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In 1998 the Australian Taxation Office (Tax Office) introduced a new regulatory model into the organisation to improve their long-term compliance enforcement strategies. Many tax authorities around the world have expressed interest in the ATO Compliance Model and some (for example, UK, New Zealand) have since introduced similar models into their organisations. The ATO Compliance Model was designed using the concept of responsive regulation—a concept developed by scholars working in other fields of regulation. This paper aims to provide the reader with a background to understanding the theoretical concepts underlying the Model, and also discusses how and why the Tax Office came to develop the model. Using interview data collected from senior Tax Office executives, this paper will also present some success stories the Tax Office has had with the Model in changing taxpayer attitudes and behaviours.