

From: [REDACTED]
To: [TPBreview](#)
Subject: Submission for Tax Practitioners Board Review
Date: Friday, 12 April 2019 11:59:41 AM

In response to the review of the TPB, I make the follow comments from the perspective of a current Registered BAS Agent (RBA). I have been a Registered BAS Agent since [REDACTED]

1. Are the governance arrangements for the Tax Practitioners Board working effectively and could they be improved?

- TPB is totally unknown to my clients – business owners. I've never been asked if I'm a Registered BAS Agent. When I tell people I am a Registered BAS agent, I always have to explain what that means. The first question is almost always "how much do you charge?" - never "are you a registered BAS Agent?"
- TPB acts as a debt collection agency for the ATO. Very successfully. Is that protecting the public from poor tax agent behaviour? The average man on the street is unlikely to agree. To suggest that someone who owes the ATO \$500 is unworthy of providing services to the public is blatantly ridiculous - in terms of protecting the public from inept/fraudulent service-providers. Is there a similar requirement of the public servants who work for ATO or TPB? If not, why not? Any issues a RBA may have with their own personal taxes may be an on-going discussion – doesn't make them poor RBAs.
- Why do I need to be registered twice? As a private person and as a company? I have declared I am operating alone. I don't collect two lots of fees but I have to pay two lots of fees. If it actually is required under the legislation and not just a TPB policy decision, then why can't the two registrations be due simultaneously? Also, why does the TPB not place regard to the timeframes of BAS lodgement dates into account with its own activities? One of my renewals coincides with BAS lodgement timeframes because I have to renew at least 30 days before my current registration runs out.
- ATO/TPB adoption of the accounting processes for their own purposes has superimposed their requirements over that of the value of productivity and utility for business owners of traditional bookkeeping work. EG Depreciation journals - considered in some regards to be giving taxation advice but in most cases, where following an agreed schedule is simply processing balance day adjustments - always carried out by bookkeepers. Has introduced a degree of unwillingness/fear on the part of bookkeepers to fulfil their role. Or perhaps a lack of understanding being perpetuated by industry leaders to minimise risk. However, highly necessary in terms of informing business owners of their current financial position - the base role of the undertaking. The line between what is a BAS Agent responsibility and a Tax Agent responsibility has created this decrease in information for the Business owner – the person paying for the service.

2. Are the qualification and experience requirements for individuals seeking to become a registered tax practitioner, or to renew their registration, appropriate?

Many accountants (who are automatically allowed to lodge BAS's) make errors. But they cannot be overruled by the BAS Agent because they can falsely criticise and dismiss the work of BAS Agents with immunity. There are many Accountants who do not understand GST. They should be required to complete the BAS Agent registration if they are lodging BAS's. They charge a lot of money to do that, a lot more than BAS Agents do, but take no responsibility for errors. The integrity of the registration process for BAS Agent needs

to be supported by TPB. Automatic inclusion of BAS services in Tax Agent registration has failed to protect businesses from Tax Agents who don't know what they're doing. Lots of dinosaur tax agents out there.

My educational qualifications exceed that currently required (I have a graduate degree). But I don't believe changing the current requirement of Cert4 in Accounting is going to help protect the general public from ineptitude. And there is no qualification in between these two levels. I personally believe there should be more attention paid to the qualifications of people signing off on experience. Business owners will sign off if asked, many without really understanding the significance.

3. Are the Tax Practitioners Board's compliance and investigation powers and functions appropriate?

TPB is constantly threatening RBAs with de-registration. Their communications are worded in such a way as to engender fear. I always feel like a criminal when I read any email from them.

I feel TPB uses its resources to target the wrong people. It is constantly telling Registered BAS Agents about the areas of compliance that are included in RBA responsibilities, but it does not then engage in the protection of the Registered BAS Agent in the market. It has failed to convince the taxpayers of the benefits it offers. In the end it will de-register all of the registered agents, but won't tell Business Owners to stop using unregistered agents.

4. What other legislative measures could be implemented to further protect consumers of tax services?

TPB is not protecting my registration by actively seeking out unregistered agents. - Easily done by searching the source IP addresses of BASs lodged from non-Agent sources. They currently rely on Registered BAS agents to "dob in" unregistered agents. As if I've got time for that.

TPB should be enthusiastically advertising to all business tax payers that whoever is doing their BAS should be a Registered BAS Agent. Business owners have no idea. The cons of relying on an unregistered agent's advice need to be well known. From a RBA perspective, there's no commercial point putting in the time and resources in attaining the registration if the ruling body is not supportive of us gaining sufficient income to remain in business - as opposed to others who are not registered.

5. Is the 'safe harbour' provision in subsection 284-75(6) of Schedule 1 to the Taxation Administration Act 1953 effective?

The Safe Harbour provisions are the only marketable ones available. Please don't take them away or you will lose a lot of RBAs because the extent of the responsibility placed on RBAs will prove intolerable if an error we made inadvertently impacts on a client adversely.

6. Are there any other suggestions to strengthen the operation of the Tax Agent Services Act 2009 or the Tax Agent Services Regulations 2009?

No comment here.

Thank you for the opportunity to contribute

Yours sincerely

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