only 23 of the 71 participants provided responses to the Scale of Economic Abuse 2 (SEA2).¹³¹ However, all participants who screened positively for experiencing economic abuse according to the SEA2 also self-reported experiencing DFV. The authors find that there is a strong positive and significant Pearson correlation coefficient ($r=0.692$, $p\text{-value}=0.000$) between women who screen positively under the SEA2 and

¹³¹ Adrienne E Adams, Megan R Greeson, Angela K Littwin and McKenzie Javorika, ‘The Revised Scale of Economic Abuse (SEA2): Development and Initial Psychometric Testing of an Updated Measure of Economic Abuse in Intimate Relationships’ (2020) 10(3) *Psychology of Violence* 268.

those who also self-reported experiencing DFV. This finding is consistent with existing literature.¹³²

Table 3: Comparisons of Number of Clients Screening for DFV (N=23)

	Reports being affected by DFV	Reports not being affected by DFV
SEA2 < median (Lower risk of DFV)	3	8
SEA2 ≥ median (higher risk of DFV)	12	0

The higher the SEA2 variable, the more reports being affected by DFV, which suggests that both variables capture similar constructs. However, with only 23 observations screening specifically for the SEA2 out of a total of 71 respondents, it is more statistically sound to focus on the DFV variable as the key variable in this article.¹³³

4.2.3 Tax problems faced by clients experiencing domestic and family violence

Clients presented with a variety of different tax issues at different stages of the tax lifecycle as shown in Table 4. For 41 clients identified as experiencing DFV, objection and debt issues are the important type of tax issue.

Table 4: Tax Issues Presented by Reference to Stage of Tax Lifecycle

	Reports being affected by DFV	Percentage	Does not report being affected by DFV	Percentage
N	41	Percentage	30	Percentage
Issue arising				
Disputing ATO Assessment	2	0.05	2	0.07
Lodgement	6	0.15	4	0.13
Debt	7	0.17	4	0.13
Technical questions	7	0.17	6	0.20
General questions	16	0.39	12	0.40
Not answered	7	0.17	4	0.13

Notes: Double selections are allowed in the question.

4.2.4 Univariate analysis

The t-test results in Table 5 show a significant difference between women who are experiencing DFV (who are in turn more likely to be experiencing mental illness)

¹³² Sharp, above n 25, 35.

¹³³ Adams et al, above n 131.

compared to women who are not experiencing DFV. This presents at a 5 per cent significance level, and is consistent with the extensive literature on the adverse mental health impacts of experiencing DFV.¹³⁴

Table 5: Univariate Analysis

DFV=1	Obs	Mean	Std.Dev	Min	Max	Difference in means
Age	41	50.63	9.23	30	74	t = -1.17
Country of Birth	41	0.56	0.5	0	1	t = -0.89
Indigenous	41	0.12	0.33	0	1	t = 0.28
Mental Illness	40	0.8	0.41	0	1	t = 2.14
Physical Disability	40	0.3	0.46	0	1	t = 0.61
Small business owner	37	0.57	0.5	0	1	t = -2.40
Centrelink Benefit	39	0.79	0.41	0	1	t = 0.42
Contact Type - Referral	41	0.59	0.5	0	1	t = 1.54
Type of Tax Issue – Debt	31	0.19	0.4	0	1	t = 1.25
Lodge Own Tax Return	29	0.41	0.5	0	1	t = -0.45
IRSAD	40	1026.65	101.43	817	1171	t = 0.07
SEA	15	24.8	15.04	0	52	t = 4.39
DFV=0	Obs	Mean	Std.Dev	Min	Max	
Age	30	53.93	14.44	24	83	
Country of Birth	30	0.67	0.48	0	1	
Indigenous	30	0.10	0.31	0	1	
Mental Illness	30	0.57	0.50	0	1	
Physical Disability	30	0.23	0.43	0	1	
Ever been small business owner	26	0.85	0.37	0	1	
Centrelink Benefit	28	0.75	0.44	0	1	
Contact Type - Referral	30	0.40	0.50	0	1	
Type of Tax Issue - Debt	26	0.08	0.27	0	1	
Lodge Own Tax Return	23	0.48	0.51	0	1	
IRSAD	28	1024.79	95.15	819	1163	
SEA	8	1.13	1.46	0	4	

Notes: T-statistics show two-sample t test results with equal variances between the two groups.

Unreported Pearson correlations for the variables show that there is a significant positive correlation between DFV and mental illness, and a negative correlation

¹³⁴ See, for example, Ciara Smyth, Patricia Cullen, Jan Breckenridge, Natasha Cortis and kylie valentine, 'COVID-19 Lockdowns, Intimate Partner Violence and Coercive Control' (2021) 56(3) *Australian Journal of Social Issues* 359.

between DFV and being a small business owner. The correlation coefficients are less than 0.7 for all variables, which indicates no presence of multicollinearity for multivariate regression models.

4.2.5 Multivariate regression results

Table 6 shows the multivariate regression results after controlling for other factors that affect DFV. It finds that LR chi-square statistics for the logit regression model are significant (at 1 per cent significance) which indicates good model fit. Further, the Pseudo R2 for the model is 0.599 which further supports our statistical inferences. Notably, this article finds that Age, Indigenous, Mental Illness, Physical disability, Centrelink Benefit and Type of tax issue – Debt are significant variables associated with the incidence of DFV at 5 per cent and 10 per cent significance.

Table 6: Multivariate Regression Results

	Model 1 (Dependent variable=DFV and logit regression)		Model 2 (Dependent variable=SEA2 and OLS regression)	
	Coefficient	Z-	Coefficient	t-statistics
Age	-0.46**	-2.18	-1.52*	-2.7
Country of Birth	-0.02	-0.01	-11.66	-1.32
Indigenous	6.58**	1.97	27.56	1.77
Mental Illness	8.82**	2.07	-2.06	-0.2
Physical Disability	5.00*	1.66	31.31*	3.02
Ever been small business	-2.27	-1.35	-22.49**	-4.11
Centrelink Benefit	-8.03*	-1.69	-27.00*	-2.78
Contact Type - Referral	1.19	0.99	7.78	1.04
Type of Tax Issue - Debt	8.14*	1.91	10.54	0.9
Lodge Own Tax Return	0.44	0.29	-25.76	-1.77
IRSAD	-0.01	-0.98	0.14	1.59
Constant	31.97	1.95	-13.64	-0.16
Number of obs	45		15	
LR chi	37.08***			
Pseudo R2	0.599			
F statistics			5.2*	
Adj R-squared				0.767

Note: */**/** represent significance levels of 0.10, 0.05, and 0.01 (two-tailed), respectively.

This article finds that clients are more likely to report DFV when they are Indigenous, experiencing mental health problems, physical disability and have tax debts (as opposed

to tax issues related to disputes, lodgements, or general questions). This finding is in line with prior empirical research of the authors.¹³⁵

It is instructive to cross-reference the common variables correlated with both DFV and SEA2. Specifically, these are: Age, Physical Disability, Centrelink benefits. This highlights the importance of prioritising these cohorts in the provision of pro bono tax advisory services given they are likely to be particularly at-risk.

5. RECOMMENDATIONS AND CONCLUSION

This article is the first in the Australian literature to conceptualise tax problems as a potential symptom for DFV or economic abuse perpetration. It extends the existing literature by exploring the role of pro bono tax clinics within the social impact ecosystem with a focus on the experiences of women in financial distress who are otherwise unable to access professional tax advice.

Four recommendations for reform arise from this analysis, and are primarily focused on improving tax-related services and addressing gender-related issues in the tax and transfer system. These recommendations are:

Recommendation 1: Increased tax literacy targeted at women

Given the need to increase public awareness in relation to coercive control, empower women by raising awareness around the use (and abuse) of the tax system in public awareness campaigns. At an ATO level, establish targeted educational programs in partnership with educational institutions and community organisations to offer workshops, seminars, and online resources tailored to women's specific needs and circumstances.

Recommendation 2: Increased scale of support services to address unmet tax and accounting needs

Given the likelihood of widespread need, there is an urgent need to expand access to free tax clinics for victim-survivors of economic abuse, with a particular emphasis on marginalised cohorts. This is most effectively achieved in partnership with the community sector. Priority should be given to those with the most dire financial situations; specifically, single parents, low-income earners, and women with disabilities.

Recommendation 3: Relationship between ATO/Services Australia to prevent perpetration of abuse via tax and transfer system

Reports of systems abuse are particularly problematic, and can be addressed by strengthening collaboration and two-way information sharing between the ATO and Services Australia to prevent abuse of the tax and transfer system by perpetrators. This will likely require the implementation of comprehensive data-sharing agreements, carefully balancing the needs of protecting individuals' privacy and data security with the public policy imperative of maintaining the integrity of the system.

¹³⁵ Kayis-Kumar et al, 'Tax Accounting for Financial Wellbeing', above n 70.

Recommendation 4: Implementation of regulatory and legislative solutions inspired by US innocent spouse relief

Assess the feasibility and appropriateness of introducing US-inspired ‘innocent spouse relief’ provisions in the Australian context. While not directly transferable, it is instructive to learn from the experiences of the United States system and adapt this framework to the Australian context. This likely complements the Australian government’s efforts to implement coercive control legislation.

Overall, this article establishes the important role of tax clinics, as a site of research and knowledge and also of support, intervention, engagement and assistance for victim-survivors of DFV. It provides compelling data that tax clinics may be able to screen for and detect DFV among financially vulnerable clients. Further, this article finds that pro bono tax clinics have an important role to play as a screening point, referral partner and tax service provider for women who are experiencing economic abuse and economic hardship. It further finds that over half (that is, 58 per cent) of the Clinic’s female clients self-reported experiencing DFV and economic abuse. This is over double the general population levels. Those who did report DFV showed substantive variation in their personal characteristics, which is in line with the DFV literature. The participants presented with a variety of tax issues, but predominantly lodgements and tax debt issues. This is also in line with existing literature.

This article further finds that there is a substantial unmet need for specialist DFV support services among this cohort, with only 3 per cent of clients receiving DFV-related support despite the study period spanning from September 2019 to May 2023. It highlights just how difficult it is to identify and support financially vulnerable women experiencing DFV, and offers a novel intervention strategy; namely, the use of pro bono tax clinics as a mechanism to identify women experiencing DFV and subsequently to refer them to specialist DFV support services they might not be aware of and would otherwise not access. This is the subject of ongoing research by the authors. It may also be beneficial to consider the extent to which the women either know they are experiencing financial abuse or can identify the tactics of financial abuse arising from gendered financial management in their relationship.

It is evident that pro bono tax clinics are well positioned to be safe places to collect pre- and post-data for interventions designed to assist those experiencing DFV. It is anticipated that the number of affected women visiting the clinic will increase as the National Tax Clinics Program expands over time.

Ultimately, it is hoped that these and subsequent findings might present the catalyst for a large-scale roll-out of DFV screening and the identification of economic abuse and its commensurate tactics across pro bono tax clinics assisting financially vulnerable people.