ABSTRACT. Thirty-seven species of Psammobiidae are recognised in a conchologically-based revision of taxa in the Australian and New Zealand region. Four genera are represented: Asaphis Modeer, 1793; Heteroglypta Martens, 1880; Gari Schumacher, 1817; Soletellina Blainville, 1824. The largest genus, Gari, is divided into nine subgenera: Gari sensu stricto; Psammobia Lamarck, 1818; Gobraeus Brown, 1844; Dysmea Dall, Bartsch & Rehder, 1936; Kermadysmea Powell, 1958; Psammotaena Dall, 1900; Crassulobia n.subgen.; Psammobella Gray, 1851; Psammodonax Cossmann, 1877. Subgenera are not recognised for any of the other three genera. One new species, Gari (Gobraeus) eos, from the Chesterfield-Bellona Plateau in the Coral Sea is described. Asaphis nana Powell, 1958, Psammobia flexuosa A. Adams & Reeve, 1850, Psammobia brazieri Tate, 1886 and the genus Ascitellina Marwick, 1928 are excluded from the Psammobiidae as presently defined and transferred to the Tellinidae because all possess lateral teeth in at least one valve. Asaphis nana is possibly a species of Agnomyax Stewart, 1930. Psammobia flexuosa is a junior synonym of Cymatoica undulata (Hanley, 1844). Psammobia brazieri is probably a species of Tellina Linne. Ascitellina may be synonymous with Elliptotellina Cossmann, 1887. Psammobia vitrea Quoy & Gaimard, 1835 is transferred to the Galeommatidae, probably to the genus Scintilla Deshayes, 1856. The region possess the highest species diversity known anywhere for the family. Biogeographically, two faunas are discernible – a considerably larger one towards the north essentially of widespread tropical Indo-west Pacific taxa (24 species), and a much smaller temperate one consisting of taxa endemic to southern Australia (5 species), and to New Zealand (5 species). Only three northern Australian species have limited distribution ranges: Gari eos n.sp.; G. rasiliis (Melvill & Standen, 1899); G. gracilenta (E.A. Smith, 1884). The wealth of taxa enabled some preliminary phylogenetic consideration of the family. No autapomorphy emerged amongst the approximately 40 shell characters described for each species. Lack of a posterior flexure is considered synapomorphomorphic. Lack of lateral teeth and fusion of the lower limb of the pallial sinus with the pallial line are synapomorphies that have apparently evolved independently several times (ie, homeoplaseous characters) in the Tellinoidea. The few anatomical studies available are