

PUBLIC SECTOR · VISA, TAX & GOVERNMENT PROGRAMS

Every program is only as strong as **its documents.**

Visa grants, tax refunds, benefits and licences all rest on documents the applicant supplies - bank letters, business activity statements, invoices, employment references, identity evidence. Generative AI now fabricates all of them in minutes, well enough to pass inspection. Australia has already lived the consequences at national scale. This brief shows how sealing evidence at lodgement protects program integrity, and what it is worth.

WHAT CAPSEAL IS

Trust for evidence, decided at the moment of capture.

Generative AI has made it trivial to fake the photos and documents that decisions rely on - a payslip, a bank statement or a damage photo can be fabricated in minutes, with no skill, and it passes inspection. Detecting the fake after the fact is a losing arms race.

CapSeal seals evidence on the device, the instant it is captured - cryptographically binding each photo or document to a real device, time and place, and proving it has not been altered since. Genuine evidence flows straight through to fast decisions; fabricated evidence cannot produce a valid seal, so it is stopped before any money moves. Each decision carries a proof that can be independently verified. CapSeal integrates into the app and workflow already in use - it is not a rip-and-replace.

THE PROBLEM, AT NATIONAL SCALE

Australia has already had its large-scale document fraud event

This is not a hypothetical risk. The largest GST fraud in Australian history was built on nothing more than invented businesses and fictitious lodgements - and the audit office concluded the exposure is structural, not one-off.

\$2.7B fraudulent GST refunds stopped before payment in one scheme alone ATO, Operation Protego	57,000 people attempted the fake-business GST refund fraud; average claim ~\$20,000 ATO, 2024	Alert Home Affairs student-visa integrity alert after a spike in forged bank letters and identity documents DHA, Nov 2025	Minutes to fabricate a bank letter, activity statement or employment reference with AI tools 2026
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Operation Protego still paid out roughly \$2 billion before the scheme was contained, and the national audit office found the fraud-risk processes behind it "not fit for purpose", warning a large-scale fraud event could occur "at any time". On the visa side, Border Force operations have exposed phantom sponsor businesses and falsified lease agreements behind bogus applications, and forged bank letters engineered to clear the financial-capacity benchmark. The common thread in every case: the document was fake, and the system trusted it.

THREE USE CASES, ONE MECHANISM

Where document fraud hits government

VISA & MIGRATION Forged bank letters engineered to clear the AUD 29,710 financial-capacity benchmark Fake identity pages and enrolment confirmations Phantom sponsor businesses and falsified leases Fabricated employment references and relationship evidence	TAX & REVENUE (ATO-STYLE) Invented businesses lodging fictitious activity statements for refunds Fabricated invoices and receipts behind deductions and credits Synthetic financial statements supporting registrations Recycled document templates across thousands of lodgements	BENEFITS, GRANTS & LICENSING Fabricated eligibility evidence for payments and concessions Doctored quotes and invoices in grant acquittals Forged qualifications and certificates for licences Reused evidence across multiple applications
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THE SHIFT

From inspecting documents to proving their origin

TODAY

- ✗ Fabricated financial and identity evidence accepted at face value
- ✗ Officers scrutinise documents they cannot actually verify
- ✗ Refunds and grants recovered - if ever - only after payment
- ✗ Genuine applicants delayed behind blanket integrity checks
- ✗ Decisions hard to defend at review, tribunal or audit

WITH CAPSEAL

- ✓ Fabricated documents caught at lodgement, before grant or refund
- ✓ Evidence must prove its origin - generated documents cannot
- ✓ Verified evidence fast-tracks low-risk applications
- ✓ Officer time redirected to judgment, not pixel inspection
- ✓ Every decision carries a proof of the evidence relied on

HOW IT WORKS AT LODGEMENT

Four steps, inside the process you already run

01

Capture

Applicant submits supporting documents through the portal or a registered agent's platform, sealed at source.

02

Seal

On-device signing for captured evidence; provenance and template-lineage checks for third-party documents.

03

Verify

Tamper and generation-artefact checks run; a proof object attaches to the application.

04

Decide

Attested evidence fast-tracks; unverifiable evidence routes to officer assessment - decisions stay human.

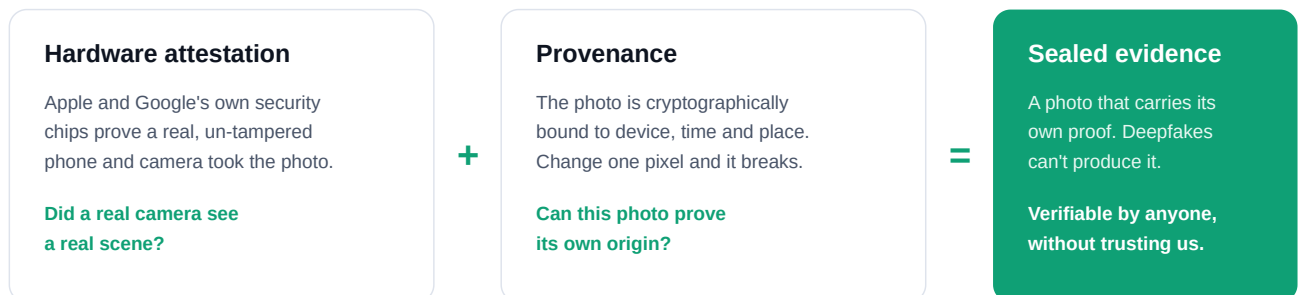
THE MECHANISM, IN ONE PICTURE

How the seal is made - and why it can be trusted

Two things at the moment of capture - **hardware attestation** and a **provenance seal** - make evidence impossible to fabricate after the fact. An invented business's activity statement, a forged bank letter, a fake enrolment confirmation: none of them has an origin to prove.



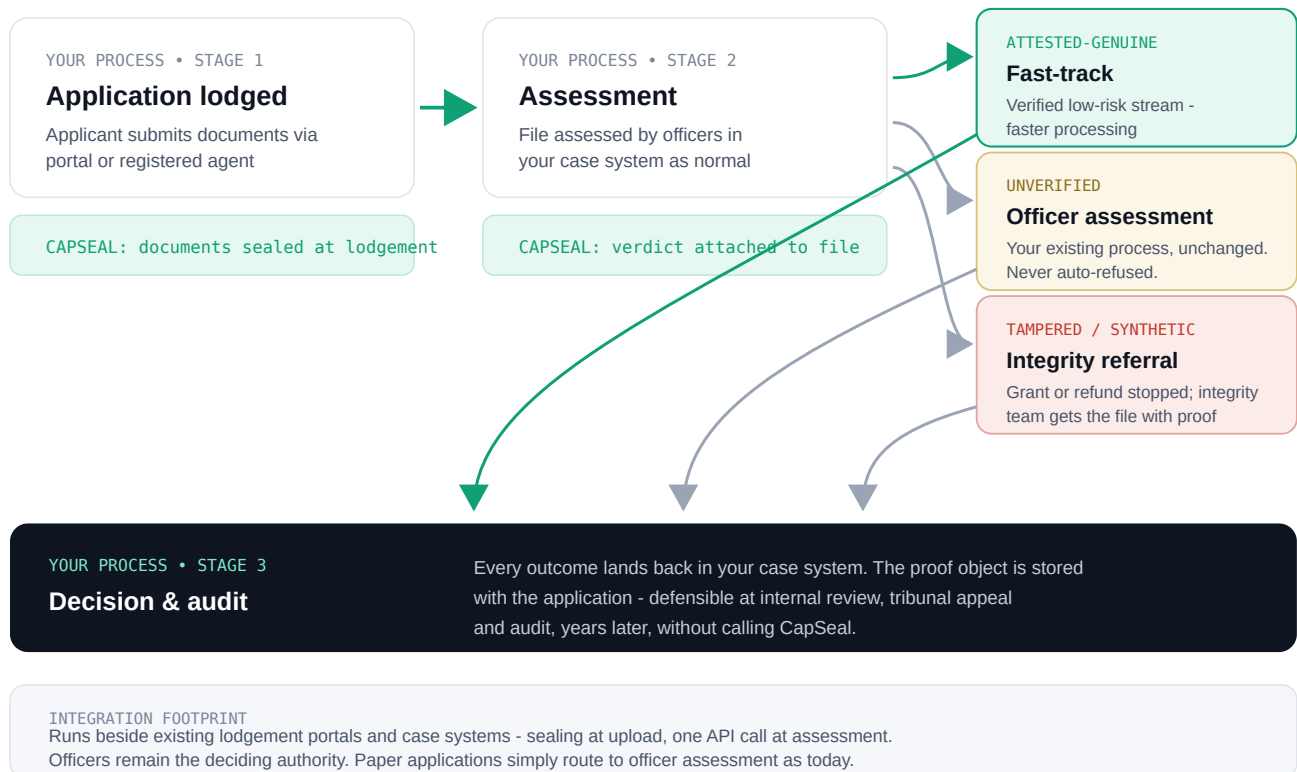
INSIDE THE SEAL



Genuine claims pass and pay instantly. Fabricated evidence never gets a seal.

Where CapSeal sits in the application lifecycle

CapSeal does not replace the assessment process - it adds two touchpoints to the one already run. Documents are sealed at lodgement, a verdict attaches at assessment, and each application routes down one of three paths. Officers remain the deciding authority throughout, and the proof supports procedural fairness by recording exactly what evidence was relied on and why it was trusted.



THE DOLLAR MODEL

Sizing the impact for a document-based program

A transparent, bottom-up build for a program processing 120,000 applications a year - a visa stream, a refund program, or a benefits line. The payment figure is anchored to the average claim actually observed in Australia's largest refund-fraud event, and haircuts are applied throughout.

APPLICATIONS / YR	SEALABLE AT LODGEMENT	WITH FABRICATED DOCUMENTS	CAUGHT AT INTAKE
120,000	65%	6%	80%
SHARE WITH DIRECT PAYMENT RISK	AVG IMPROPER PAYMENT		
35%	\$20,000		

CALCULATION	STEP	VALUE
Applications per year		120,000
Sealed at lodgement 120,000 x 65%	x 65%	78,000
With fabricated supporting documents 78,000 x 6%	x 6%	4,680
Caught at intake x 80% prevention effectiveness	x 80%	3,744
Carrying direct payment or refund risk 3,744 x 35%	x 35%	1,310

Improper payments prevented

1,310 x \$20,000 - Operation Protego average claim

\$26.2M / yr

RECOVERABLE ANNUAL IMPACT · 120,000-APPLICATION PROGRAM

\$26.2M

in improper payments prevented per year - alongside 3,744 fabricated-document applications caught at intake, faster processing for genuine applicants, and decisions that stand up at tribunal.

CONSERVATIVE	BASE CASE	AGGRESSIVE
\$13M	\$26.2M	\$41M

Why we lead with dollars and caught applications, not a ratio: because CapSeal's cost is small next to the improper payments it prevents, the return multiple is inherently very large - and for government the integrity outcome matters as much as the dollars. We report both, plainly.

HOW IT SCALES

The same model across program sizes

APPLICATIONS / YR	SEALED	FABRICATED DOCS CAUGHT	PAYMENTS PREVENTED	CAPSEAL COST	NET IMPACT
120,000 single stream	78,000	3,744	\$26.2M	\$0.16M	\$26.0M
300,000 multi-stream	195,000	9,360	\$65.5M	\$0.25M	\$65.3M
600,000 agency-wide	390,000	18,720	\$131.0M	\$0.39M	\$130.6M

Due process, built in - the honest boundary: CapSeal proves a document's provenance; it does not make the decision, and it does not read intent. Officers remain the deciding authority. Unverifiable evidence is never auto-refused - it routes to officer assessment exactly as today - and the proof object strengthens procedural fairness by recording what evidence was relied on. For fraud where the documents are real but the story is not, CapSeal is the intake layer that feeds deeper investigation, not the whole answer.

SOURCES

Every input is cited

ATO, Operation Protego (2022-2025) - Australia's largest GST fraud: individuals invented businesses (fake ABN + fictitious BAS) to claim refunds; ~57,000 people took compliance action, average fraudulent claim ~\$20,000; ~\$2.7B in suspect refunds stopped before payment; ~\$2B in liabilities raised on refunds already paid; 126+ convictions to July 2025.

ANAO audit (2024) - found the fraud-risk processes exposed by Protego "not fit for purpose", warning the agency "could experience a large-scale fraud event at any time".

Department of Home Affairs (Nov 2025) - student-visa integrity alert after a spike in document fraud, including forged bank letters engineered to clear the AUD 29,710 financial-capacity benchmark and fake identity pages behind enrolment confirmations.

Australian Border Force (Feb 2025) - operation exposed five phantom nominated businesses and falsified lease agreements supporting bogus visa applications.

International corroboration (2025-26) - documented visa-fraud packages (fake employment letters, references and bank statements) sold for tens of thousands of pounds; AI-generated document fraud up ~5x in a single year.

Illustrative model built on published figures and public reporting, not results from a named agency. Where sources give ranges, conservative values are used. Independent analysis by Syptime; not endorsed by the organisations cited. Figures AUD/USD as per source context.

Size this on your own book

We will model the impact on your portfolio and scope a pilot that runs beside your current process.

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