

Research Report

Adobe tax survey: Australia and New Zealand

Smarter tax time: how AI can transform the process for individuals and businesses

July 2025

Adobe

In partnership with



About the research

In January 2025, Adobe and Advanis surveyed consumers and small business owners across Australia and New Zealand as part of a global study.

The research set out to explore their attitudes and behaviours when preparing their taxes, as well as the digital tools that can simplify the process.

Conducted: January 2025

Respondent profile



1,013

consumers



269

small business owners

Key insights at a glance

Smarter tax time: how AI can transform the process for individuals and businesses



Tax timing

Most consumers and small business owners file their taxes early, sharing a desire for faster refunds and avoiding penalties. They all find the process grueling and time consuming, analogous to that of medieval torture.



Tax confidence

Even for early filers, the road to tax deadlines is stressful for individuals and small business owners alike. Many aren't confident they're doing it accurately and even fear they could face potential penalties.



Tax challenges

Tax preparation is difficult for consumers and small business owners. Discerning ever-changing tax rules and regulations, and the volume of paperwork are among their top challenges.



Tax tech

Most people use digital tools to support their personal or business tax prep. Despite recognising AI's potential to simplify the filing process, the vast majority of taxpayers are yet to harness it.

Section 1

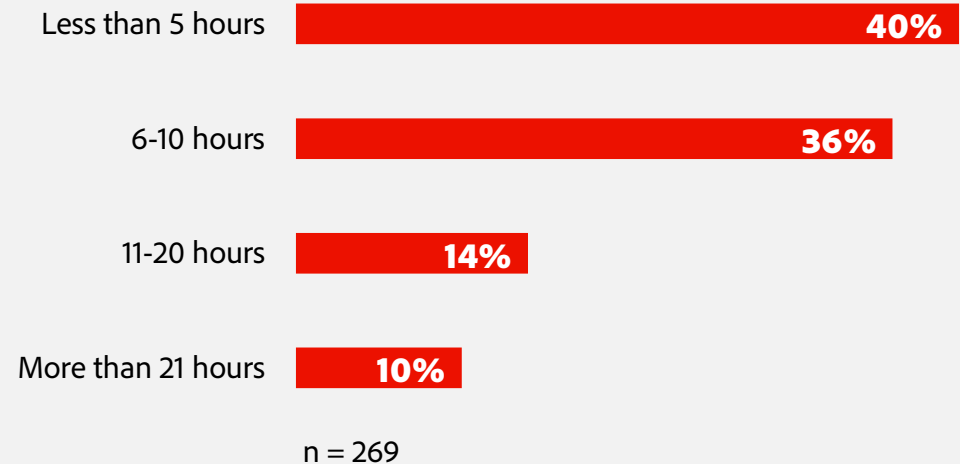
How small business owners approach tax time and use technology to help

Time and difficulty are among the top tax struggles for small business owners

Common tax difficulties

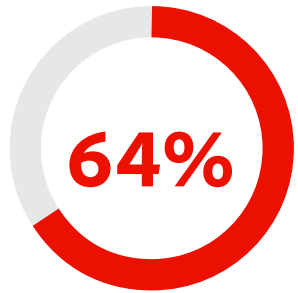
1. Managing paper documents (**51%**)
2. Organising materials for tax professionals (**47%**)
3. Navigating complex rules and regulations (**43%**)

Time spent preparing and lodging their tax return:



Approx. 1 in 4 spend
11+ hours on their tax return

Filing taxes early and correctly is a priority for small business owners, driven by cash flow needs, a fear of getting audited and a lack of confidence in getting it right



Typically file their tax return early, keen to get their refunds as quickly as possible



Want to get their tax return right to avoid penalties or audits



Doubt their ability to accurately prepare business taxes

Small business owners' top reasons for not filing early:

1. Struggle with time management and balancing other responsibilities (57%)
2. Complexity and confusion of preparing taxes (26%)

Small business owners are embracing technology for tax prep, but are yet to leverage AI

72% of small business owners use technology to prepare tax returns, only **11%** use AI assistance.

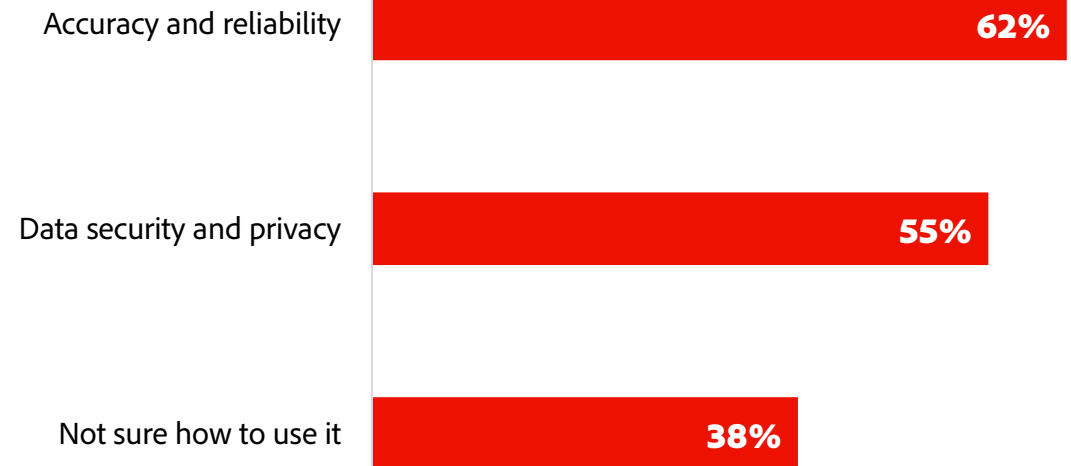


Recognise the potential benefits of AI

Many agree that AI tools can simplify tax preparation:

- by organising and navigating documents (53%)
- By consolidating materials (51%)

Concerns about using AI for tax prep



n = 269

Section 2

How consumers approach tax time and use technology to help

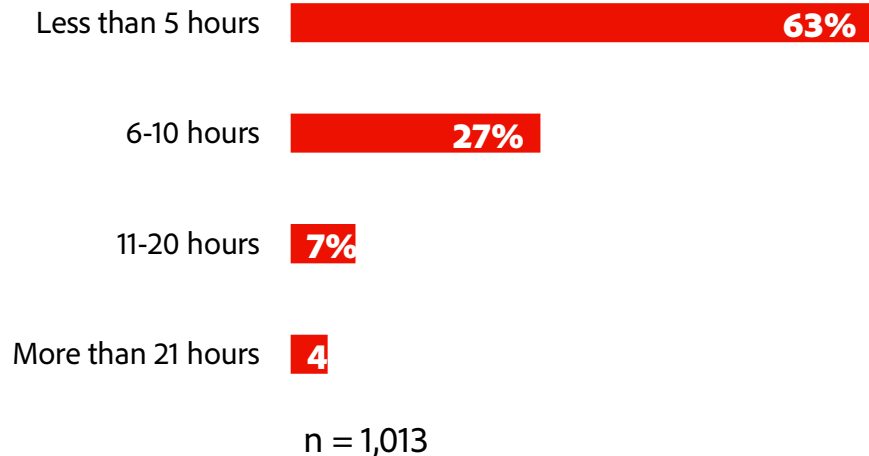
For many consumers, filing taxes is a punishing task, taking hours to navigate complex rules and paperwork

4 in 10 compare the process of filing taxes to medieval torture.

Top tax filing challenges

1. Complexity of tax rules and regulations
2. Sorting through high volume of paper documents
3. Combining all related documents for a tax professional

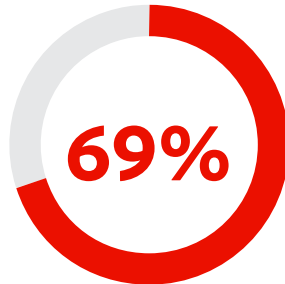
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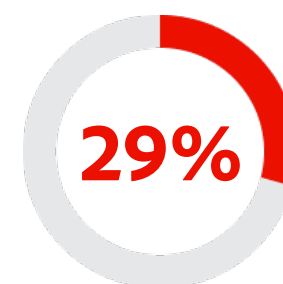
While they rush to get tax over and done with early, the vast majority aren't confident they're getting it right



Typically file their tax return early, keen to get their refunds as quickly as possible



Want to get their tax return right to avoid penalties or audits



Are fully confident about preparing their tax return

Consumers see the potential for AI to make tax time easier, but data concerns are holding them back

76% of consumers use technology to prepare tax returns, only **7%** use AI assistance.

Recognised benefits of AI for tax prep

1. Convenience (**55%**)
2. Speed (**45%**)

Concerns about AI for tax prep

Data security and privacy **49%**

Accuracy and reliability **28%**

Not sure how to use it **15%**

n = 1,013

Embracing AI to increase tax understanding and reduce time, stress and risks.

When it comes to tax preparation, AI has the potential to significantly reduce the burden. For small business owners and individuals, it streamlines the preparation and sharing of documents with tax professionals, helping to simplify filing, improve accuracy, and maximise deductions with greater confidence.



Locate key information

Quickly identify details in tax documents, including forms, receipts, and scanned files, and compare against previous filings.



Clarify complex content

Generate simple, accurate explanations of tax terminology and document sections to reduce confusion and file with confidence.



Stay organised

Turn paper receipts into digital files, and store and access everything in one place for easier review and submission.



Check for gaps

Detect missing or inconsistent information before you file, helping to avoid costly mistakes.

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