Understanding the AML / CTF Act and why we need your ID

What is the AML/CTF Act and why does it matter?

Australia's Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Act is designed to stop illegal funds from entering the financial system. AUSTRAC estimates more than $68 billion worth of crime-related money is laundered through Australia every year. This legislation aims to stop the flow of crime money and bring us in line with the rest of the world.

That's why from 1 July 2026, professional services firms, including law, accounting and real estate, will be required to:

- Verify client identity
- Assess the risk of money laundering or terrorism financing
- Monitor client activity and
- Report suspicious behaviour

It's not about ticking boxes. It's about keeping crime out of our communities, professions and country.

Why are you being asked for documents?

We may need to collect ID documents, company records, trust deeds, or information on the source of funds. If you're representing a company, trust or other structure, we're also required to identify and verify the individuals who ultimately own or control it.

This isn't because we think anything's wrong - it's because we're required by law to apply consistent checks to everyone. Each check is a small act of protection, helping stop criminal activities and keeping dirty money out of Australia.

What you can expect from us

- A clear explanation of what's required
- Secure handling of your information
- A streamlined experience supported by technology

We use a technology platform called First AML, an automated verification and workflow management tool, to comply with the AML laws with the goal of making the process as quick and easy as possible.

Why do we need your ID?

As part of the new anti-money laundering laws in Australia, professional services firms like ours are required to verify the identity of all clients from 1 July 2026.

This helps protect the financial system from misuse and brings us in line with global AML standards.

What we may ask for

- A form of photo ID (e.g. passport or driver's licence)
- Proof of address (e.g. utility bill or bank statement)
- Company, trust or SMSF documentation (if relevant)
- Details about ownership or control of entities
- Source of funds or source of wealth information (for higher-risk transactions)

How your information is handled

- We only collect what's required by law
- Your data is stored securely and handled in confidence
- It's used only for regulatory purposes

What happens next

We'll guide you through the process step by step. If anything is unclear, just ask. We're here to make compliance easy for you and us.

Frequently asked questions

I've been a client for years, why do you need to do this now?
The new rules apply to all law firms and their clients, even longstanding ones. Even if your details haven't changed, we need to verify them to meet the new requirements. For most clients, this process is quick and easy.

Can you still act for me if I don't provide this information?
Unfortunately, no - not for services that fall within scope of the legislation. If we can't complete the required checks, we're not able to proceed with the matter. This isn't a firm policy decision; it's a legal requirement.

Who can see the information I provide and how is it stored?
The information you provide is used solely for our compliance obligations under the AML/CTF Act. They're handled through a software platform called First AML, it has bank-grade security and is purpose-built for this.

Why are you asking about my source of funds?

For some transactions, we're required to understand how the money was obtained (e.g. savings, property sale, inheritance). This helps ensure the funds are legitimate and the transaction can proceed.

Do I need to do this every time I instruct you, or just once?
We'll need to verify you once, and in most cases that information carries forward for future matters. However, if your circumstances change, such as a change in business structure, ownership, or if any of your identification details expire, we may need to update your details. We'll let you know if that's the case.