During the 1990s, the number of Australian taxpayers involved in aggressive tax planning more than doubled. This aggressive form of financial planning poses a serious threat to the integrity of Australia’s tax system. In order to deal with the problem, the Australian Taxation Office (Tax Office) announced in 1998 that they would be implementing a number of initiatives aimed at combating aggressive tax planning. Part of the Tax Office’s crackdown on aggressive tax planning involved issuing amended assessments to the 42,000 Australians who invested in mass marketed tax schemes. The majority of scheme investors, however, resisted the Tax Office’s attempts to recover scheme related tax debts. This paper discusses the findings of an empirical study that shows that the widespread resistance exhibited by scheme investors was due partly to the manner in which the Tax Office dealt with the schemes issue. Using survey data collected from 2301 tax scheme investors, and 2040 taxpayers from the general population, it will be shown that those who invested in tax schemes are more disillusioned with the tax system, are more hostile and resistant towards the Tax Office, and are more likely to resent paying tax as a result. Suggestions for the way regulatory authorities such as the Tax Office should deal with non-compliers, and possible solutions for how tax authorities might deal with the increasing problem of aggressive tax planning, will be discussed.