



Australian Government



TAX
PRACTITIONERS
BOARD

TAX PRACTITIONERS BOARD
ANNUAL REPORT
2020–21



© Commonwealth of Australia, 2021

You are free to copy, adapt, modify, transmit and distribute this material as you wish (but not in any way that suggests that the Tax Practitioners Board or the Commonwealth endorse you or any of your services or products).

For more information, see www.tpb.gov.au
or contact the TPB by:

Email communications@tpb.gov.au

Post Tax Practitioners Board
Communications
GPO Box 1620
SYDNEY NSW 2001

ISSN 2208-6536

NAT 73666 DE-34455



Australian Government



The Hon Michael Sukkar MP
Assistant Treasurer, Minister for Housing,
and Minister for Homelessness,
Social and Community Housing
Parliament House
CANBERRA ACT 2600

Dear Minister

In accordance with section 60–130(1) of the *Tax Agent Services Act 2009*, I present this report on the operations of the Tax Practitioners Board in the financial year 2020–21.

Yours sincerely

A handwritten signature in black ink that reads 'Ian Klug'.

Ian Klug AM
Chair, Tax Practitioners Board
15 October 2021

CONTENTS

01 Year in review	1
02 About the Tax Practitioners Board	5
Functions	8
Board	11
Organisation	15
03 Performance	21
Highlights of 2020–21	22
Response to COVID-19	29
Annual performance statement	31
Strategic objective 1	33
Strategic objective 2	39
Strategic objective 3	52
04 Financial operations	59
Summary of expenditure	60
Procurement initiatives to support small business	62
Cost recovery	62
05 Appendices	63
Appendix A: Recognised professional associations	64
Appendix B: Guidance papers	65
Appendix C: Litigation matters	66
Appendix D: Cases reviewed	67
Appendix E: Disclosure of official information	68
List of abbreviations	69
List of requirements	70
Index	81

TABLES

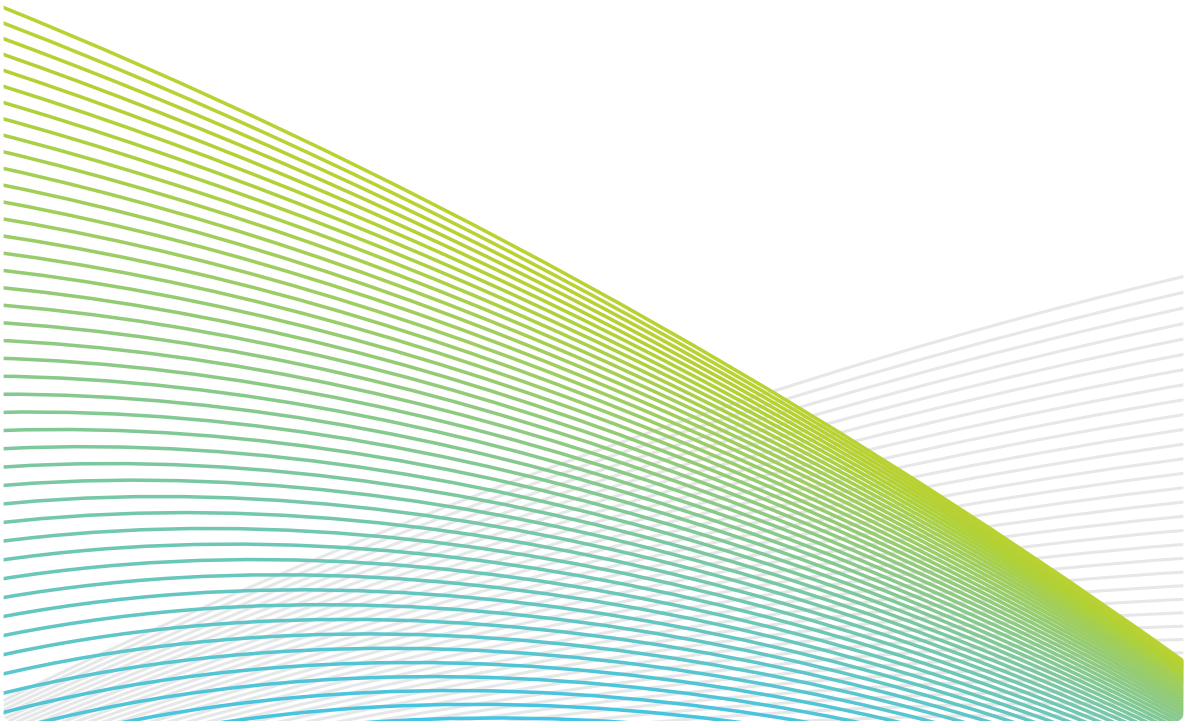
Table 1: Ongoing and non-ongoing employees by location at 30 June 2020 and 30 June 2021	17
Table 2: Employees by functional area at 30 June 2020 and 30 June 2021	17
Table 3: Employees by classification and gender at 30 June 2020 and 30 June 2021.....	18
Table 4: Processing tasks completed, 2019–20 and 2020–21	23
Table 5: Sources of complaints and referrals, 2019–20 and 2020–21	36
Table 6: Board Conduct Committee matters and decisions, 2019–20 and 2020–21	37
Table 7: Registrations processed within service standards, 2019–20 and 2020–21.....	41
Table 8: Actual expenses, 2019–20 and 2020–21.....	60
Table 9: Direct expenditure by cost centre, 2020–21.....	61
Table 10: Revenue received, 2019–20 and 2020–21.....	62
Table A1: Recognised professional associations at 30 June 2021.....	64
Table B1: Guidance papers released by the TPB in 2020–21	65
Table C1: Litigation matters involving the TPB finalised in 2020–21	66
Table D1: Cases reviewed by the TPB under the Tax Agent Services Act 2009 in 2020–21.....	67

FIGURES

Figure 1: Tax practitioners by location at 30 June 2021	7
Figure 2: Organisational structure at 30 June 2021	16
Figure 3: Performance summary, 2020–21 corporate plan and portfolio budget statements ...	32
Figure 4: Average monthly webinar attendance, 2019–20 and 2020–21	34
Figure 5: Register searches, 2019–20 and 2020–21	38
Figure 6: 2021 survey response: use of a tax practitioner	53

01

YEAR IN REVIEW



01 YEAR IN REVIEW

I am pleased to present the 2020–21 annual report of the Tax Practitioners Board (TPB). Once again, the year in review proved to be a challenging period for all Australians, and I am proud to report on the achievements of the TPB over the period.

As Australia and the world continued to grapple with the ongoing implications of the coronavirus pandemic, we also continued to ensure that tax practitioners were enabled to provide quality and ethical taxation services while maintaining the high levels of trust placed in them by their clients, the Australian public. Throughout the period, our practitioners once again proved their value in supporting their clients and upholding both the integrity of the taxation system and the implementation of government stimulus measures for the Australian community.

We supported our practitioners to implement the government's stimulus measures at a time when Australian businesses and families needed them most. We worked with the Australian Taxation Office (ATO) and government stakeholders to ensure that the integrity of the payments was upheld. During the period, we reviewed over 440 matters regarding tax practitioners who may not be doing the right thing with this additional support.

Throughout the pandemic, our response to support our practitioners has been measured and proportionate. For those practitioners that continued to support their clients with accurate and timely advice, we amended registration requirements and eased their reporting and education requirements so they could focus on their clients. In compliance matters, we were fair and moderate in all instances when practitioners needed our support the most.

While we did not drop our guard during these challenges, and we maintained our compliance programs to address those practitioners who represented the highest risk of poor behaviour, we did not meet all of our performance expectations in relation to complaints and investigations for the period. We faced ongoing challenges with limitations in available data sets, which impacted our ability to drive our proactive work program and deliver effective and timely outcomes under our Coordinated Compliance Strategy. We continue to work productively with the ATO to build our data-sharing agreements so our objectives are met.

For those few practitioners who continue to bring down the repute of others we remained vigilant in our approach. Despite the great work by the majority of tax practitioners, our Board Conduct Committee reviewed approximately 170 cases of practitioners failing to meet required standards of behaviour or practitioners failing to meet registration requirements.

“ We supported our practitioners to implement the government's stimulus measures at a time when Australian businesses and families needed them most ”

In some instances, we were required to not only terminate a tax practitioners' registration but also impose the maximum ban possible.

We continue to invest in and improve on our data analytics capabilities to drive our compliance work, investigating those practitioners who choose to do the wrong thing, while supporting the majority that continue to uphold the high expectations of the profession and the integrity of our tax system. There is more that can be done, and we look forward to working with our regulatory partners to enhance our compliance program with the aim of ensuring that tax practitioners remain a positive influence on the tax compliance of their clients.

To support our ability to maintain integrity, we welcomed the outcomes and recommendations of the James Review. This long-awaited review into the legislation, structure and independence of the TPB was a positive step forward for the future, and change was timely following 10 years of operation under the *Tax Agent Services Act 2009* (TASA). A number of recommendations remain subject to consultation and further review and a number require legislative amendments that we continue to support and champion and will eventually implement.

A key recommendation of the review related to our role as regulatory body.

Following government endorsement, the object of the TASA will be reworded to reflect that we are fully established as a regulatory body, have a role in upholding community confidence and the integrity of the tax system, and have the ability to sanction unregistered preparers in addition to those registered practitioners who require disciplinary action.

The James Review also recommended that the government should make the TPB more independent, especially from the ATO. This includes greater financial independence, administrative accountability of our CEO Secretary, and clarity of the existing independence of our staff.

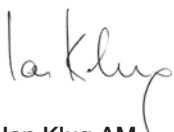
While we are independent, we do not operate in isolation. We continue to build relationships and engagement with a range of regulatory partners to support our compliance programs, including the ATO, the Australian Securities and Investments Commission, and the Inspector-General of Taxation and Taxation Ombudsman. In line with the review recommendations, we are working to finalise our memorandum of understanding with the ATO and formalise our data-sharing arrangements with various agencies and stakeholders.

As we reflect on a year that was filled with challenges and great results, we look forward with excitement and anticipation. We recently released our 2024 strategic plan, setting our goals and expectations for the coming three years. This plan requires technological advancements, innovation and commitment from all our staff, the Board and our leaders to build an even more effective and efficient TPB.

“ The object of the TASA will reflect that we are fully established as a regulatory body and have a role in upholding community confidence and the integrity of the tax system ”

I take this opportunity to thank the Treasurer, the Assistant Treasurer and the Commissioner of Taxation for their ongoing support of the TPB. My colleagues on the Board, our CEO Secretary, Michael O'Neill, and our staff also deserve thanks for their consistent efforts, flexibility and commitment throughout a challenging year. Finally, I thank tax practitioners, who have supported our community throughout the very difficult past 12 months.

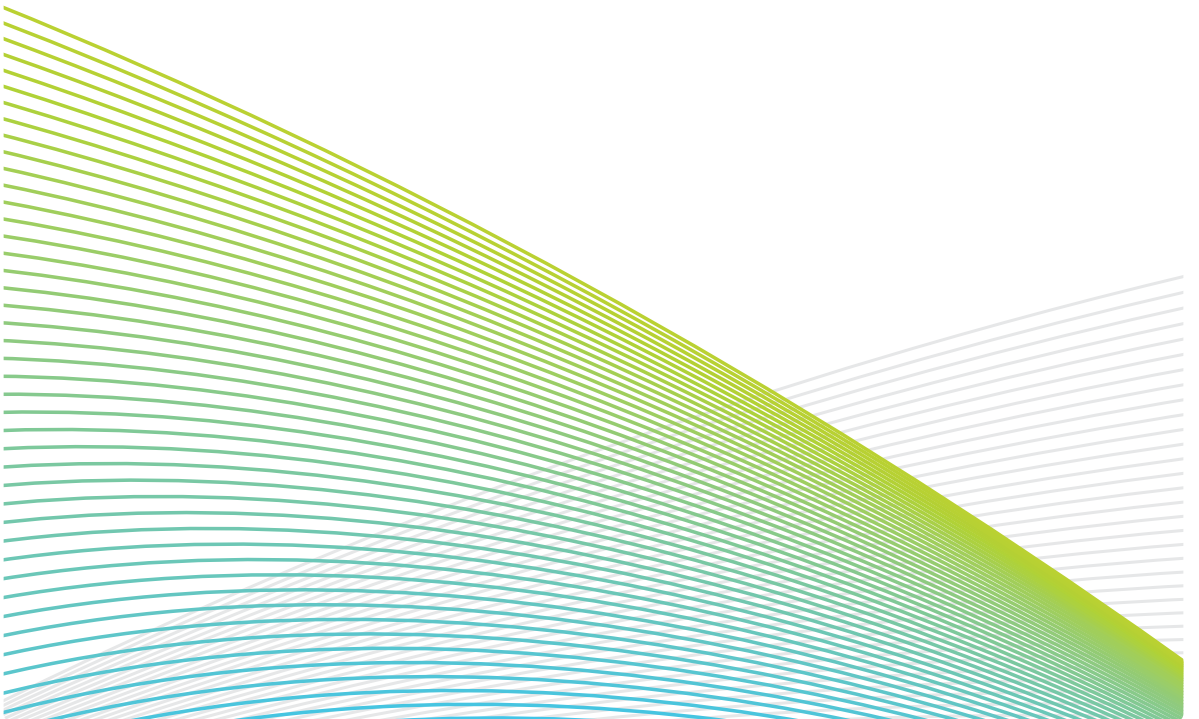
I look forward to working with you all again in 2021–22.



Ian Klug AM
Chair

02

**ABOUT THE TAX
PRACTITIONERS
BOARD**



02 ABOUT THE TAX PRACTITIONERS BOARD

The Tax Practitioners Board (TPB) is the Australian Government body responsible for the registration and regulation of tax practitioners: tax agents, business activity statement (BAS) agents and tax (financial) advisers. The TPB is also responsible for ensuring compliance with the *Tax Agent Services Act 2009* (TASA), including its Code of Professional Conduct.

Our purpose, as set out in the *Tax Practitioners Board Corporate Plan 2021–22*, is 'to ensure that tax practitioner services are provided to the public in accordance with appropriate standards of professional and ethical conduct'.

The most recent statistics from the Australian Taxation Office (ATO) indicate that registered tax practitioners lodged 77% of all individual income tax returns and 95% of all corporate tax returns in 2018–19. In the self-assessment environment in which we operate, the TPB ensures that practitioners are upholding the professional values that they have committed to each and every year so that Australians can rely on the quality advice their registered practitioner provides.

The TPB is an independent statutory body comprising a Board appointed by the Minister. Board members are appointed in their professional and personal capacities and have diverse backgrounds in a range of related fields. The Board is responsible for administering and investigating practitioners, and for making disciplinary decisions and applying sanctions in appropriate cases.

The Board is supported by staff, including the CEO Secretary, who are made available by the Commissioner of Taxation under the provisions of the TASA. The CEO Secretary is responsible for the staff, resources and day-to-day operations of the organisation.

The TPB resides in the Treasury portfolio, under Program 1.2 of the ATO, and reports to the Assistant Treasurer. Under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), the Commissioner of Taxation is the accountable authority for the TPB.

While the TPB currently operates with statutory independence and reports directly to the Minister, the TPB's funding is derived through ATO program funding. This is likely to change in line with the government's response to the Review of the Tax Practitioners Board and *Tax Agent Services Act 2009* conducted by Mr Keith James (James Review).



ADDITIONAL COMMENTARY

James Review outcomes – Independence of the TPB

As part of the James Review, the Australian Government has endorsed a recommendation that ‘the TPB’s independence should be enhanced’. We will work with government to conduct the TPB Charging Arrangements Review in 2021–22 and move forward with further financial independence as an organisation.

Additional recommendations supported by the government included:

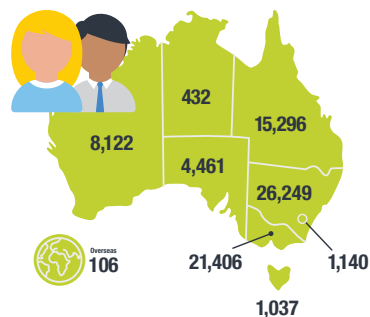
- that the position of CEO will be made more accountable to the Board, rather than to the Commissioner of Taxation
- that a memorandum of understanding between the ATO and the TPB will ‘clarify the role, responsibilities and accountability of ATO secondees that have been allocated to the TPB’.

Tax practitioners

At 30 June 2021, the total registered tax practitioner population was 78,249, composed of 44,594 tax agents, 16,682 BAS agents and 16,973 tax (financial) advisers. The numbers were consistent with numbers in 2019–20, when a total of 78,181 tax practitioners were registered with the TPB.

Tax practitioners must be registered with the TPB to provide services for a fee or other reward. TPB registration ensures that practitioners have the qualifications and experience necessary to provide tax practitioner services, meet the ‘fit and proper person’ requirements of the TASA, and have appropriate professional indemnity insurance cover to protect the public, including consumers.

Figure 1: Tax practitioners by location at 30 June 2021





ADDITIONAL COMMENTARY

James Review outcomes – Regulation of tax (financial) advisers

As part of the government's response to the James Review, it was agreed that the tax (financial) advisers currently regulated by the TPB would be regulated by a new, single disciplinary body under the expanded Financial Services and Credit Panel of the Australian Securities and Investments Commission.

This may remove approximately 17,000 tax practitioners from our population. This will have an organisational and operational impact on the TPB that will create new opportunities to focus on the integrity of the tax system.

The TPB supports any steps taken to reduce the regulatory burden on tax practitioners, including tax (financial) advisers. At the same time, the TPB is mindful of the fact that it is critical that consumers of tax services continue to remain protected and that there is a level playing field in the regulation of all tax practitioners. We will continue to work with the government to implement its response.

Functions

The TASA sets out the powers and functions of the TPB for the registration and regulation of tax agents, BAS agents and tax (financial) advisers. Under the TASA, the TPB's functions include:

- administering the registration system for 'tax practitioners' – individuals and entities that provide tax services – namely, tax agents, BAS agents and tax (financial) advisers
- administering the Code of Professional Conduct (Code)
- issuing guidance on relevant matters to support tax practitioners and consumers
- investigating conduct that may breach the TASA, including Code non-compliance, conduct that results in a tax practitioner no longer meeting the 'fit and proper person' requirement for registration, and breaches of the civil penalty provisions
- resolving complaints lodged about practitioners and unregistered preparers
- applying administrative sanctions for Code non-compliance
- seeking Federal Court of Australia (Federal Court) civil penalty orders in response to breaches by registered tax practitioners and unregistered preparers.

In addition to the TASA, the TPB administers the:

- Tax Agent Services Regulations 2009 (TASR), which set out the broad requirements for registration, applicable fees, and the provisions for recognising professional associations
- *Tax Laws Amendment (2013 Measures No. 3) Act 2013*, which creates a regulatory framework for tax (financial) advice services, including the transitional provisions for registration as a tax (financial) adviser

- *Tax Agent Services (Transitional Provisions and Consequential Amendments) Act 2009*, which deals with consequential and transitional matters arising from the TASA's enactment
- Tax Agent Services (Specified BAS Services No.1) Instrument 2020, which declares certain services under the Australian Government's COVID-19 stimulus measures as BAS services
- Tax Agent Services (Specified BAS Services No. 2) Instrument 2020, which declares certain services to be BAS services.

The legislation is available at www.legislation.gov.au.

As part of its regulatory role, the TPB can seek civil penalties through the Federal Court for improper conduct by registered tax practitioners and unregistered preparers. For example, civil penalties may apply where an unregistered preparer advertises tax agent services or provides tax agent services for a fee or other reward, or where a registered tax or BAS agent knowingly or recklessly makes false or misleading statements to the Commissioner of Taxation.



ADDITIONAL COMMENTARY

James Review outcomes – Enabling legislation

In presenting the final report on his review of the powers, functions and purpose of the TPB to the Assistant Treasurer, in October 2019, Mr Keith James included his recommendation that the object clause (section 2-5) of the TASA should be updated to 'include wording to the effect that there should be community confidence in the integrity of the tax system' and, among other changes, to reflect that the TPB is a mature organisation that is well beyond the start-up phase.

The government has supported this recommendation. We look forward to working to amend our enabling legislation and reflecting this in our work going forward.

CASE STUDY

Criminal tax adviser is brought to justice

The Hacker proceeding commenced in 2018–19, with the TPB alleging that Kent Hacker and his two associated entities were acting unlawfully by providing tax agent services for a fee while unregistered and claiming false and inflated tax deductions.

In *Tax Practitioners Board v Hacker* [2020] FCA 1047, the Federal Court provided its judgement on the question of liability, finding that Mr Hacker and his entities contravened the civil penalty provisions in the TASA on 87 occasions. The judgement provided law clarification on two points: that both a company and an individual can be liable for civil penalties for the same conduct, and that a ‘reward’ for providing a tax agent service under the TASA can extend to receiving an indirect benefit.

In *Tax Practitioners Board v Hacker* (No 2) [2020] FCA 1048, the Federal Court also found Mr Hacker in contempt of court for providing tax agent services on eight occasions after providing an undertaking at the commencement of the proceedings not to provide tax agent services unlawfully until the final determination of the matter.

In *Tax Practitioners Board v Hacker* (No 3) [2020] FCA 1814, the Federal Court provided its judgement in relation to penalty, imposing injunctions and pecuniary penalties on Mr Hacker and his entities of approximately \$640,000. The court also sentenced Mr Hacker to a 7.5-month term of imprisonment for contempt. This is the first matter where contempt applications filed by the TPB resulted in a term of imprisonment being imposed.

At 30 June 2021, further contempt proceedings had been brought against Mr Hacker.

Board

The Board is responsible for administering the system for the registration of tax practitioners. This role includes providing strategic direction and governance oversight for the TPB and, where appropriate, making disciplinary decisions and applying sanctions under the TASA.

The Board delegates routine decision-making (not subject to appeal) to the CEO Secretary, who authorises staff to act on his behalf while retaining full responsibility and maintaining decision-making quality assurance.

Members

During 2020–21, 10 people served on the Board (including the Chair), all of whom served part time.

Board members Julie Berry and Ria Sotiropoulos concluded their service in October 2020.

In May 2021, Board member Jim Hawson also concluded his service. We thank them for their outstanding service and commitment.

In October 2020, Craig Stephens and Judy Sullivan were appointed to the Board for three-year terms.

At 30 June 2021, the members of the Board were Ian Klug AM (Chair), Debra Anderson, Peter de Cure, Julianne Jaques, Greg Lewis, Craig Stephens and Judy Sullivan.

The following biographies provide details of their qualifications and experience.



Ian Klug AM (Chair)

Ian is a Fellow of Chartered Accountants Australia and New Zealand and a Fellow of the Australian Institute of Company Directors. He is Chairman of Place Design Group, an international planning and design company, and The Water and Carbon Group. He is one of the founding directors of the Brisbane Portrait Prize and was previously on the board of the

Brisbane Festival. Other roles have included Chairman of Brisbane Marketing, the city's economic development agency; Partner at Pitcher Partners; Chairman of Queensland Artworkers Alliance; and Director of Tennis Queensland and Councillor of Tennis Australia.

Ian was awarded an Australian Sports Medal in 2000 and made a Member of the Order of Australia in 2017. He has a Bachelor of Arts and a Bachelor of Commerce from the University of Queensland.

Ian was appointed to the Board in December 2015 and appointed as Chair in February 2019.



Debra Anderson

Debra is a registered tax practitioner with extensive experience as a BAS agent and tax agent. She is a Fellow of the Institute of Public Accountants and a member of the Australian Institute of Company Directors, The Tax Institute and the National Tax and Accountants' Association. She specialises in tax and technology for small business, has a Master of Business

Administration and has worked extensively with the ATO on matters relating to tax practitioners and small business.

Debra was appointed to the Board in February 2019.



Peter de Cure

Peter is a professional non-executive director. His experience in tax matters has developed over a 25-year career as a tax partner with KPMG, and as a registered tax agent for 16 years. Peter is a Fellow of the Australian Institute of Company Directors and a Fellow of Chartered Accountants Australia and New Zealand, and holds a Bachelor of Economics from the University of Adelaide.

He is a Member of the South Australian Government Remuneration Tribunal, Chairman of the Royal Flying Doctor Service SA&NT, Chairman of Wirra Wirra Vineyards and Chairman of the Gifford Hill Joint Venture and Gifford Hill Pty Ltd; Chairman of Accord Property Holdings Pty Ltd and the Accord Property Development Fund, a Director of the South Australian Fire & Emergency Commission, Variety the Children's Charity SA and advisory board Chairman of Tim Adams Wines.

Peter was appointed to the Board in July 2017 and reappointed in October 2020.



Dr Julianne Jaques QC

Julianne is a barrister specialising in taxation and has been a tax practitioner for more than 25 years. She is a chartered accountant, chartered tax adviser and Tax Bar Association member. Formerly an accountant with Coopers & Lybrand and a solicitor with Freehills, Julianne was also an adviser to the federal government during the GST and business tax reforms of 1999 to 2001.

She is a member of the Independent Parliamentary Expenses Authority and the Board of Taxation. Julianne holds a Bachelor of Economics and Bachelor of Laws from Monash University, and a Doctorate of Juridical Science from the University of Melbourne. In 2020, The Tax Institute named Julianne their Chartered Tax Adviser of the Year.

Julianne was appointed to the Board in December 2015 and reappointed in February 2019.



Greg Lewis

Greg is a chartered accountant and a chartered tax adviser. He began his career as a graduate at KPMG, then moved to Ernst & Young, where he was promoted to the position of principal in the tax division. After returning to KPMG as a partner, Greg went on to become a consultant in tax at the law firm Minter Ellison.

He has been a company director and chairman of various organisations, both public and private. He was Managing Director of specialist industrial fittings manufacturer Bayside Benders Pty Ltd, supplying the civil, electrical and telecommunications industries.

He is a committee member of Bellarine Bayside Committee of Management, and an executive committee member of the Blairgowrie Yacht Squadron. He is a consultant to private companies on a wide range of technical and strategic matters. Greg holds a Bachelor of Economics and a Masters in Taxation.

Greg was appointed to the Board in December 2015 and reappointed in February 2019. Greg served as Acting Chair of the Board for periods in 2016, 2017 and 2019.



Craig Stephens

Craig has extensive tax experience, including most recently as the Managing Partner of BDO Australia in Hobart. He is a registered tax agent and has been working in a business services and taxation role for over 40 years. He is a Fellow of the Institute of Chartered Accountants in Australia and a Graduate Member of the Australian Institute of Company Directors.

He has undertaken many forensic accounting and valuation reports and is a registered company auditor. He holds a Bachelor of Commerce from the University of Tasmania.

Craig was appointed to the Board in October 2020.



Judy Sullivan

Judy is Principal Solicitor at Judy Sullivan Consulting Pty Ltd. From 2013 to 2020 she was a tax partner at PwC Australia in Sydney. Previously, she was a tax partner at King & Wood Mallesons, and a senior tax lawyer at Mallesons Stephen Jaques, Gilbert + Tobin and Ernst & Young. She has been a member of committees and working groups for the Law Council

of Australia and the ATO, on the Advisory Committee to the Board of Taxation, and Deputy Chair of the Australian Capital Territory Gambling and Racing Commission. Judy holds degrees in economics and law from the Australian National University and a Master of Laws from the University of Sydney.

Judy was appointed to the Board in October 2020.

Committees

The TASA empowers the Board to form committees with delegated authority to make certain decisions. The committee structure enables the Board to make timely decisions more efficiently, particularly in relation to conduct matters. The Board also consults with stakeholders through the TPB Consultative Forum and the recently established Tax Practitioner Governance and Standards Forum.

Audit and Risk Committee

The Board's Audit and Risk Committee does not have any formal powers under the PGPA Act but fulfils a key role in providing advice to the Board and staff on governance matters.

The TPB is oversighted by the ATO Audit and Risk Committee under section 17 of the Public Governance, Performance and Accountability Rule 2014 (PGPA Rule). The details of the ATO Audit and Risk Committee, as required under section 17AG(2A) of the PGPA Rule, are outlined in the ATO annual report.

Professional Practice Committee

The Board's Professional Practice Committee is tasked with:

- developing strategic advice and policy relating to the TPB's professional practice requirements for registered tax practitioners
- identifying and addressing issues relating to registered tax practitioners and consumers
- consulting with, and considering information provided by, stakeholders throughout the development of the Board's professional practice policies and guidance material
- overseeing the Board's role in the implementation of relevant legislative provisions.

Recognised Professional Associations Committee

The Board's Recognised Professional Associations Committee is tasked with administering the TPB's system for recognising professional associations. The committee's role includes:

- making decisions in relation to applications received from professional associations for recognition as a professional association under the TASR
- undertaking an annual declaration process to ensure that recognised professional associations continue to meet the eligibility requirements for recognition as such under the TASR.

Being a voting member of a TPB recognised professional association is an eligibility requirement under certain pathways for registration as an individual registered tax agent, BAS agent or tax (financial) adviser. Details of the associations that were recognised at 30 June 2021 are provided in Appendix A.

Board Conduct Committee

The Board Conduct Committee considers cases of practitioner conduct that may lead to decisions to:

- reject registration applications
- impose conditions on registrations
- suspend or terminate registrations (or apply other sanctions), and/or
- extend investigation periods.

Organisation

Under the TASA, the TPB consists of the Board members appointed by the Minister. They are assisted by ATO staff made available by the Commissioner of Taxation. Those staff are organised into functional areas and are responsible to a senior public servant appointed by the Commissioner of Taxation.

Structure

The CEO Secretary is responsible for managing TPB staff, operations, resources and corporate governance in line with the Board's decisions. The CEO Secretary is supported by staff across the functional areas shown in Figure 2.

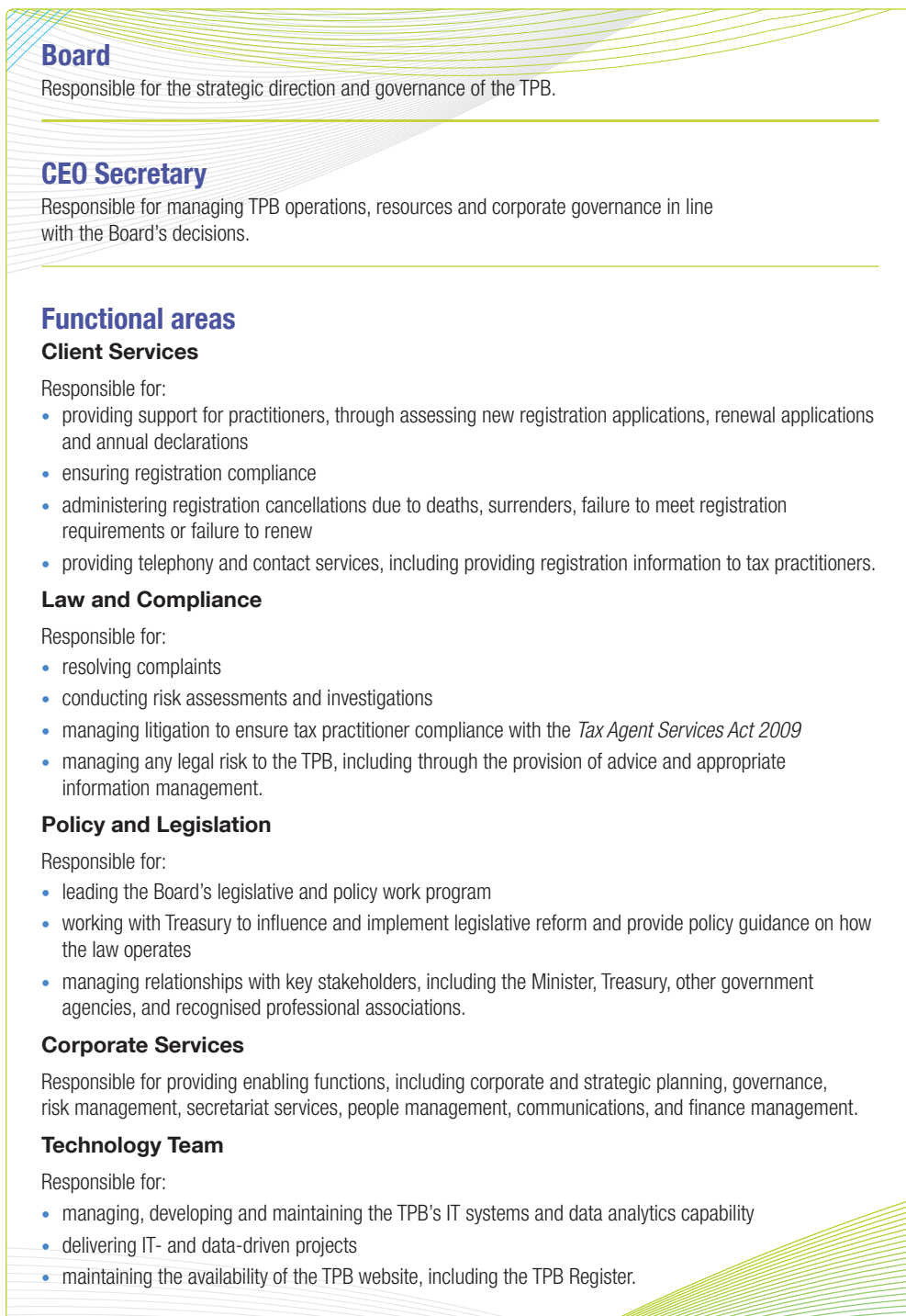


Michael O'Neill, CEO Secretary

Michael O'Neill was appointed CEO Secretary of the TPB in August 2018.

A lawyer with extensive public service experience, Michael joined the TPB from the ATO, where he was Chief Risk Officer, having previously held senior leadership positions in investigations, advice, litigation and law reform. He also has experience in private practice. Michael holds a Master of Laws from the University of Sydney.

Figure 2: Organisational structure at 30 June 2021



Staff

At 30 June 2021, the TPB had 149 ongoing and non-ongoing staff members operating across four locations, as shown in Table 1.

Table 1: Ongoing and non-ongoing employees by location at 30 June 2020 and 30 June 2021

Region	2020	2021
Australian Capital Territory (Canberra)	14	14
New South Wales	74	70
Queensland	25	26
Victoria	29	39
Total	142	149

Tables 2 and 3 reflect our staffing levels at year end for 2019–20 and 2020–21. These tables are for information only, as all TPB staff are made available by the Commissioner of Taxation and covered in the formal report on staffing in the ATO annual report.

Table 2: Employees by functional area at 30 June 2020 and 30 June 2021

Functional area	2020	2021
CEO Secretary	2	2
Client Services	33	30
Law and Compliance	72 ^a	78
Policy and Legislation	5	8
Corporate Services	15	16
Technology Team	15	15
Total	142	149

a Law and Compliance was established in 2020–21. In 2019–20, these staff were employed in Investigations and Enforcement (58) and the Legal Unit (14).

Table 3: Employees by classification and gender at 30 June 2020 and 30 June 2021

Classification	2020			2021		
	Female	Male	Total	Female	Male	Total
Senior Executive Service Band 2	0	1	1	0	1	1
Executive Level (EL) 2HWV ^a	2	1	3	2	0	2
EL 2	2	4	6	3	5	8
EL 1	14	13	27	17	16	33
Australian Public Service (APS) 6	25	25	50	28	21	49
APS 5	13	11	24	17	11	28
APS 4	12	10	22	11	7	18
APS 3	7	2	9	8	2	10
Total	75	67	142	86	63	149

a Staff assigned to duties in the Executive Level 2 higher work value zone.

Note: Includes ongoing and non-ongoing staff and full-time and part-time staff. The TPB had no staff of indeterminate gender.

Workforce profile

Early in 2020–21, the TPB integrated its Legal Unit with its Investigations and Enforcement teams under a new Law and Compliance business line. This brought the teams under common senior leadership and resulted in a refresh of our compliance strategies and structure. These initiatives created opportunities for greater efficiencies and collaboration between our people. The results have been positive, and we will continue to build on these enhancements.

The establishment of the Law and Compliance area resulted in the addition of two new Executive Level 2 positions. Overall, the TPB's total number of staff increased by seven (5%), although TPB recruitment was reserved for only the most urgent vacancies as the ATO focused on staffing to support the government's COVID-19 support measures. The extra effort made by ATO staff to enable this to occur was greatly appreciated, and reflects the key role that the TPB played in helping tax practitioners to assist clients with stimulus measures.

Female participation increased across the TPB, from 53% in 2019–20 to 58% in 2020–21, and in Executive Level positions, from 50% to 51%.

Wellbeing and development

The *Tax Practitioners Board Corporate Plan 2020–21* included a commitment to support our staff through uncertain times. During the year, we continued to build on our People Program, which sets out key objectives, outcomes and deliverables to support the wellbeing, development and culture of our staff and workplace.

The 2020–21 People Program included four key pillars: Staff Experience, Performance and Reward, Leadership Capability, and Development Opportunities. Almost all of the outcomes were achieved, although some results were constrained by COVID-19 impacts. Key outcomes included the development and release of an internal communications hub for all staff, and the establishment of the TPB reward and recognition program.

We invested considerably in our learning and development offerings as part of the People Program. Collectively, our staff attended over 1,600 hours of formal learning and development activities during the period, including over 540 hours of external training, establishing a benchmark that we will strive to build on in our future development programs.

A key highlight of our externally provided learning was the ability to support 22 of our investigations officers to continue their studies towards achieving a Certificate IV in Government Investigations. This study will continue in 2021–22. Our managers across the organisation attended a number of leadership courses throughout the period, including a course facilitated by the Australian Graduate School of Management through the University of New South Wales.

Reward and recognition

The TPB implemented a reward and recognition program, the TPB Excellence Awards, in 2020–21.

The potential for a program to raise staff engagement and provide greater recognition to staff was identified through our 2019 staff survey and the 2019 Australian Public Service Employee Census, which indicated that our results relating to staff acknowledgement lagged behind the overall Australian Public Service results. In order to ensure that our staff's independence from the ATO was maintained, we created our own awards system to recognise both excellence and long service.

The categories for formal awards are the individual and team Annual Chairperson Award for Excellence, and individual business line awards issued across the organisation. Informal awards include Team Leader and Team Awards presented by managers and directors, and Thank You Cards, which all staff may use to recognise a colleague informally, in a personal way.

Annual Chairperson Award for Excellence – Team

The Annual Chairperson Award for Excellence is the most prestigious award that a team can receive through the TPB Excellence Awards. In 2020–21, the winner was the Application Processing Team within Client Services.

This team efficiently managed a significant increase in workload and maintained the quality of new and renewal registrations evidenced through the quarterly quality assurance process. As a result of the team members' hard work and dedication, application processing is timelier and the number of applications on hand has significantly decreased. They have improved the new application and renewal service standards.

Approximately 2,500 transitional tax (financial) adviser renewal applications (which are intensively vetted, like new applications) were processed in 2020–21 without additional resources, by improving processes and shifting staff.

Overall, this team has demonstrated a culture of high performance, improved capability, improved processes, been agile and flexible, and exceeded service standards.

Technology and productivity

The TPB continues to lay the foundation started in 2019–20 to support a more mobile workforce with contemporary and reliable IT tools for delivering the goals of business.

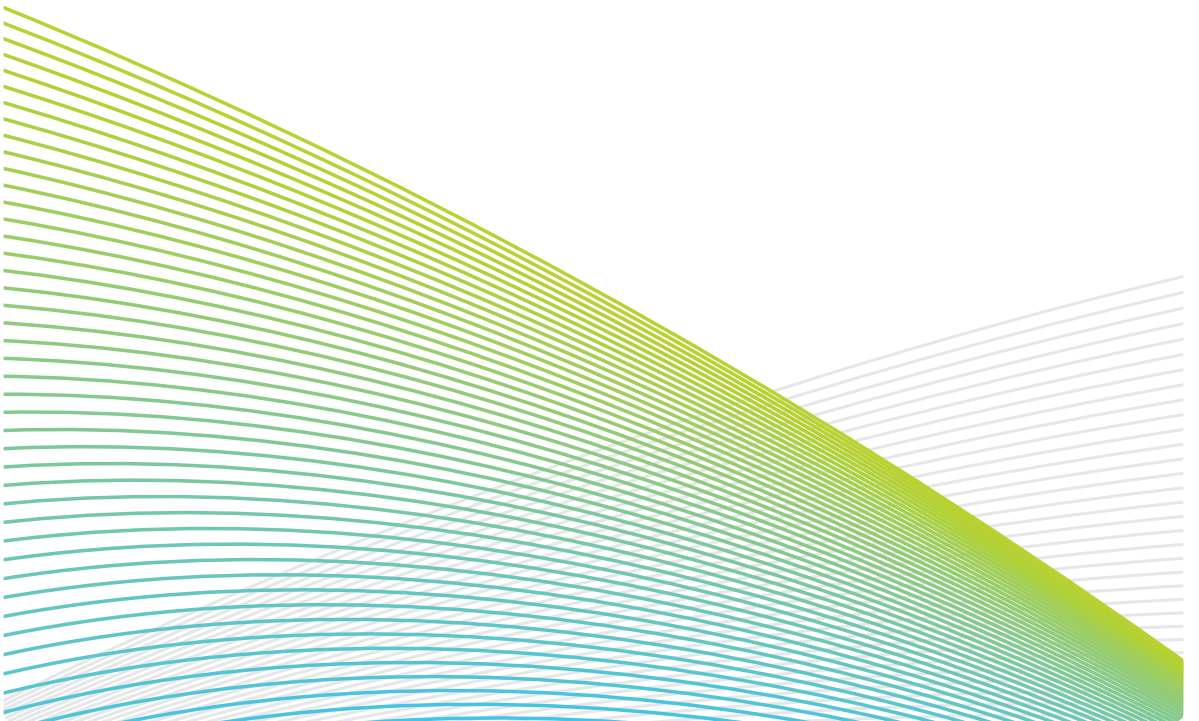
The implementation of a 'hub and spoke' model for arranging our virtual servers has commenced and is progressing without disruption to staff's use of our facilities. Additionally, we are moving to an improved virtual private network solution which promises to deliver improved support, better reliability and simpler architecture.

Staff have benefited from a substantial deployment of laptops and other IT assets to assist them in maintaining business continuity during the challenges of COVID-19.

These measures are expected to put the TPB in an excellent position to make further improvements in our IT security, mobility and data-handling capabilities in 2021–22.

03

PERFORMANCE



03 PERFORMANCE

Highlights of 2020–21

Protect consumers of tax practitioner services

Processing and enquiries

We processed all aspects of registrations, including new and renewal applications. We assessed complex registration matters and presented matters to the Board Conduct Committee (BCC).

We provided advice and guidance to the general public and potential new applicants and support to existing tax practitioners by email and telephone, responding to over 20,000 emails and letters and more than 29,000 telephone calls.



Due to the ongoing impact of COVID-19, we extended our concessions to support tax practitioners by temporarily waiving the requirement to complete annual declarations for around 44,000 practitioners. This resulted in a very small number of annual declarations being processed in 2020–21 compared to the number for the previous year, as shown in Table 4.

We also continued to protect consumers, educate the tax profession and deter misconduct, by presenting 19 complex registration matters to the BCC. This resulted in four new applications approved, six new applications rejected, two renewals approved, one renewal rejected, five renewals with requests to vary a condition approved, and one registration terminated with a disqualification period.

In addition, we supported the last of the transitional tax (financial) advisers to renew their registrations to one of the four standard options, including by meeting the qualification and relevant experience requirements.



Positive feedback on quality of services

'I would like to say a big thank you to the team on the phones for all the support they provided me while trying to renew our registration.

I had constant problems with getting access, due to outdated staff details and just random password and login issues. The staff were patient, understanding and very supportive.

I found myself calling every other day, but I didn't dread the call as I knew I was going to get the help I needed. Glad to say all is finally submitted and paid for. Thank you again team!'

Table 4: Processing tasks completed, 2019–20 and 2020–21

Work type	2019–20	2020–21
Total new applications processed	5,710	5,116
Total renewals processed	20,822	25,941 ^a
Total annual declarations processed	37,275	148 ^b
Calls answered	37,131	29,134 ^c
Emails and letters actioned	23,181	20,138

a This figure includes around 2,500 transitional tax (financial) adviser renewal applications.

b Due to the extension of the COVID-19 exemptions, a very small number of annual declarations were completed in 2020–21.

c The number of telephone enquiries answered was lower than usual during the early part of 2020–21, due to COVID-19 lockdowns.

Communications

Our communication activities performed very well across a range of channels, supporting the TPB’s strategic objectives.

We commenced emailing invitations to attend our webinars directly to our tax practitioner audience, in addition to our usual promotional activities. This resulted in a significant (286%) increase in webinar attendance. Additionally, one of our webinar recordings hit a record number of more than 10,000 views and we had a 27% overall increase in webinar views. Post-webinar surveys showed that 98% of the attendees gained what they hoped for from our webinars and 97% of the attendees advised that their knowledge on the topics had improved as a result of the webinars.



Communication activities through our other channels also performed very well. Use of the TPB Register exceeded 2 million searches for the first time. Our Facebook following increased by over 2,400 followers and engagement through our electronic newsletter, *TPB eNews*, was consistently higher than the industry benchmarks.

A tax time radio advertising campaign (run for the first time since 2015) created awareness among consumers about using registered tax practitioners and encouraged reporting of complaints against unregistered preparers. The campaign was heard by an estimated audience of 6.7 million people (which exceeded the target), who heard the advertisement on average 2.3 times.



Positive feedback on the quality of our webinars

- Keep up the ever-improving great work.
- The webinar content was great, and it was informatively presented.
- Providing practical examples during the webinar really hit the mark. Keep it up.
- I found the examples very helpful to pull out the practicalities of real-world scenarios.
- The webinar was well organised, clear and precise. I like the case studies and how you matched them with the *Tax Agent Services Act 2009*.
- The webinars are always a great source of knowledge and bring us all up to date.
- Well-presented and easy to follow. I would not change a thing.

Annual Chairperson Award for Excellence – Individual

The Annual Chairperson Award for Excellence, the most prestigious award an individual staff member can receive through the TPB Excellence Awards, was awarded to two staff members in 2020–21. The first award winner, Anna Miliauskas, won the award for her role in delivering the TPB's webinars throughout 2020–21.

This role includes writing all the content, liaising with different business areas and speakers (both internal and external), and coordinating with the TPB's external webinar provider. With at least two webinars run each month and attendance rates of up to 4,600 people for each webinar, it is a big responsibility.

Throughout the year, our webinar attendance rates continued to climb. The feedback was overwhelmingly positive, affirming that the webinars are useful, relevant and a worthy investment of time for participants.

Technology

Throughout 2020–21, we worked to build Workbench, a new customer relationship management tool to replace our ageing systems and support TPB operations into the future. Workbench is built upon commercial software products that will improve our ability to automate, process applications in a timely manner, and track and analyse client interactions. During the first phase of the project, components of the customer-facing portal will be updated to improve the ability to maintain the website and make improvements in the future.

We continued to maintain a tight cyber security posture in the midst of an increasingly hostile global cyber environment. This included proactive and reactive measures, partly informed by the Australian Cyber Security Centre's Essential Eight mitigation strategies and associated services. We also advocated for clear, easy to understand advice for tax practitioners to strengthen their cyber security posture. This was delivered in the form of education sessions and work towards educational products currently under construction in collaboration with the Australian Taxation Office (ATO) and the Australian Cyber Security Centre.

Enhance the integrity of the registered tax practitioner profession

Coordinated Compliance Strategy

The Coordinated Compliance Strategy – previously called the Joint Compliance Program, being a collaboration between the ATO and the TPB – continued to mature. The program's momentum was affected by a shift in priorities towards COVID-19 stimulus work, but some good collaboration took place between the agencies to address high-risk tax practitioners.

Consumer protection

Underpinning the TPB's compliance program is a complaints resolution framework that is designed to protect consumers of tax practitioner services. We continue to improve on our risk assessment capability. With enhanced use of data analytics, our ability to identify and target higher-risk behaviour will evolve and inform our future program of work.

Targeted projects to address tax practitioner behaviour

While we generally look at risk holistically, where appropriate the TPB also addresses certain types of tax practitioner behaviour through project-based initiatives. For example, where co-regulators share and highlight key risks to the system, such as self-managed superannuation fund audit issues, the TPB is open to addressing these risks as a targeted project.

Unregistered preparers

We recognise that unregistered preparers pose a significant risk to the tax profession and create a risk for their clients, who are often vulnerable and unfamiliar with the Australian tax system.

In 2020–21, we developed and implemented an unregistered preparers strategy to identify, address and prioritise their activity and determine the number of matters related to alleged activity. Additionally, we worked closely with the ATO to develop a joint register of unregistered preparers, to provide both agencies with information on cases on hand and action taken to address common risks. This register, together with our own strategies, ensured that a whole-of-government treatment was enacted for unregistered preparers.

CASE STUDY

TPB commences Federal Court proceedings against unregistered preparer

A matter that went before the Federal Court of Australia (Federal Court) highlights the dangers of dealing with an unregistered preparer.

A South Australian tax practitioner had his tax agent registration terminated at the end of 2018 by the TPB, due to serious misconduct. The TPB's investigation revealed that the tax practitioner had received tax refunds from numerous clients but had transferred the funds to a personal bank account. Chartered Accountants Australia and New Zealand made similar adverse findings against the practitioner.

Following information provided by the ATO, the TPB commenced proceedings in the Federal Court, alleging that, despite no longer being a registered tax agent, the person had continued to operate and provide tax agent services to taxpayers for a fee. The unregistered preparer would ask clients for their username, password and access code to access their myGov account and lodge their tax return.

On 18 June 2021, the Federal Court issued an interim injunction in the proceedings, restraining the unregistered preparer from preparing and lodging any further tax returns until final determination of the matter.

Litigation

Litigation outcomes in 2020–21 supported the TPB's strategic objectives, affirmed BCC decisions and provided law clarification.

Overall, the TPB received 39 new applications for merits review in the Administrative Appeals Tribunal (AAT) and three applications in the Federal Court.

Although the number of new AAT applications dropped in comparison to 2019–20, the numbers of matters finalised and decisions published significantly increased. In total, 45 litigation matters were finalised in the AAT, with nine stay decisions and 13 final decisions published, the bulk of which affirmed the Board's position.

These decisions highlighted key principles regarding the importance of the TPB's role to protect consumers and maintain the appropriate standards of professional and ethical conduct among registered practitioners.

CASE STUDY

Administrative Appeals Tribunal affirms practitioner not fit and proper for failing to comply with personal taxation obligations

The Board terminated Grant McCarthy's tax agent registration based on a finding that he is not a fit and proper person, given his:

- failure to comply with his personal taxation obligations, notably debts to the ATO of approximately \$580,000
- failure to comply with an order issued by the Board requiring him to pay or enter a payment arrangement with the ATO for his outstanding debts.

The AAT affirmed the Board's decision, varying the period in which Mr McCarthy could not reapply for registration from four to two years.

In affirming the Board's decision that Mr McCarthy is not a fit and proper person, the AAT referred to the TPB's policy regarding the fitness and propriety requirement (Explanatory Paper TPB(EP) 02/2010: Fit and proper person), which includes the following:

... a tax practitioner who fails to comply with the practitioner's own taxation obligations will not be considered a person of sufficient competence, good fame, integrity and character or sufficiently fit and proper to be registered as a tax practitioner.

... a lack of cooperation with the TPB and failure to deal with the TPB appropriately may also reflect adversely on a tax practitioner's fitness and propriety for registration.

The AAT further concluded that Mr McCarthy lacked insight into his conduct and the seriousness of the situation. In finding the Board's termination decision was appropriate, the AAT noted that:

... the Tribunal considers Mr McCarthy's conduct to be serious. A lack of rigour in the conduct of one's own tax affairs reflects poorly on Mr McCarthy's character. Not only that, Mr McCarthy kept and (clearly used) money belonging to the ATO (GST monies). He also failed to keep his employee superannuation payments up to date. This conduct is unacceptable and warrants a deregistration.

Guidance and support to tax practitioners

The TPB drafted, consulted upon and published a number of information products to assist tax practitioners to understand their professional responsibilities, and to support the majority of tax practitioners, who do the right thing. They included new information products in relation to requirements for recognition as a professional association, the use and disclosure of a client's tax file number (TFN) information, proof-of-identity requirements for client verification, and supervisory arrangements and continuing professional education policy requirements for registered tax practitioners.



ADDITIONAL COMMENTARY

Single disciplinary body for financial advisers

Following the recommendations of the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry, and the independent Review of the Tax Practitioners Board and *Tax Agent Services Act 2009* (James Review), the Australian Government has endorsed the establishment of a single disciplinary body for financial advisers to strengthen the financial advice sector and provide consumers with better access to affordable and high-quality financial advice.

From 1 January 2022, tax (financial) advisers will no longer be registered by the TPB – they will be regulated by the Financial Services and Credit Panel of the Australian Securities and Investments Commission (ASIC), under the *Corporations Act 2001*. Tax (financial) advisers must be registered with the new regulatory body by 1 January 2023.

This reform will further streamline the number of bodies involved in the oversight of financial advisers, delivering improvements to the regulatory framework for the sector.

Implement the government's reform program

Review of the Tax Practitioners Board and *Tax Agent Services Act 2009*

The TPB is committed to supporting the Australian Government's response to the James Review. This includes working with Treasury to implement law changes, consulting further on a number of the review's recommendations, and implementing the government's response administratively.

The reforms bring key changes to enhance the effectiveness of the TPB, including:

- increasing the TPB's independence, so that the TPB has clear accountability and responsibility to the public and the government – this will provide confidence that the TPB's disciplinary actions are imposed by an independent regulator
- reducing red tape, including by streamlining the regulation of tax (financial) advisers and allowing the TPB to accept different types of experience as being relevant to a practitioner's registration

- ensuring that education and experience requirements are set at the right level for tax practitioners to ensure community confidence in the tax profession
- bolstering eligibility requirements to ensure that only those individuals and entities that meet high standards of ethical and professional behaviour can obtain tax practitioner registration
- expanding the information that appears on the TPB's public register so that consumers of tax services can be even more informed.

Stakeholder engagement

In addition to continuing to facilitate our TPB Consultative Forum, the TPB established the Tax Practitioner Governance and Standards Forum, as recommended by the James Review.

This will ensure that any significant proposals affecting tax practitioners – such as changes to relevant legislation and regulations, including the Code of Professional Conduct (Code) in the *Tax Agent Services Act 2009* (TASA), and the creation and application of a charter of tax practitioner governance – are made with appropriate consultation. The inaugural meeting of the new forum took place in July 2021.

Annual Chairperson Award for Excellence – Individual

The Annual Chairperson Award for Excellence, the most prestigious award an individual staff member can receive through the TPB Excellence Awards, was awarded to two staff members in 2020–21.

The second winner, Janette Luu, received her award for acting with professionalism and commitment in driving reform on behalf of the TPB, regularly going above and beyond to represent and bring about positive changes for the TPB's future.

In working with the various stakeholders, both internal and external, during the James Review, Janette prepared analyses of government announcements and submissions for the proposed enhanced compliance program with a quality and level of detail of the highest calibre. Additionally, her contribution as a leader to her team and the organisation was invaluable.

Response to COVID-19

Supporting the government's stimulus measures

The TPB supported tax professionals to implement the Australian Government's COVID-19 stimulus measures – cash flow boosts, the JobKeeper Payment and the early release of superannuation program – at a time when Australian businesses and families needed them most.

We also helped to ensure that the integrity of the stimulus packages was upheld, by investigating allegations of tax practitioners taking unlawful advantage of the measures, for themselves or for their clients.

We worked with the ATO to ensure that we received early intelligence of tax practitioners who were inappropriately making claims for themselves or on behalf of their clients. We also staffed a central inbox that monitored complaints and referrals from the public and tax practitioners, and maintained a COVID-19 tip-off queue on our telephone enquiry line to receive any enquiries regarding potentially fraudulent activities relating to the stimulus measures.

In total, we reviewed over 440 matters relating to the COVID-19 stimulus measures as a result of ATO referrals and public complaints and enquiries. Our investigations into those matters uncovered conduct ranging from errors to reckless or fraudulent claims.

A risk assessment and triage process was implemented to prioritise those matters that reflected a higher risk. Treatment plans were implemented to address the highest level of risk and alleged misconduct by the tax practitioners.

As a result of that process, by 30 June 2021 over 300 matters had been closed, most without proceeding to formal investigation; 17 matters had been taken to the BCC, which imposed various sanctions, including terminations and suspensions; and over 100 matters remained active.

Supporting tax practitioners

We recognised that the majority of tax practitioners have been affected by COVID-19 and, accordingly, we made a number of adjustments across the TPB. This included adjusting our compliance processes and regulatory approach – for example, extending response deadlines for tax practitioners to respond to the TPB. We also introduced targeted compliance procedures to deal with improper activity and claims around the multiple stimulus measures.

To support our recognised professional associations, we made concessions in relation to their requirement to submit annual declarations to the TPB to maintain ongoing recognition under the Tax Agent Services Regulations 2009.

Supporting our staff

In facing the challenges of working under COVID-19 conditions, our staff have greatly appreciated the flexibility to work from home. In November 2020, following guidance and directives from the ATO and the Australian Public Service Commission, and state government medical advice, TPB staff became eligible to enter an agreement to work in the office 60% of the time and from home 40% of the time. The policy supporting the flexible workplace arrangements is in place until 31 December 2021, when it will be reviewed.

Our staff responses to the 2020 Australian Public Service Employee Census demonstrate that staff wellbeing has been positively impacted by the new flexible workplace arrangements. The census results showed that our staff are engaged with and committed to their work with the TPB. Further details on our census results are located in the report on performance measure 3.3.

Annual performance statement

For the purposes of the *Public Governance, Performance and Accountability Act 2013*, the TPB is accountable as part of the ATO.

As the accountable authority, the Commissioner of Taxation is responsible for providing an annual report to Parliament that complies with the requirements of the Public Governance, Performance and Accountability Rule 2014 (PGPA Rule). To support this, the TPB provides an annual performance statement in line with section 16F of the PGPA Rule.

In this annual performance statement, the TPB reports on its performance against the criteria set out for ATO Program 1.2: Tax Practitioners Board on page 205 of the *Treasury Portfolio Budget Statements 2020–21*, and the measures set out on pages 8 to 11 of the *Tax Practitioners Board Corporate Plan 2020–21*.

The purpose of the TPB is defined on page 201 of the portfolio budget statements, setting out the three strategic objectives that underpin the 2020–21 corporate plan:

The TPB seeks to protect consumers of taxation services by regulating tax practitioners in a fair, consistent and practical way, thereby strengthening the integrity of the tax practitioner profession by:

1. *Protect consumers of tax practitioner services*
2. *Enhance the integrity of the registered tax practitioner profession*
3. *Implement the government's reform program*

We achieved alignment between our portfolio performance criteria and our corporate plan measures in 2020–21, as shown in Figure 3. The following sections provide an analysis and a summary of results against our three strategic objectives.

The TPB takes a quantitative and a qualitative approach to assessing its performance, based on factors including:

- the currency of the TPB Register
- the usefulness of our advice and guidance
- the effectiveness of our complaints handling
- our use of data and intelligence to target high-risk practitioners
- the conduct of litigation cases that clarify the law and support the TPB's strategic objectives
- our influence on statutory reform, including in collaboration with Treasury
- feedback on our governance arrangements.

Figure 3: Performance summary, 2020–21 corporate plan and portfolio budget statements

Strategic objective	Performance measure	Target	Result
1 Protect consumers of tax practitioner services	1.1 Support consumers through targeted communications that raise awareness of consumer rights and tax professionals' obligations.	Effective communication is used to highlight risk, protect consumers and educate the profession.	Achieved
	1.2 Deliver a complaints resolution framework that supports consumer protection.	Complaints are handled effectively.	Partially achieved
	1.3 Manage an effective public register that is readily available.	The TPB Register is current and contemporary.	Achieved
2 Enhance the integrity of the registered tax practitioner profession	2.1 Provide guidance and advice to tax practitioners on their eligibility and obligations.	Useful advice and guidance are provided. Processing of all tax practitioner applications is timely.	Achieved
	2.2 Target the highest risk tax practitioners with investigations and compliance programs.	Data and intelligence target the highest risk tax practitioners.	Partially achieved
	2.3 Implement a strategic litigation program to clarify the law, support just outcomes and deter poor conduct.	Litigation cases that clarify the law and support TPB's goals.	Achieved
3 Implement the government's reform program	3.1 Work with government to design and implement statutory reform.	The TPB influences legislative reform.	Achieved
	3.2 Ensure that the public is confident to use tax practitioner services.	The Australian public continue to show high levels of trust and satisfaction with tax practitioners.	Achieved
	3.3 Be an effective and efficient regulator.	The TPB is recognised as an efficient and effective regulator.	Achieved

STRATEGIC OBJECTIVE 1

Protect consumers of tax practitioner services

Performance measure 1.1

Support consumers through targeted communications that raise awareness of consumer rights and tax professionals' obligations

Performance analysis

The TPB achieved this performance measure. Using various communication channels, we reached and educated the broader public and continued to increase awareness of the TPB's role, consumer rights and tax professional obligations.

Strategies

The TPB's communication strategies continued to be successful in 2020–21, delivering timely and effective messaging to our audiences.

The strategies were oriented toward educating tax professionals on their obligations under the TASA and the Code to maintain their registration with the TPB. They also focused on increasing awareness of the TPB's role as an effective regulator to protect consumers. In addition, the communication channels were used to promote the TPB's extended support measures to assist tax practitioners to cope with ongoing effects of the COVID-19 pandemic.

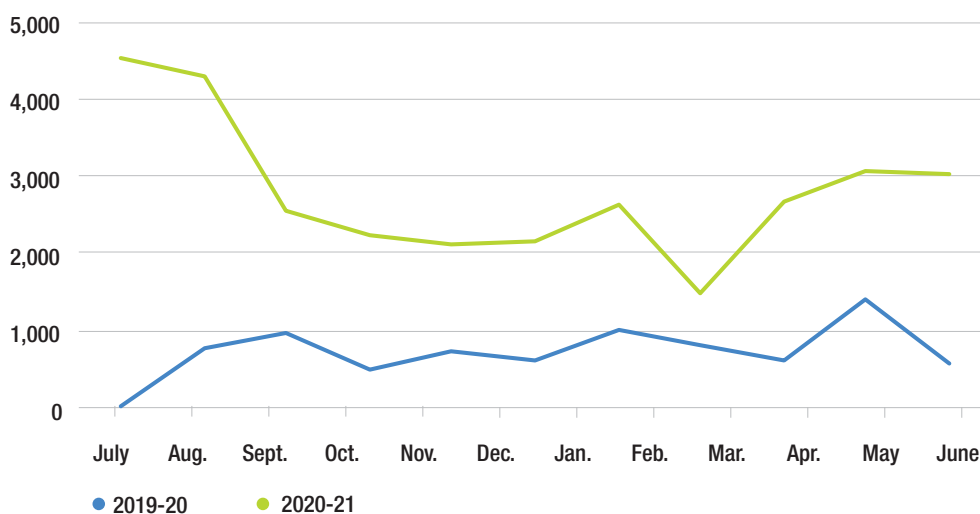
Key activities

Our key communication activities during the year included:

- 23 editions of *TPB eNews* – including two special editions, covering tax time for tax and business activity statement (BAS) agents (in July 2020) and the government's announcement of reforms to the TASA (in December 2020) – distributed to an average of 59,800 subscribers each month (up from 59,000 in 2019–20)
- 23 free webinars conducted to support and educate tax practitioners on their obligations and provide opportunities for continuing professional education, and recordings of the webinars made available online through the TPB's YouTube channel – Figure 4 shows the significant growth in our webinar attendance
- daily social media messaging delivered via LinkedIn, Facebook and Twitter, and boosting of selected posts to promote wider coverage of our messages
- 11 targeted media releases distributed via industry and mainstream media to raise awareness of egregious tax practitioners

- research activity, involving both tax practitioners and consumers, undertaken to understand the levels of awareness of the TPB and the TPB Register, and consumers' trust in their tax practitioners
- implementation of an improved distribution system for media releases and media communication, utilising a commercial subscription service that provides a database which is updated daily and includes over 59,000 media contacts and outlets around Australia
- online and radio advertising campaigns conducted to educate and remind consumers about using a registered tax practitioner for tax services
- 33 news articles published on our website to provide the latest news and updates, along with supporting materials of interest to tax practitioners
- three instructional videos produced to assist tax practitioners to meet their obligations.

Figure 4: Average monthly webinar attendance, 2019–20 and 2020–21



Consumer awareness

Media is a key communication channel that we use regularly to reach consumers. In 2020–21, we commenced using a media subscription service for delivering press releases. The subscription provides the TPB with a large database of media contacts. On average, each media release is distributed to over 3,000 media contacts, including major metropolitan and regional print, television and radio contacts, and top finance editors and writers (including online). This enables our messages to reach a potentially large consumer audience, increasing consumer awareness of egregious tax practitioners and, in turn, the TPB.

The third round of the Tax Practitioner Biannual Survey, which is conducted every six months and surveys both tax practitioners and consumers, showed that the majority of consumers surveyed have longstanding relationships with their tax practitioners and have high levels of trust in them. These findings guided 2021's tax time advertising campaigns, particularly on radio. The campaigns warned consumers to ensure that their tax practitioner is registered with the TPB and to make a complaint if their tax practitioner operates outside the law.

The survey also showed that consumers' understanding of the TPB's role remained steady, with 64% of consumers understanding the role of the TPB. The level of awareness of the TPB was highest among business owners. Asked what they would do if they had concerns about the behaviour or practices of a tax practitioner, 47% of respondents said that they would contact the ATO, 31% said that they would contact the TPB and 31% said that they would conduct an internet search.

The TPB plans to continue its biannual survey to better understand the perceptions of consumers and tax practitioners regarding the effectiveness of the TPB and its communication.

Performance measure 1.2

Deliver a complaints resolution framework that supports consumer protection

Performance analysis

The TPB achieved this performance measure only partially, due to:

- insufficient resourcing to fully utilise data analytics to prioritise complaints and identify patterns and trends in intelligence
- limitations in available data sets.

To address these issues we are looking to recruit staff with the requisite skills in intelligence and data and will continue to work with the ATO to build our data sharing arrangements.

Complaints resolution approach

Our complaints resolution framework requires us to assess complaints received from a range of sources, in a timely manner. Complaints are received, then reviewed and assessed in accordance with our risk framework. Throughout 2020–21, our continued and improving use of data analytics enabled us to target the complaints which represented the highest risks to our tax system and focus our resources appropriately.

The use of data and analytics and the application of our risk model has enhanced consumer protection by addressing the most egregious behaviour by tax practitioners. Our focus on addressing highest risk tax practitioners includes the:

- improved use of profiling as part of a treatment plan to review referrals and complaints to identify and address high-risk behaviour
- alignment of the ATO risk model with the TPB complaints resolution framework to ensure that tax practitioners who are classified as a higher risk by the ATO are prioritised for appropriate investigation
- implementation of targeted projects to address specific risks and issues, such as professional indemnity insurance, misuse of self-managed superannuation fund auditor numbers, and research and development (R&D) claims
- prioritisation of an unregistered preparers strategy – a dedicated team was created to identify and address unregistered preparer behaviour.

Complaints received

The TPB receives complaints regarding registered practitioners from a range of external sources – including members of the public, other tax agents, government departments and the ATO – and in the course of our own investigations. In 2020–21, we received 2,014 complaints, as detailed in Table 5.

We saw a 4% overall increase in complaints and referrals during 2020–21. ATO referrals increased by 140%, largely driven by matters related to the COVID-19 stimulus measures.

Table 5: Sources of complaints and referrals, 2019–20 and 2020–21

Source	2019–20	2020–21
Public	991	766
Registered tax practitioner	227	171
Australian Taxation Office	245	587
Other	474	490
Total	1,937	2,014

Treatment of complaints

All complaints and referrals are reviewed and subjected to a risk assessment, to help determine a treatment strategy for each matter. During 2020–21, most complaints were finalised within 30 days of allocation to a case officer.

Our focus on higher-risk tax practitioners and complex matters during 2020–21 resulted in 170 submissions being presented to the BCC. As a result of the submissions, the committee:

- terminated the registration of 75 tax practitioners
- suspended the registration of 11 tax practitioners
- imposed other sanctions, including orders and formal cautions, because of Code breaches.

Table 6 summarises BCC matters for the past two reporting periods. The number of matters presented to the committee fell by 47% in 2020–21, from 320 in 2019–20. The decrease was partly due to the discontinuation of projects targeting non-compliance in areas such as continuing professional education, debt and lodgement, and annual declaration lodgement, which had been active in 2019–20.

Table 6: Board Conduct Committee matters and decisions, 2019–20 and 2020–21

Matters	2019–20	2020–21
Matters presented to the committee	320	170
Decisions		
Termination	174	75
Suspension	50	11
Rejection of renewal application	7	1
Rejection of new application	1	6
Vary/add/remove a condition	0	5
Approval of new and renewal applications	4	6
Imposition of an order	114	49
Written caution	619	62
Other	1	30
Total	970	245

Note: A matter that is referred to the Board Conduct Committee may result in more than one decision.

This year's table includes some registration matters that were not detailed in previous annual reports.

This includes rejection of new applications and approval of new and renewal applications.

Performance measure 1.3

Manage an effective public register that is readily available

Performance analysis

The TPB achieved this performance measure. The TPB Register was available 98% of the time in 2020–21, with only minor outages experienced, as well as brief periods of scheduled maintenance.

The TPB Register is available on the TPB website and provides registration details of registered, suspended and deregistered tax agents, BAS agents and tax (financial) advisers. It is updated daily.

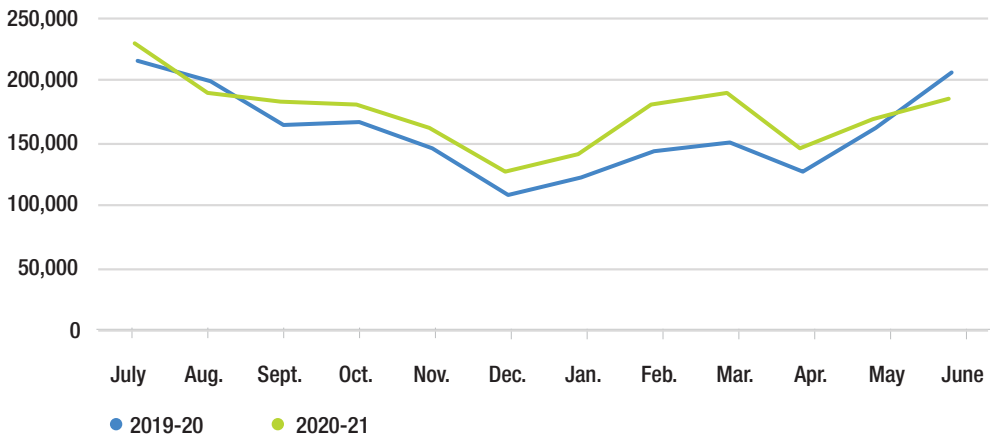
Only registered tax practitioners can legally provide tax agent, BAS and tax (financial) advice services for a fee or other reward. Consumers have confidence using registered tax practitioners, knowing that they have relevant education and experience and uphold professional and ethical standards. If errors occur, the clients of registered tax practitioners have recourse to the TPB for complaints resolution and, in serious cases, investigation.

The register is a useful tool enabling consumers to ensure that their tax practitioner is registered with the TPB. The register also provides other helpful details for consumers, including any conditions imposed by the TPB which limit the types of tax services that a registered tax practitioner is allowed to provide. It also provides reasons for any sanctions imposed on tax practitioners, further protecting consumers from egregious tax practitioners.

Throughout 2020–21, enhancements to the register’s search functions were enabled, to make the searches more targeted and reduce errors in the results featured. Further enhancements to the search functionality and contemporary presentation of the register, and the TPB’s website in general, are well underway for delivery in the near future.

In 2020–21, the number of searches conducted on the register rose by 9%, reaching more than 2 million. Figure 5 shows the number of searches conducted each month.

Figure 5: Register searches, 2019–20 and 2020–21



STRATEGIC OBJECTIVE 2

Enhancing the integrity of the registered tax practitioner profession

Performance measure 2.1

Provide guidance and advice to tax practitioners on their eligibility and obligations

Performance analysis

The TPB achieved this performance measure. In 2020–21, we reviewed, updated and developed guidance products to help tax practitioners and other key stakeholders understand the eligibility requirements and ongoing obligations under the TASA and the Code. We responded to tax practitioners' enquiries relating to registration matters and met and exceeded our service standards for processing applications for new registrations, registration renewals and annual declarations.

Policy and guidance

The TPB's guidance products provide advice in relation to emerging and contemporary issues that arise within the tax profession, and ensure the ongoing appropriateness and currency of TPB policy positions. Appendix B provides details of the products released in 2020–21.

As a part of preparing new guidance, we conducted consultations in relation to numerous matters, including:

- guidance for tax practitioners on their obligations when using and disclosing a client's TFN and TFN information in email communications
- proposed amendments to the TPB's continuing professional education requirements
- supervision and control policy guidance for tax practitioners, including the 'sufficient number' requirements under the TASA
- conversion of the TPB's Board approved course requirements into legislative instruments
- proof-of-identity requirements for tax practitioners.

An example of how the TPB's consultation process ensures that the TPB's products are appropriate and useful to tax practitioners is the recent consultation undertaken in relation to the TPB's proposed requirements for Board approved courses. The TPB adopted the feedback received from the TPB Consultative Forum members and the Australian Small Business and Family Enterprise Ombudsman, and deferred finalising the legislative instruments until a comprehensive review of the Board's approved course requirements was undertaken.

Further, the TPB frequently reviews its policy guidance in light of decisions made by the AAT and the Federal Court, to ensure that the TPB's policy position in relation to relevant matters is current and consistent with case law.

The TPB developed the Tax Agent Services (Specified BAS Services No. 2) Instrument 2020 and its accompanying Explanatory Statement, which were registered in November 2020. This allowed BAS agents to provide certain services in relation to the superannuation guarantee and superannuation guarantee charge.

We continue to work with our stakeholders to ensure that they are supported and that our advice is relevant to their needs. The third wave of the Tax Practitioner Biannual Survey, issued in November 2020, was analysed by the ATO (Enterprise Strategy and Design).

Key areas of note include:

- 80% of survey participants were satisfied with the TPB's policy and guidance
- 86% of surveyed tax practitioners thought that the TPB was very effective at ensuring that tax practitioners understand their obligations
- 70% of surveyed tax and BAS agents indicated that the TPB has improved the type, amount and frequency of information and/or communication that it provides.

“ 86% of surveyed tax practitioners thought that the TPB was very effective at ensuring that tax practitioners understand their obligations ”

Processing of applications

In 2020–21, we processed 5,116 new registrations, 25,941 renewals and 148 annual declarations. The number of finalised new and renewal applications depends on a range of factors, including the numbers of tax practitioners who apply for registration and continue to renew their registration; the complexity of each individual application, and whether all supporting evidence and information is provided; and staffing resources.

Included in the renewal registration numbers are approximately 2,500 transitional tax (financial) advisers who entered the system between 1 January 2016 and 30 June 2017 and were required to demonstrate the equivalent of 18 months 'sufficient experience'. On renewal, these applications were processed manually and intensively assessed in the same way as a new application. The final group of transitional tax (financial) adviser renewal applications was finalised in 2020–21.

The decline in annual declarations was a result of the exemptions from lodging an annual declaration from July 2020 to December 2021 that the TPB provided to support tax practitioners affected by the impacts of COVID-19.

We have clear targets for service standards, which are published on our website. The standards ensure that we remain focused on supporting tax practitioners to comply with their obligations in as timely a manner as possible.

We always strive to achieve our service standards for new registrations and registration renewals. During the reporting period, we were able to achieve those standards even while we were affected by the impacts of the COVID-19 pandemic and by staff transitioning back to the office in early 2021.

Table 7 shows an increase in the proportion of new and renewal applications processed within the 30-day and 60-day targets.

Table 7: Registrations processed within service standards, 2019–20 and 2020–21

Service standard	2019–20	2020–21
80% of registrations processed within 30 days of receiving a completed application	77%	92%
95% of registrations processed within 60 days of receiving a completed application	87%	99%

Note: The service standard percentage is the proportion of applications for new registrations and renewals.

In anticipation of receiving only a small number of annual declarations, we redeployed staff to focus on high-volume workloads, including the processing of new and renewal applications. This enabled us to improve our performance against service standards. We continually focus on our staff capabilities to ensure that staff have the right tools, technology and knowledge available to assist with responding to tax practitioner enquiries and assessing applications.

As part of our quality control process, we continued to check applications processed and responses to email and telephone enquiries relating to registration matters, to ensure that quality service was maintained and appropriate responses were provided. This process enables us to continually review and improve our products, services, processes and procedures, thereby making it easier for tax practitioners to interact with the TPB in all aspects of their registration.

As part of our ongoing commitment to provide quality guidance and advice to tax practitioners, we continued to apply improvements to our correspondence and communications messages; IT systems and website; staff training and capability; and scripting and telephony services.

Performance measure 2.2

Target the highest risk tax practitioners with investigations and compliance programs

Performance analysis

The TPB partially achieved this performance measure. This is, in part, due to limitations in available data sets and a shift in priorities to support the government's COVID-19 stimulus measures. Overall, strong outcomes were maintained, with 2,014 complaints being received and risk assessed and 1,925 cases being resolved and closed, which involved 170 submissions being presented to the BCC. This resulted in 75 tax practitioners having their registration terminated. Further details of cases closed are provided in Appendix D.

COVID-19 stimulus measures

The government's introduction of the COVID-19 stimulus measures led to over 440 referrals and complaints being made to the TPB on the potential misconduct of tax practitioners. The TPB's response to those matters is summarised on pages 29 to 30 of this report.

Coordinated Compliance Strategy

The Coordinated Compliance Strategy between the ATO and the TPB, previously called the Joint Compliance Program, continued to mature. However, the program's momentum was affected by the shift in priorities towards COVID-19 stimulus work. The program did result in some positive collaboration between the agencies to address a number of higher-risk tax practitioners, including through terminations and suspensions. We will continue to work with the ATO in 2021–22 to refine this program.

Data analytics

We have worked with the ATO to design and develop a data analytics solution that enables continued data sharing between the two agencies. Having timely data available from a single source will ensure that we are targeting the most productive compliance cases while providing the best possible service to tax practitioners and the public. This work commenced in 2020–21 and will be continuously updated and improved.

CASE STUDY

Repeated dishonest behaviour involving COVID-19 stimulus measures

Following a referral from the ATO, the TPB initiated an investigation into a black economy matter and consequently terminated the registration of a New South Wales-based tax practitioner. The TPB found that the tax practitioner had engaged in serious misconduct which involved multiple breaches of the Code and was no longer fit to be registered. The maximum five-year ban was imposed.

The TPB found that the tax practitioner had breached the Code by failing to:

- act honestly and lawfully in the best interests of the clients relating to COVID-19 stimulus measures, by submitting over 100 BASs and 43 JobKeeper Payment applications for clients without obtaining the necessary prior authority
- account to the clients for Commonwealth funds in excess of \$550,000 that the tax practitioner had received on trust as a result of lodging their BAS and JobKeeper Payment applications – the tax practitioner had used these funds for personal and business expenses
- comply with the taxation laws in the conduct of the tax practitioner's own affairs, including by failing to declare information to the ATO, pay outstanding taxation debts and meet lodgement obligations.

Additionally, the TPB found that the tax practitioner had made false statements to the TPB and misused the MyGov platform to assume the identity of clients for the purposes of dishonestly obtaining a benefit for themselves.

CASE STUDY

Systemic non-compliance by a Victoria-based tax practitioner

In May 2021, the TPB terminated the tax agent registration of a Victoria-based company as a result of a referral as part of the Coordinated Compliance Strategy. The TPB found that the company had engaged in conduct which involved multiple breaches of the Code. The TPB also determined that the company was no longer eligible for registration, as it no longer satisfied the TPB that it met the registration requirement that its sole director was a fit and proper person.

The BCC found multiple breaches of the Code, including that the company:

- failed to act with integrity, by making a false and misleading statement to the TPB in its renewal of registration application by failing to disclose outstanding taxation obligations for itself and the associated entities of its sole director
- failed to lodge income tax returns and activity statements by their respective due dates and to pay outstanding taxation liabilities to the Commissioner of Taxation when they fell due
- failed to ensure that tax agent services provided on its behalf were provided competently – this included failing to make sufficient enquiries with clients by sighting adequate substantiation to correctly ascertain their clients' affairs when preparing and lodging BASs and JobKeeper Payment applications on behalf of the company's and its supervising tax agents' clients
- failed to take reasonable care to ascertain the state of affairs of its clients that were relevant to BASs and JobKeeper Payment applications that it prepared and lodged on behalf of those clients.

The BCC made findings regarding the fitness and propriety of the director and determined that it was appropriate to terminate the company's registration. The committee considered that the sole director had demonstrated systemic non-compliance with the TPB and the Commissioner of Taxation's requirements under taxation laws.

Unregistered preparers

Our efforts to address unregistered preparers were bolstered in 2020–21 with additional resources being allocated to a dedicated team. The resources have allowed us to develop a strategy to address and prioritise the number of matters related to alleged activity by unregistered preparers. We have also worked closely with the ATO to develop a joint register of unregistered preparer cases, which provides both agencies with ready access to information on cases on hand and action taken to address risks.

During 2020–21, over 180 complaints were received about alleged activity by unregistered preparers. They included 26 referrals from the ATO, 45 complaints from the public and 110 complaints from other sources.

As a result of the referrals and complaints:

- the Federal Court fined an individual \$40,000 for unlawfully providing tax agent services to approximately 350 taxpayers
- a high-risk unregistered preparer has had an interim injunction imposed against him, to restrain him from providing tax agent services in preparing and lodging income tax returns for taxpayers, until the final determination of his Federal Court proceeding
- 37 unregistered preparers made undertakings to the Board to amend or remove advertising material, agreed to a change of behaviour, or received education letters
- a monitoring program has been implemented to flag attempts by terminated agents to provide tax agent services while unregistered.

Our risk assessment approach in relation to activity by unregistered preparers assists us in determining the most appropriate treatment strategy. This may include:

- education of the unregistered preparer on the operation of the TASA
- cease and desist correspondence
- proactive work with the ATO to address compliance issues for unregistered preparers and their clients
- investigation under the TASA to limit an agent's influence over the tax system
- formal litigation, seeking civil penalties or injunctive relief
- work with partner agencies to pursue criminal prosecution of unregistered preparers.

The TPB remains committed to deterring conduct by unregistered preparers by ensuring that they are stopped from acting unlawfully and putting consumers at risk. Currently, in order to act against unregistered preparers providing tax practitioner services to the public, the only option available to the TPB in the TASA is to apply to the Federal Court for pecuniary penalty orders and injunctive relief. This is a resource-intensive and costly mechanism. Consequently, the TPB has only been able to pursue this option in the most egregious situations.

CASE STUDY

Unregistered preparer fined \$40,000

The Federal Court imposed a \$40,000 penalty on unregistered preparer Ms Arlene Caolboy for unlawfully providing tax agent services for a fee to approximately 350 taxpayers over a four-year period, advertising tax agent services online, and telling taxpayers she was a registered tax agent. The court also imposed an injunction on Ms Caolboy, restraining her from providing tax agent services or BAS agent services for three years while she remains unregistered with the TPB.

In determining the appropriate penalty, the Hon Justice Michael Wheelahan accepted the TPB's submission that Ms Caolboy's actions were at the 'serious end of the spectrum', finding that her 'contraventions were calculated, and occurred for the purposes of achieving financial gain' and recognising that her clients were put at risk by having their tax affairs managed by a person without the requisite qualifications.

Justice Wheelahan further noted that were it not for Ms Caolboy's cooperation with the TPB, a much higher penalty would have been appropriate. Before the proceedings commenced, Ms Caolboy had admitted to all the contraventions and voluntarily disclosed to the TPB and the ATO all client records outlining the tax agent services she had provided, including the cash income she had received for them.

Black economy

The TPB continued to target the highest-risk tax practitioners who facilitate or undertake hidden black economy activity either to derive a benefit for their clients or themselves, or to hide the benefits obtained from illicit activities. In 2020–21, this led to:

- numerous black economy matters being presented to the BCC, which resulted in seven tax practitioners having their registrations terminated – this included high-risk and complex COVID-19-related matters
- cooperation and collaboration with the ATO and other regulators to detect and disrupt bad actors by coordinating activities across multiple work programs
- increased focus on using data analytics and intelligence practices to take learnings from recent case work to drive increased and earlier detection and interdiction.

Targeted projects

In 2020–21, the TPB initiated targeted projects to maintain, protect and enhance the integrity of the registered tax profession and apply a risk-based approach in addressing high-risk behaviour.

Self-managed superannuation funds audit issues project

The TPB managed 62 ATO referrals of tax practitioners in relation to self-managed superannuation fund audit issues. The ATO had been unable to verify whether the funds for which the tax practitioners had lodged annual returns had been audited in accordance with the information declared in those annual returns.

For this project, we conducted a profiling exercise of the 62 tax practitioners and identified other risks, including outstanding professional indemnity insurance and personal tax obligations. As a result of this project, many tax practitioners improved their practices after receiving education letters from the TPB. Where the tax practitioner's conduct and practice reflected a broader, systemic and/or continuing risk, the matters were escalated for investigation.

CASE STUDY

Administrative Appeals Tribunal affirms Board termination decisions following sustained misconduct

The Board terminated the tax agent registration of Mr Ashley Cross and imposed a two-year non-application period after finding that he was not a fit and proper person. The conduct underlying the Board's findings related to the lodgement of 125 self-managed superannuation fund annual returns over a period of nine years, in which Mr Cross declared that the funds had been audited although in fact they had not been. The tax agent registration of Mr Cross's partnership, trading as M Adamson and A Cross (Adamson and Cross), was also terminated.

The TPB's investigation into Mr Cross and his partnership was commenced following a referral from the ATO. This referral stemmed from the ATO's compliance campaign to identify misuse of self-managed superannuation fund auditor numbers.

The AAT affirmed the Board's decisions.

In affirming the decisions, the AAT commented that it had considerable reservations about the contentions forwarded by Mr Cross – in particular, his contentions that his degree of dishonesty was lessened by the fact that the self-managed superannuation funds were all found to be compliant when audited and that he did not derive any financial benefit from his misconduct.

The AAT concluded that, irrespective of motivation, Mr Cross '*chose to put what he perceived to be the interests of his clients, above his fundamental professional duty to act honestly*'. The AAT added that, in doing so, Mr Cross had also repeatedly and deliberately misled the ATO.

Professional indemnity insurance project

Clients of tax practitioners have confidence in their advisers, especially knowing that their professional indemnity insurance provides coverage for unexpected problems. The TPB undertook a project to identify and contact all registered tax practitioners with expired professional indemnity insurance information on TPB records.

We identified more than 26,000 registered tax practitioners with expired insurance details and contacted them, through targeted correspondence and communication messages, to remind them to ensure that their insurance cover was correct and current on TPB records. As a result, approximately 17,000 tax practitioners checked and updated their professional indemnity insurance records. A number of 'unresponsive' tax practitioners were referred to our Investigations and Enforcements teams in small batches to be considered for further action to be taken if they had failed to do the right thing.

Preliminary enquiry letters were sent to tax practitioners who had previously failed to respond to the TPB during 2020–21. This resulted in:

- 70 tax practitioners updating their professional indemnity insurance policy details with the TPB
- two tax practitioners being escalated for further investigation
- three tax practitioners resolving outstanding personal tax obligations with the ATO
- six tax practitioners surrendering their registration.

“ We identified more than 26,000 registered tax practitioners with expired insurance details ”

Research and development project

The Research and Development Tax Incentive offers a tax offset for companies conducting eligible R&D activities. Companies rely on R&D consultants/advisers and tax practitioners to advise them on their eligibility for the tax offset and subsequent lodgement of relevant tax returns. The TPB is responsible for regulating tax practitioners providing R&D advice, ensuring that they comply with the TASA, including the Code.

The TPB risk assessed 48 entities that had been referred by the ATO in relation to R&D activities. Those entities consisted of registered tax practitioners and individuals and organisations that were not registered with the TPB.

In addressing the highest-risk behaviour, the TPB conducted profiling on all of the referrals, and commenced investigations into three matters as a result. The TPB is continuing to engage with the ATO to coordinate a treatment plan to address the remaining referrals.

Performance measure 2.3

Implement a strategic litigation program to clarify the law, support just outcomes and deter poor conduct

Performance analysis

The TPB achieved this performance measure.

In 2020–21, a key focus of our litigation program was ensuring that Board decisions sanctioning highest-risk tax practitioners were affirmed by the AAT to remove the wrongdoers from the profession. We saw an increase in the number of challenges in the Federal Court under the *Administrative Decisions (Judicial Review) Act 1989*, information requests, stay and confidentiality applications. Where appropriate (for example, in circumstances where further evidence was provided during litigation), our strategy ensured that just outcomes were reached through settlement negotiations.

Commonly, new applications in the AAT were accompanied by applications to stay the Board's decision until final determination of the matter. Where tax practitioners posed a significant risk to the public, the TPB opposed those applications to ensure either the tax practitioner's removal from the profession as soon as possible or the imposition of strict conditions to protect the tax practitioner's clients and the public.

We vigorously defended matters that we considered would deter poor conduct and/or provide law clarification, resulting in generally favourable final decisions in the AAT. As the TPB's strategy to address unregistered preparer activity developed and matured, we also prioritised our resources to support that work and ensure that a robust litigation strategy is in place for high-risk unregistered preparer matters.

Administrative Appeals Tribunal

In 2020–21, a total of 39 applications for a merits review of a Board decision were made to the AAT. Of the 10 stay decisions made by the AAT, nine were published. Six stay applications were denied, one was granted, and three decisions granted a stay of the Board's decision with conditions.

Although the number of new AAT applications dropped (from 72 in 2019–20), the numbers of finalised matters and published decisions significantly increased. In total, 45 litigation matters were finalised in the AAT, with 13 final decisions published (in relation to 18 tax practitioners). More details of the final decisions published by the AAT are provided in Appendix C.

The AAT affirmed the Board's termination or suspension decision in all matters, but either varied or removed the non-application period in six of those matters. In the matter of *Le'Sam Accounting Pty Ltd and Tax Practitioners Board* [2021] AATA 1593, the non-application period was increased.

These decisions highlight the importance of the TPB's role in administering a regulatory regime that protects consumers of tax practitioner services, maintains appropriate standards of professional and ethical conduct among registered tax practitioners, and upholds the integrity of the self-assessment tax system.

Additionally, they support the Board's strong compliance approach to egregious practitioner conduct such as:

- failing to ensure the competent provision of tax agent services to clients, including failing to take reasonable care in making claims on behalf of clients that result in the imposition of penalties by the ATO
- making false declarations on self-managed superannuation fund annual returns and misusing self-managed superannuation fund auditor numbers, which demonstrates a fundamental lack of integrity and honesty by a registered tax practitioner
- failing to undertake appropriate proof-of-identity steps to verify a client's identity and obtain authority to represent a client, which reflects adversely on a registered tax practitioner's competence and character and jeopardises the integrity of the taxation system
- failing to ensure appropriate management of conflicts of interest and data security, resulting in unauthorised access to taxpayer information
- failing to deal with the TPB appropriately, including by failing to make full disclosure, deliberately engaging in dishonest, evasive and aggressive behaviour, or failing to comply with statutory notices for information or orders issued by the Board
- systematically failing to comply with personal taxation obligations
- engaging in conduct that triggers an event affecting registration, such as being convicted of an offence involving fraud or dishonesty.

The TPB also successfully applied to dismiss three matters, two of which are reflected in the published decisions of *Tramontana and Tax Practitioners Board* [2021] AATA 434 and *Huang and Tax Practitioners Board (Taxation)* [2021] AATA 1824.

Appendix C provides a summary of the AAT matters that were finalised in 2020–21.

CASE STUDY

AAT affirms termination decision based on multiple Code breaches, including failure to verify proof of identity

The TPB Board terminated Allen Middlebrook's tax agent registration based on a finding that he is not a fit and proper person, given his:

- failure to take steps to verify the identity of over 100 taxpayers for whom he lodged fraudulent income tax returns at the direction of three individuals – this failure to engage directly with the taxpayers inadvertently facilitated a fraudulent scheme
- failure to comply with his personal taxation obligations, notably debts to the ATO of approximately \$1 million
- misleading statements to the Board in failing to declare his outstanding personal taxation obligations in his renewal application
- failure to respond to the Board's enquiries and correspondence regarding its investigation in a timely, responsible and reasonable manner, as required by the Code.

The AAT affirmed the Board's decision, varying the period in which he could not reapply for registration from five years to four years.

In affirming the Board's decision, the AAT highlighted the expectation that registered tax practitioners, as 'guardians of the self-assessment system', are expected to make proper enquiries about the identity of their clients. It further noted that:

While there is no direct evidence of dishonesty, the applicant's lack of rigour in the conduct of his affairs and his apparent disregard for the duties of his role adds up to something that is almost as bad, and which certainly reflects poorly on his integrity and character. He may not be dishonest, but he has not demonstrated the commitment to competent and conscientious behaviour that one would expect of a tax agent.

Federal Court of Australia

In 2020–21, the Federal Court dismissed an application with costs brought by two applicants for the judicial review of an AAT decision to refuse their stay applications (*Birdseye v Tax Practitioners Board* [2020] FCA 1235).

At 30 June 2021, the TPB was involved in two ongoing judicial review applications brought to the Federal Court in relation to final AAT decisions that were generally favourable to the TPB.

Two civil penalty proceedings commenced by the TPB in the Federal Court, in relation to unregistered preparer Kent Hacker and his two associated entities and unregistered preparer Arlene Caolboy, were determined in 2020–21. The outcome of the Hacker proceedings is discussed on page 10 and the outcome of the Caolboy proceeding is discussed on page 45.

At 30 June 2021, the TPB had an ongoing civil penalty proceeding in the Federal Court in relation to Nathan Williams, with an interim injunction in place preventing Mr Williams from preparing and lodging income tax returns for a fee or reward. The TPB also had an ongoing contempt proceeding in the Federal Court, which was brought after unregistered preparer Kent Hacker breached a permanent injunction ordered on 18 December 2020.

STRATEGIC OBJECTIVE 3

Implement the government's reform program

Performance measure 3.1

Work with government to design and implement statutory reforms

Performance analysis

The TPB achieved this performance measure.

In November 2020, the final report of the James Review was released, along with the Australian Government's response to the review. The TPB has worked effectively with Treasury, the Department of Finance and other government agencies to progress the implementation of the review recommendations accepted by the government.

In relation to law reform more generally, the TPB continues to consider and provide input and advice in relation to various consultation processes undertaken by agencies such as ASIC, the ATO and Treasury. In 2020–21, the TPB provided submissions on a range of matters including:

- the Australian Competition and Consumer Commission's Consumer Data Right rules
- the Senate Legal and Constitutional Affairs Legislation Committee's inquiry on reforms to money-laundering laws in the Crimes Legislation Amendment (Economic Disruption) Bill 2020
- the Office of the National Data Commissioner's consultation on law reforms to data-sharing arrangements
- the Senate Economics Legislation Committee's inquiry on the performance of the Inspector General of Taxation and Taxation Ombudsman
- the Financial Adviser Standards and Ethics Authority's Code of Ethics 2019 Guidance
- Treasury's consultations on
 - legislative amendments to the Consumer Data Right regime, and Consumer Data Right rules and standards design papers
 - options for mandatory adoption of electronic invoicing by businesses
 - modernising business communications
 - breach-reporting rules
- ASIC's consultations on promoting access to affordable advice for consumers, and implementing the recommendations of the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry regarding reference checking and information sharing
- the Attorney-General's Department's consultation on draft legislation to establish the Commonwealth Integrity Commission.

Further, in relation to the enhancement of ASIC's Financial Services and Credit Panel to become the single disciplinary body for financial advisers, the TPB is working closely with Treasury to ensure an appropriate policy outcome is achieved in transitioning tax (financial) advisers to the new regime.

Performance measure 3.2

Ensure that the public is confident to use practitioner services

Performance analysis

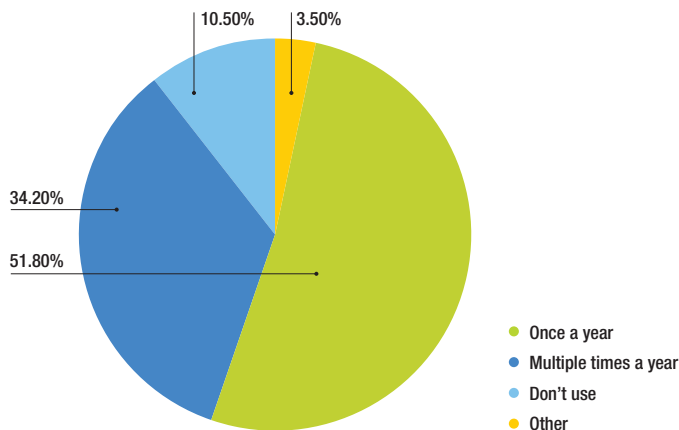
The TPB achieved this performance measure.

Tax Practitioner Biannual Survey

The TPB continued its six-monthly Tax Practitioner Biannual Survey in 2020–21, conducting the third round in November 2020. The survey helps us to better understand consumer perceptions of trust in registered tax practitioners; consumer usage of tax practitioners; and perceptions of the TPB's efficiency and effectiveness as a regulator.

The survey results overall showed that consumer trust in using tax practitioners remained high at 86%, which is consistent with previous surveys; 86% of consumers surveyed used a tax practitioner at least once a year, of whom 56% had used the same one for more than five years. Most consumers (66%) rated their experience of dealing with their tax practitioner as excellent.

Figure 6: 2021 survey response: use of a tax practitioner
(How often do you use the services of a tax agent, BAS agent or other tax practitioner? – Consumers)



The results also showed that 64% of the consumers surveyed understood the role of the TPB. The survey also identified that awareness of the TPB public register and its availability has declined slightly since September 2019, from 68% to 56%.

Advertising campaigns

The TPB took steps to increase awareness of the TPB, its public register and the need for tax practitioners to be registered with the TPB to provide tax-related services, through its 2021 tax time advertising campaigns. The TPB ran both digital and radio advertising campaigns targeting all taxpayers in Australia. The digital campaign was run for an eight-week period starting on 1 June 2021 and the radio campaign was run for a three-week period starting on 21 June 2021.

The digital campaign targeted consumers searching for a tax agent on the internet, particularly via the Google platform. At 30 June 2021, the digital campaign was performing very well. It had driven more than 5,621 clicks to the website, with a significantly high click-through rate of 16.47%, well exceeding the benchmark of 5.85%.

The radio advertising campaign aimed to create awareness among consumers of the risks in using unregistered preparers, and to encourage consumers to report unregistered preparers to the TPB. The advertisements were aired across various stations in Sydney, Brisbane and Melbourne. A small amount of social media advertising was also used to support this messaging.

Use of the registered tax practitioner symbol



The TPB continued to promote the use of the registered tax practitioner symbol among consumers of tax practitioner services. The symbol provides public recognition that a tax practitioner is registered and maintains the ethical and professional standards required for registration. Each registered tax practitioner has a symbol that is unique to their registration. Those who meet the eligibility criteria can use the symbol in advertising their tax agent, BAS agent or tax (financial) adviser services, thereby promoting confidence among consumers.

Performance measure 3.3

Be an effective and efficient regulator

Performance analysis

The TPB achieved this performance measure.

Oversight

Board oversight of the operations of the TPB is a significant check to ensure that the TPB remains efficient and effective.

The Board met 11 times in 2020–21 to provide oversight of the activities of the TPB. At each meeting the Board was given a business report outlining the detailed operations of the TPB over the previous month. In addition, the Board was presented with a performance report for each quarter, outlining achievement against the performance measures of the 2020–21 corporate plan. In 2020–21, the Board accepted the quarterly reports presented with only minor

amendment, indicating a high level of satisfaction with TPB effectiveness. The same reports are provided to the ATO Audit and Risk Committee.

In 2020–21, the TPB Audit and Risk Committee met twice to evaluate the governance and risk effectiveness of the organisation. Matters considered included the risk register, a new risk framework, an overhaul of the governance framework, and the annual performance statement. The information brought before the committee was accepted with only minor amendment, indicating a high level of satisfaction with TPB effectiveness.

The TPB also responded to formal requests to disclose official information in 2020–21, including ministerial requests and freedom of information requests, as detailed in Appendix E.

Stakeholder engagement

In 2020–21, the TPB continued its drive to consult and interact with the wide range of stakeholders involved in our industry, including registered practitioners, recognised professional associations, government, the public, partnership agencies and others. This included providing practical guidance through webinars and discussion papers, and sharing key messages online and via media channels.

We worked with the ATO and other government partners on new initiatives and strategies to enhance the regulatory environment for registered tax practitioners across Australia, ensure that a whole-of-government approach is taken, and improve the integrity of the tax system. For example, when developing the TPB's proposed proof-of-identity requirements for tax practitioners, the TPB worked closely with the ATO to ensure that any requirements that it imposes are consistent with the requirements that the ATO intends to impose on tax practitioners.

Reports summarising matters discussed at each TPB Consultative Forum meeting are published on our website. The TPB uses forum outcomes to refine its guidance materials and plan and manage its work program.

In late 2020, we established the Education Working Group to facilitate our review of the education requirements set for tax and BAS agents. The Education Working Group comprises representatives from the recognised professional associations, other bodies that sit on the TPB Consultative Forum, and representatives from the education sector (including the higher education and vocational education and training sectors).

The key purpose of the Education Working Group is to:

- review the Board approved course requirements for tax and BAS agents
- discuss and advise on recommendation 4.1 of the James Review, which recommends that the TPB collaborate and consult with key stakeholders to undertake a review to determine if the primary qualification level has been set at the right level.

In response to recommendation 3.3(b) of the James Review, the Board established the Tax Practitioner Governance and Standards Forum, which held its inaugural meeting in July 2021. The forum's objective is to ensure that any significant proposals affecting tax practitioners – such as changes to relevant legislation and regulations (including the Code), and the creation and ongoing application of a charter of tax practitioner governance – are made with appropriate consultation.

Staff engagement

Between October and November 2020, the Australian Public Service Employee Census 2020 was conducted. The TPB achieved a relatively high response rate, with 76% of its staff taking part.

Results showed that staff engagement was high, with the TPB receiving a 79% engagement score, suggesting the majority of staff were engaged and satisfied with their roles in the TPB. Of the TPB respondents:

- over 86% indicated that they were satisfied with their jobs, were proud to work for the TPB and would recommend the TPB as a good place to work
- 93% said that they felt committed to the TPB's goals
- 94% said that they were happy to 'go the extra mile' at work when required.

The TPB's culture also rated very well, with 98% of TPB respondents indicating that they could see a clear connection between their job and the TPB's purpose and they understood how their job contributed to achieving an outcome for the Australian public.

Senior leadership also rated very highly in the 2020 census, with 90% of TPB respondents indicating that the TPB's leadership team communicates effectively and clearly articulates the direction and priorities for each area. They also indicated that their immediate supervisor communicates effectively.



Impressions of leadership

UP 20 percentage points
higher than APS overall



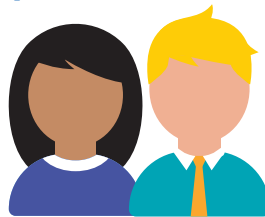
Perceptions of change consultation

UP 18 percentage points*



Tools and technology

UP 31 percentage points*



Health and wellbeing index

UP 7 percentage points*



* Australian Public Service (APS) Employee Census 2020 results compared to 2019 results.

The TPB also achieved a high wellbeing index score, of 75%, in the 2020 census, and 78% of staff respondents indicated that the TPB does a good job of promoting health and wellbeing and cares about their health and wellbeing.

Staff leave accrual is increasing across the Australian Public Service and the TPB is no exception. Flexible work and the ongoing COVID-19 travel restrictions have had an impact on employees' ability to take annual leave. The TPB continues to work with staff to manage large balances to suit the needs of our business and the individual's needs.

Unplanned leave, widely used as an indicator to measure staff engagement and satisfaction, is at an all-time low in the TPB. The TPB has an excellent average of less than nine unplanned leave days per year as at 30 June 2021 (the ATO benchmark is 13).

04

FINANCIAL OPERATIONS



04 FINANCIAL OPERATIONS

In accordance with the *Tax Agent Services Act 2009* and Tax Agent Services Regulations 2009, the Commissioner of Taxation provides the Board with operational and administrative assistance in the form of a Secretary, Australian Taxation Office (ATO) employees on secondment, and an agreed budget. Consistent with these arrangements, the TPB's financial operations appear in the ATO's annual report as part of the ATO's financial operations. This TPB annual report does not include audited financial statements. The summary of expenditure provided in this section outlines direct salary and supplier costs, but not overheads which are borne by the ATO under a shared services model.

Summary of expenditure

In 2020–21, the ATO allocated an operating budget of \$23,637,418 to the TPB for its direct costs and a capital budget of \$500,000.

Table 8 provides a summary of the TPB's expenditure for 2020–21.

Table 8: Actual expenses, 2019–20 and 2020–21

Type of expenditure	2019–20	2020–21
Departmental operating staff and expenditure		
Number of staff (FTE)	133.6	134.4
Staff and salaries	\$14,965,448	\$15,498,028
Supplier	\$5,150,137	\$5,900,373
Total direct expenditure^a	\$20,115,585	\$21,398,401
Capital expenditure		
IT systems	\$307,031	\$218,249
Total capital expenditure	\$307,031	\$218,249

FTE = full-time equivalent

a These figures include direct costs, and do not include corporate support or infrastructure overhead costs.

Note: Due to rounding, numbers presented in this table do not sum up to the totals.

The supplier costs outlined in Table 8 included the following major expenditure:

- \$3,849,855 for maintenance and development of the TPB's business systems and IT infrastructure, along with the hosting and maintenance of the TPB's website – technology costs include payments to contractors and IT service and software providers
- \$601,933 for labour hire to assist with the TPB's enquiry management and processing of registrations, renewals and annual declarations

- \$600,932 for litigation and external legal advice – these costs reflected the continued focus on enforcement activities to support our compliance activities
- \$270,396 for remuneration of Board members in accordance with rates determined by the Remuneration Tribunal
- \$231,110 for communications, including outreach events held to promote the TPB, advertising campaigns, printing and postage of correspondence to tax practitioners, and ad hoc marketing costs
- \$124,183 for travel and accommodation costs associated with the running of the TPB – while interstate travel is often necessary for Board members and staff to carry out their responsibilities, including investigations and stakeholder engagement, this is a significant drop compared to the 2019–20 figure, related to COVID travel restrictions across the country
- \$80,727 for staff learning and development
- \$61,383 for business advisory services
- \$79,854 for other operating expenses.

Capital expenditure of \$218,249 was incurred in the course of improving and enhancing the TPB's IT environment and systems, for the purchase of desktop computers and multifunction devices.

Table 9 shows the TPB's direct expenditure broken down by cost centre.

Table 9: Direct expenditure by cost centre, 2020–21

Cost centre	Salary costs \$	Supplier costs \$	Total \$
Investigations and Enforcement	6,373,440	305,890	6,679,330
Client Services	2,982,486	497,035	3,479,520
Legal	1,313,038	393,844	1,706,882
Board and Members	149,382	294,088	443,470
Technology	1,973,784	3,854,428	5,828,212
Office of the Secretary	447,112	9,995	457,107
Policy	652,240	24,289	676,528
Communications	856,801	275,525	1,132,327
Corporate Services	749,745	245,279	995,025
Total	15,498,028	5,900,373	21,398,401

Note: Due to rounding, numbers presented in this table do not sum up to the totals.

Procurement initiatives to support small business

The ATO buys goods and services for TPB operations on the TPB's behalf. Detailed information on the ATO's procurement processes and activities (including consultancies, advertising, direct mail, media placement and market research activities) is included in the ATO annual report. Contracts with a value of greater than \$10,000 are also published on AusTender (www.tenders.gov.au). The TPB supports small business participation in the Australian Government procurement market. Small and medium-sized enterprise participation statistics are available on the Department of Finance website (www.finance.gov.au).

Cost recovery

The TPB recovers a portion of the costs of processing tax practitioner registrations by way of an application fee charged at the time of applying to become registered or to renew an existing registration. Further details regarding cost recovery can be found in the financial statements in the ATO annual report, and in the TPB Cost Recovery Implementation Statement, which is available from the TPB website.

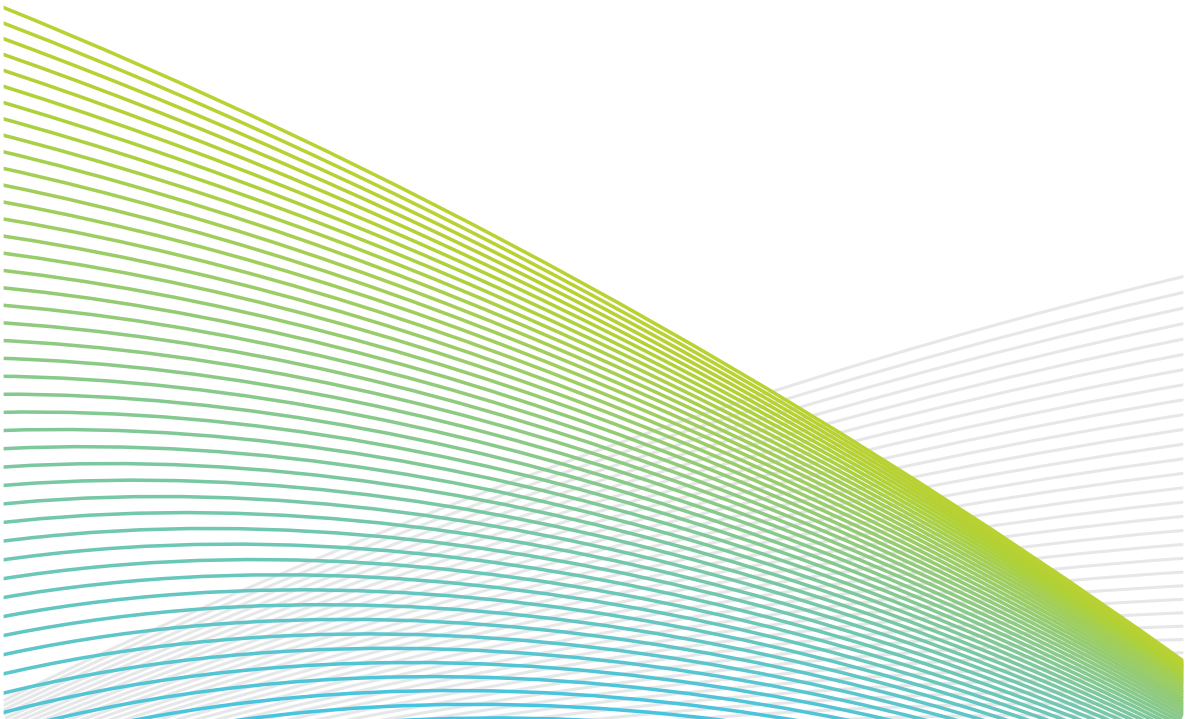
In 2020–21, the TPB received application fee payments from tax practitioners of \$15,504,870, as shown in Table 10. The increase in revenue for 2020–21 reflects three-year registration cycles and the higher number of tax (financial) adviser renewals due this year.

Table 10: Revenue received, 2019–20 and 2020–21

Source	2019–20 \$	2020–21 \$
Practitioner fee revenue	13,194,187	15,504,870

05

APPENDICES



05 APPENDICES

APPENDIX A

Recognised professional associations

Table A1: Recognised professional associations at 30 June 2021

Association	Type of recognition	Date of accreditation
Association of Accounting Technicians (Australia) Limited	BAS agent association	5 May 2010
Association of Chartered Certified Accountants – Australia and New Zealand	Tax agent association	12 May 2010
Association of Financial Advisers	Tax (financial) adviser association	5 February 2015
Australian Bookkeepers Association	BAS agent association	21 May 2013
Australian Institute of Quantity Surveyors	Tax agent association	26 August 2010
Chartered Accountants Australia and New Zealand	Tax agent association BAS agent association	12 May 2010 12 May 2010
CPA Australia	Tax agent association BAS agent association	31 May 2010 31 May 2010
Financial Planning Association of Australia	Tax agent association Tax (financial) adviser association	21 March 2012 26 August 2015
Financial Services Institute of Australasia	Tax (financial) adviser association	12 November 2019
Institute of Certified Bookkeepers	BAS agent association	5 May 2010
Institute of Chartered Accountants in England and Wales	Tax agent association	14 August 2014
Institute of Public Accountants	Tax agent association BAS agent association Tax (financial) adviser association	5 May 2010 5 May 2010 27 July 2016
Law Society of New South Wales	Tax agent association	21 March 2012
National Tax Agents' Association Ltd	Tax agent association	1 July 2011

Association	Type of recognition	Date of accreditation
Royal Institution of Chartered Surveyors	Tax agent association	30 August 2010
Self Managed Super Fund Association	Tax agent association Tax (financial) adviser association	10 September 2010 5 February 2015
South African Institute of Chartered Accountants	Tax agent association BAS agent association	13 December 2016 13 December 2016
Stockbrokers and Financial Advisers Association Limited	Tax (financial) adviser association	13 December 2016
TAI Practitioners & Advisers Ltd	Tax agent association Tax (financial) adviser association	21 May 2013 18 May 2021
The Tax Institute	Tax agent association	5 May 2010

BAS = business activity statement

APPENDIX B

Guidance papers

Table B1: Guidance papers released by the TPB in 2020–21

Guidance paper	Details
TPB information sheet TPB(I) 35/2020 <i>Recognised professional associations – Exercise of the TPB’s discretion regarding specific requirements for recognition under the Tax Agent Services Regulations 2009</i>	This information sheet was issued on 30 October 2020 and is based on the <i>Tax Agent Services Act 2009</i> as at 15 March 2017 and the Tax Agent Services Regulations 2009 as at 18 September 2018.
TPB practice note TPB(PN) 4/2021 <i>Use and disclosure of a client’s TFN and TFN information in email communications</i>	The TPB originally released this document as a draft practice note in the form of an exposure draft on 1 September 2020. The closing date for the submissions was 30 September 2020 and the note was released on 14 April 2021. The TPB considered the comments and submissions received. This practice note is based on the <i>Tax Agent Services Act 2009</i> as at 17 February 2021.

APPENDIX C

Litigation matters

Table C1: Litigation matters involving the TPB finalised in 2020–21

Jurisdiction	Total finalised matters	Matters resolved without proceeding to a substantive hearing ^b	Matters resulting in a published decision	Published decisions resulting in a TPB-favourable outcome
Administrative Appeals Tribunal	45 ^a	27	18	13 ^c
Federal Court (appeals against Administrative Appeals Tribunal decisions)	1	0	1	1
Federal Court (judicial review)	1	1	0	0
Federal Court (civil penalty)	2	0	2	2

a Includes applications for merits review made in 2019–20 and the previous two financial years.

b Includes matters resolved by agreement, dismissed by the Administrative Appeals Tribunal (AAT) or the Federal Court, or withdrawn by the applicant.

c A total of 13 final decisions were published by the AAT in relation to 18 matters (five decisions involved an individual and a related company registration). The AAT affirmed the TPB Board's substantive decision in all matters, varying the non-application period in four matters and removing it entirely in three matters. The non-application period was increased in one matter. The decisions were as follows:

Bell and Tax Practitioners Board [2020] AATA 2424

Eley and Tax Practitioners Board (Taxation) [2020] AATA 3192

Middlebrook and Tax Practitioners Board [2020] AATA 3698

Yvonne Anderson and Associates Pty Ltd and Tax Practitioners Board [2020] AATA 4022

Sabbagh and Tax Practitioners Board [2020] AATA 5106

S & T Income Tax Aid Specialists Pty Ltd Trading as Alpha Tax Aid and Tax Practitioners Board [2021] AATA 161

Cross and Tax Practitioners Board [2021] AATA 441

McCarthy and Tax Practitioners Board (Taxation) [2021] AATA 641

Logic Accountants & Tax Professionals Pty Ltd and Tax Practitioners Board [2021] AATA 676

Norman and Tax Practitioners Board [2021] AATA 848

Birdseye and Tax Practitioners Board [2021] AATA 1011

Beckett and Tax Practitioners Board [2021] AATA 1234

Le'Sam Accounting Pty Ltd and Tax Practitioners Board [2021] AATA 1593.

APPENDIX D

Cases reviewed

Table D1: Cases reviewed by the TPB under the *Tax Agent Services Act 2009* in 2020–21

Classification of closed cases by primary breach	Cases
20-15(a) Fit and proper – good fame, integrity and character	332
20-15(b)(i) An event described in section 20-45 has occurred in previous 5 years	7
20-15(b)(ii) Individual status of an undischarged bankrupt in previous 5 years	2
20-5 Eligibility for registration	76
30-10(01) Code – act honestly with integrity	440
30-10(02) Code – comply with taxation laws in conduct of personal affairs	139
30-10(03) Code – account for money or other property on trust	52
30-10(04) Code – act lawfully in best interests of client	51
30-10(05) Code – arrangements for the management of conflict of interest	12
30-10(06) Code – must not disclose information relating to client affairs without permission	15
30-10(07) Code – tax agent service is provided competently	334
30-10(08) Code – maintain knowledge and skills	7
30-10(09) Code – reasonable care to ascertain a client’s state of affairs	18
30-10(10) Code – reasonable care to apply tax laws correctly	11
30-10(11) Code – must not knowingly obstruct proper administration of tax laws	5
30-10(12) Code – advise client of client’s rights and obligations	0
30-10(13) Code – maintain professional indemnity insurance	70
30-10(14) Code – respond to requests and directions from the Board	29
50-05 Civil Penalty – providing tax agent services if unregistered	131
50-10 Civil Penalty – advertising tax agent services if unregistered	39
50-15 Civil Penalty – representing that you are a tax/BAS agent or tax (financial) adviser if unregistered	8
50-20 Civil Penalty – making false or misleading statements	0
50-25 Civil Penalty – employing or using the services of deregistered entities	6
50-30 Civil Penalty – signing of declarations etc	0
Non-TPB-related referral	46
No breach entered	95
Total	1,925

BAS = business activity statement

Note: There may be more than one breach per closed case.

APPENDIX E

Disclosure of official information

Ministerial requests

The TPB responded to one ministerial request for information in 2020–21, involving general information on registering with the TPB and on the role of the TPB.

Requests for disclosure in relation to serious offences

The TPB received three requests for disclosures of information from external enforcement agencies in 2020–21. We responded to all three of the requests in accordance with section 70-40(4) of the *Tax Agent Services Act 2009*.

Freedom of information requests

The TPB received 32 requests for documents under the *Freedom of Information Act 1982* in 2020–21. The most common type of information requested related to investigation case files.

In total, 30 freedom of information matters were finalised during the year (two remain ongoing), with the following outcomes:

- the TPB granted access in full in response to 11 requests
- the TPB granted access in part in response to 11 requests
- the TPB refused access in full in response to two requests
- six requests were withdrawn.

All freedom of information matters are handled in accordance with the Australian Government Information Publication Scheme requirements, as described on the TPB website at www.tpb.gov.au/information-publication-scheme.

List of abbreviations

AAT	Administrative Appeals Tribunal
ASIC	Australian Securities and Investments Commission
ATO	Australian Taxation Office
BAS	business activity statement
BCC	Board Conduct Committee
Code	Code of Professional Conduct (section 30-10 of the TASA)
Federal Court	Federal Court of Australia
James Review	Review of the Tax Practitioners Board and <i>Tax Agent Services Act 2009</i>
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
PGPA Rule	Public Governance, Performance and Accountability Rule 2014
TASA	<i>Tax Agent Services Act 2009</i>
TASR	Tax Agent Services Regulations 2009
TFN	tax file number
TPB	Tax Practitioners Board

List of requirements

This table shows the location in this report of information required to be reported by non-corporate Commonwealth entities as set out in Schedule 2 of the Public Governance, Performance and Accountability Rule 2014.

PGPA Rule Reference	Description	Requirement	Reference
17AD(g)	Letter of transmittal		
17AI	A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory	ATO annual report
17AD(h)	Aids to access		
17AJ(a)	Table of contents.	Mandatory	iv–v
17AJ(b)	Alphabetical index.	Mandatory	81
17AJ(c)	Glossary of abbreviations and acronyms.	Mandatory	69
17AJ(d)	List of requirements.	Mandatory	70–80
17AJ(e)	Details of contact officer.	Mandatory	ii
17AJ(f)	Entity's website address.	Mandatory	ii
17AJ(g)	Electronic address of report.	Mandatory	ii
17AD(a)	Review by accountable authority		
17AD(a)	A review by the accountable authority of the entity.	Mandatory	ATO annual report
17AD(b)	Overview of the entity		
17AE(1)(a)(i)	A description of the role and functions of the entity.	Mandatory	6–9
17AE(1)(a)(ii)	A description of the organisational structure of the entity.	Mandatory	15–16
17AE(1)(a)(iii)	A description of the outcomes and programmes administered by the entity.	Mandatory	Not applicable

PGPA Rule Reference	Description	Requirement	Reference
17AE(1)(a)(iv)	A description of the purposes of the entity as included in corporate plan.	Mandatory	31
17AE(1)(aa)(i)	Name of the accountable authority or each member of the accountable authority.	Mandatory	ATO annual report
17AE(1)(aa)(ii)	Position title of the accountable authority or each member of the accountable authority.	Mandatory	6
17AE(1)(aa)(iii)	Period as the accountable authority or member of the accountable authority within the reporting period.	Mandatory	ATO annual report
17AE(1)(b)	An outline of the structure of the portfolio of the entity.	Portfolio departments – mandatory	Not applicable
17AE(2)	Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change.	If applicable, Mandatory	Not applicable
17AD(c)	Report on the Performance of the Entity		
	<i>Annual Performance Statements</i>		
17AD(c)(i); 16F	Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule.	Mandatory	31–57
17AD(c)(ii)	Report on Financial Performance		
17AF(1)(a)	A discussion and analysis of the entity's financial performance.	Mandatory	60–62
17AF(1)(b)	A table summarising the total resources and total payments of the entity.	Mandatory	ATO annual report

PGPA Rule Reference	Description	Requirement	Reference
17AF(2)	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	If applicable, Mandatory	ATO annual report
17AD(d)	Management and Accountability		
	Corporate Governance		
17AG(2)(a)	Information on compliance with section 10 (fraud systems).	Mandatory	ATO annual report
17AG(2)(b)(i)	A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared.	Mandatory	ATO annual report
17AG(2)(b)(ii)	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place.	Mandatory	ATO annual report
17AG(2)(b)(iii)	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity.	Mandatory	ATO annual report
17AG(2)(c)	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory	14–15, 54–55, ATO annual report

PGPA Rule Reference	Description	Requirement	Reference
17AG(2)(d) – (e)	A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with Finance law and action taken to remedy non-compliance.	If applicable, Mandatory	Not applicable
<i>Audit Committee</i>			
17AG(2A)(a)	A direct electronic address of the charter determining the functions of the entity's audit committee.	Mandatory	ATO annual report
17AG(2A)(b)	The name of each member of the entity's audit committee.	Mandatory	ATO annual report
17AG(2A)(c)	The qualifications, knowledge, skills or experience of each member of the entity's audit committee.	Mandatory	ATO annual report
17AG(2A)(d)	Information about the attendance of each member of the entity's audit committee at committee meetings.	Mandatory	ATO annual report
17AG(2A)(e)	The remuneration of each member of the entity's audit committee.	Mandatory	ATO annual report
<i>External Scrutiny</i>			
17AG(3)	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory	3, 6, 7, 8, 9, 28–29, 52, 55
17AG(3)(a)	Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity.	If applicable, Mandatory	Appendix C
17AG(3)(b)	Information on any reports on operations of the entity by the Auditor General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman.	If applicable, Mandatory	Not applicable

PGPA Rule Reference	Description	Requirement	Reference
17AG(3)(c)	Information on any capability reviews on the entity that were released during the period.	If applicable, Mandatory	Not applicable
Management of Human Resources			
17AG(4)(a)	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory	ATO annual report
17AG(4)(aa)	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: (a) statistics on full-time employees; (b) statistics on part-time employees; (c) statistics on gender (d) statistics on staff location.	Mandatory	ATO annual report
17AG(4)(b)	Statistics on the entity's APS employees on an ongoing and non-ongoing basis; including the following: <ul style="list-style-type: none"> • Statistics on staffing classification level • Statistics on full-time employees • Statistics on part-time employees • Statistics on gender • Statistics on staff location • Statistics on employees who identify as Indigenous. 	Mandatory	ATO annual report
17AG(4)(c)	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the <i>Public Service Act 1999</i> .	Mandatory	ATO annual report
17AG(4)(c)(i)	Information on the number of SES and non SES employees covered by agreements etc identified in paragraph 17AG(4)(c).	Mandatory	ATO annual report

PGPA Rule Reference	Description	Requirement	Reference
17AG(4)(c)(ii)	The salary ranges available for APS employees by classification level.	Mandatory	ATO annual report
17AG(4)(c)(iii)	A description of non salary benefits provided to employees.	Mandatory	ATO annual report
17AG(4)(d)(i)	Information on the number of employees at each classification level who received performance pay.	If applicable, Mandatory	ATO annual report
17AG(4)(d)(ii)	Information on aggregate amounts of performance pay at each classification level.	If applicable, Mandatory	ATO annual report
17AG(4)(d)(iii)	Information on the average amount of performance payment, and range of such payments, at each classification level.	If applicable, Mandatory	ATO annual report
17AG(4)(d)(iv)	Information on aggregate amount of performance payments.	If applicable, Mandatory	ATO annual report
Assets Management			
17AG(5)	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities.	If applicable, mandatory	Not applicable
Purchasing			
17AG(6)	An assessment of entity performance against the <i>Commonwealth Procurement Rules</i> .	Mandatory	ATO annual report
Reportable consultancy contracts			
17AG(7)(a)	A summary statement detailing the number of new reportable consultancy contracts entered into during the period; the total actual expenditure on all such contracts (inclusive of GST); the number of ongoing reportable consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory	ATO annual report

PGPA Rule Reference	Description	Requirement	Reference
17AG(7)(b)	A statement that <i>“During [reporting period], [specified number] new reportable consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of \$[specified million]”</i> .	Mandatory	ATO annual report
17AG(7)(c)	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged.	Mandatory	ATO annual report
17AG(7)(d)	A statement that <i>“Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website.”</i>	Mandatory	ATO annual report
Reportable non-consultancy contracts			
17AG(7A)(a)	A summary statement detailing the number of new reportable non-consultancy contracts entered into during the period; the total actual expenditure on such contracts (inclusive of GST); the number of ongoing reportable non-consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory	ATO annual report

PGPA Rule Reference	Description	Requirement	Reference
17AG(7A)(b)	A statement that <i>“Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website.”</i>	Mandatory	ATO annual report
17AD(daa)	<i>Additional information about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts</i>		
17AGA	Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts.	Mandatory	ATO annual report
	<i>Australian National Audit Office Access Clauses</i>		
17AG(8)	If an entity entered into a contract with a value of more than \$100,000 (inclusive of GST) and the contract did not provide the Auditor General with access to the contractor’s premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, Mandatory	Not applicable
	<i>Exempt contracts</i>		
17AG(9)	If an entity entered into a contract or there is a standing offer with a value greater than \$10,000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	If applicable, Mandatory	Not applicable

PGPA Rule Reference	Description	Requirement	Reference
Small business			
17AG(10)(a)	A statement that “[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance’s website.”	Mandatory	62
17AG(10)(b)	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory	ATO annual report
17AG(10)(c)	If the entity is considered by the Department administered by the Finance Minister as material in nature— a statement that “[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury’s website.”	If applicable, Mandatory	Not applicable
17AD(f) Financial Statements			
17AD(e)	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	Mandatory	ATO annual report
Executive Remuneration			
17AD(da)	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 2-3 of the Rule.	Mandatory	ATO annual report

PGPA Rule Reference	Description	Requirement	Reference
17AD(f)	Other Mandatory Information		
17AH(1)(a)(i)	If the entity conducted advertising campaigns, a statement that “ <i>During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity’s website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance’s website.</i> ”	If applicable, Mandatory	ATO annual report
17AH(1)(a)(ii)	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, Mandatory	ATO annual report
17AH(1)(b)	A statement that “ <i>Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity’s website].</i> ”	If applicable, Mandatory	Not applicable
17AH(1)(c)	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory	ATO annual report
17AH(1)(d)	Website reference to where the entity’s Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	Mandatory	Appendix E
17AH(1)(e)	Correction of material errors in previous annual report.	If applicable, mandatory	Not applicable
17AH(2)	Information required by other legislation: Work health and safety (Schedule 2, Part 4 of the <i>Work Health and Safety Act 2011</i>) Ecologically sustainable development and environmental performance (section 516A of the <i>Environment Protection and Biodiversity Conservation Act 1999</i>)	Mandatory	ATO annual report ATO annual report

PGPA Rule Reference	Description	Requirement	Reference
	Disclosure of official information (section 70 40(4) of the <i>Tax Agent Services Act 2009</i>)		Appendix E
	Report on operations (section 60-130 of the <i>Tax Agent Services Act 2009</i>)		Throughout

INDEX

A

abbreviations, 69
accountability of TPB, reforms to enhance, 3, 7, 28
accountable authority, Commissioner of Taxation as, 6, 31
Administrative Appeals Tribunal
 decisions, 26, 48–49, 66
 case studies, 27, 46, 50
 merits review applications, 26, 48
administrative decisions, review of, 26, 48;
 see also Administrative Appeals Tribunal;
 Federal Court of Australia
Administrative Decisions (Judicial Review) Act 1989, 48
advertising campaigns, 24, 34, 54
advice for practitioners, see guidance for practitioners
Annual Chairperson Award for Excellence, 19, 24, 29
annual declarations process, 23, 39, 40
 recognised professional associations, 14, 30
 waiving requirement to complete during COVID-19, 22, 30, 40, 41
annual performance statement, 31–57
annual reporting requirements, TPB, 31
application fee payments, 62
applications, processing of, 19, 22, 23, 40–41
applications to stay Board decisions, 26, 48, 51
approved courses, 39, 55; see also continuing professional education policy
ATO Audit and Risk Committee, 14, 55
Audit and Risk Committee, TPB, 14, 55
AusTender, 62
Australian Competition and Consumer Commission, 52
Australian Cyber Security Centre's Essential Eight mitigation strategies, 25
Australian Graduate School of Management

 courses, 19
Australian Public Service Employee Census, 19, 30, 56–57
Australian Securities and Investments Commission, 3, 52, 53
 James Review recommendations relating to, 8, 28, 53
Australian Small Business and Family Enterprise Ombudsman, 39
Australian Taxation Office, 46, 47
 administrative support from, 6, 7, 15
 collaboration with, 2, 3, 25, 45, 55 (see also Coordinated Compliance Strategy)
 data access and information sharing arrangements, 2, 35, 41
 investigation of referrals from, 30, 36, 42, 43, 44
 memorandum of understanding with, 3, 7
 program funding from, 6, 60
 TPB independence from, 3, 6, 7, 28
 see also Commissioner of Taxation

B

Birdseye v Tax Practitioners Board [2020] FCA 1235, 51
black economy, tax practitioner involvement in, 42, 45
Board, 11
 committees, 14–15, 55
 delegation of authority, 11, 14
 members, 11–13
 remuneration, 61
Board approved courses, 39, 55
Board Conduct Committee, 2–3, 15
 cases presented to, 22, 26, 27, 30, 36–37, 41, 45, 67
business activity statement (BAS) agents
 number of registered, 7
 regulation and registration of, 8, 14
 specified BAS services, 9, 40

C

capital expenditure, 60, 61
case studies
 Administrative Appeals Tribunal affirms TPB decisions, 27, 46, 50
 criminal tax adviser is brought to justice, 10
 dishonest behaviour involving COVID-19 stimulus measures, 42
 proceedings against unregistered preparers, 26, 45
 systematic non-compliance, 43
cases reviewed under *Tax Agent Services Act 2009*, 67
CEO Secretary, 15
 proposed reforms re accountability, 3, 7
 role, 6, 11, 15
Certificate IV in Government Investigations, 19
Chair's report, 2–4
Chartered Accountants Australia and New Zealand, 26
civil penalty provisions, 8, 10, 51, 66
classification, employees, 18
client management software, new, 25
Code of Professional Conduct
 administration of, 6, 8, 29
 breaches of, 36, 42, 43, 50, 51
Commissioner of Taxation
 as accountable authority, 6, 31
 provision of staff, 6, 7, 15
 see also Australian Taxation Office
committees, Board, 2–3, 14–15, 55
Commonwealth Integrity Commission, 52
communications, 23–24, 33–35
 expenditure, 61
complaints management, 2, 25, 35–37
 compliance measures, 2, 3, 8, 25, 29, 30, 39–51; see also sanctions for non-compliance
consultation, stakeholder, 29, 39, 55
consumer awareness activities, 24, 33–35, 54
Consumer Data Right regime, submissions on, 52
continuing professional education policy, 28, 33, 36, 39; see also approved courses
Coordinated Compliance Strategy (previously Joint Compliance Program),

2, 25, 35, 42, 43
coronavirus pandemic; see COVID-19 pandemic
corporate plan, 6, 18, 31, 54
Corporations Act 2001, 28
cost recovery measures, 62
court cases, 10, 26, 44, 51
COVID-19 pandemic
 impact on service delivery, 2, 9, 18, 20, 22, 25, 33, 40–41, 42
 organisational impact, 18, 30, 57
 TPB response, 2, 29–30
 see also stimulus measures, COVID-19
COVID-19 tip-off telephone queue, 30
Crimes Legislation Amendment (Economic Disruption) Bill 2020, 52
cyber security, guidance measures, 25
customer relationship management system, 25

D

data access arrangements with Australian Taxation Office, 2, 35, 41, 42
data analytics capability, 3, 25, 35, 42, 45
delegation of authority, 11, 14
Department of Finance, 52
disclosure of official information requests, 68

E

education and guidance materials for practitioners, 22, 23–24, 25, 28, 33–34, 39–40, 41
 papers released in 2020–21, 65
Education Working Group, 55
employee census, Australian Public Service, 19, 30, 56–57
employee statistics, 17–18
enabling legislation, 6, 8–9; see also *Tax Agent Services Act 2009*
eNewsletter, 23, 24, 33
enforcement agencies, provision of information to, 68
Enhance the integrity of the registered tax practitioner profession (strategic objective 2)
 highlights, 25–28
 performance measures, 32, 39, 41, 48
 performance report, 39–51

enquiries, statistics, 22, 23
expenditure, 60–61
external scrutiny; see Administrative Appeals Tribunal; Federal Court of Australia

F

Facebook, 23, 24, 33
Federal Court of Australia, 9, 26, 38
cases, 10, 26, 44, 51, 66
feedback, stakeholders, 22, 23, 24
female staff, 18
Financial Adviser Standards and Ethics Authority, 52
financial operations, 60–62
Financial Services and Credit Panel, 8, 28, 53
fit and proper person requirements for registration, 7, 8
cases relating to, 27, 43, 46, 50
flexible working arrangements, staff, 30, 57
Freedom of Information Act 1982, 68
freedom of information requests, 68
functional areas, staff statistics, 17
functions, TPB, 8–9; see also role, TPB

G

gender, staff, 18
guidance for practitioners, 22, 23–24, 25, 28, 33–34, 39–40, 41
papers released in 2020–21, 65

H

highlights of 2020–21, 22–29
Huang and Tax Practitioners Board (Taxation) [2021] AATA 1824, 49
human resources management, 18–19, 57

I

Implement the government's reform package (strategic objective 3)
highlights, 28–29
performance measures, 32, 52, 53, 54
performance report, 52–57
indemnity insurance, requirement to hold, 7, 46, 47
independent review of effectiveness of TPB and TASA; see James Review
Information Publication Scheme, 68
Information sharing arrangements with Australian Taxation Office, 2, 35, 41, 42

information technology systems, 20, 25
expenditure, 60, 61
Inspector-General of Taxation and Taxation Ombudsman, 3, 52

J

James Review, 3, 6, 28–29, 52
government's response to, 6, 7, 8, 9, 28, 52
outcomes and recommendations, 7, 8, 9, 28–29, 55
JobKeeper Payment, 29, 42, 43; see also stimulus measures, COVID-19
Joint Compliance Program; see Coordinated Compliance Strategy
judicial review of decisions, 51, 66; see also Federal Court of Australia

L

leadership development, 18
learning and development, staff, 18–19
expenditure, 61
legislative framework, 6, 8–9
Le'Sam Accounting Pty Ltd and Tax Practitioners Board [2021] AATA 1593, 48
letter of transmittal, iii
LinkedIn, 33
list of requirements, 70–80
litigation program, 26, 48–51
expenditure, 61
matters finalised in 2020–21, 66
locations, staff, 17

M

male staff, 18
media coverage, 34–35
merits review applications, 26, 48
ministerial requests, 68

N

non-compliance, sanctions for; see sanctions for non-compliance
non-ongoing staff, 17

O

objectives; see strategic objectives
Office of the National Data Commissioner, 52
ongoing staff, 17
operating expenses, 60–61
organisational culture, 18–19, 56–57

organisational structure, 16
outreach activities, 61; see also
communications; education and guidance
materials for practitioners

P

People Program, 18–19
performance measures
strategic objective 1, 32, 33, 35, 37
strategic objective 2, 32, 39, 41, 48
strategic objective 3, 32, 52, 53, 54
see also annual performance statement
performance reports
highlights of 2020–21, 22–29
strategic objective 1, 22–25, 33–38
strategic objective 2, 25–28, 39–51
strategic objective 3, 28–29, 52–57
see also annual performance statement
personal tax obligations, practitioners', 27, 43,
46, 47, 49, 50
portfolio budget statements, 31
procurement management, 62
professional indemnity insurance
requirements, 7, 35, 46, 47
Professional Practice Committee, 14
proof-of-identity requirements, 28, 39, 50, 55
Protect consumers of tax practitioner services
(strategic objective 1)
highlights, 22–25
performance measures, 32, 33, 35, 37
performance report, 33–38
*Public Governance, Performance and
Accountability Act 2013*, 6, 31
Public Governance, Performance and
Accountability Rule 2014, 14, 31
public register, 23, 24, 37–38, 54
purchasing and consultancy management, 62
purpose, TPB
2020–21, 31
2021–22, 6

R

radio advertising campaign, 24, 34, 54
recognised professional associations, 14, 30,
64–65
Recognised Professional Associations
Committee, 14

recruitment, effect of COVID-19 on, 18
registered tax practitioner symbol, promotion
of usage, 54
registered tax practitioners; see business
activity statement (BAS) agents; tax agents;
tax (financial) advisers
registration and renewal applications
processing, 22, 23, 40–41
terminations, 41, 42, 45, 48
case studies, 46
registration service standards, 19, 39, 40–41
remuneration, Board, 61
Remuneration Tribunal, 61
renewal applications, processing, 19, 22, 23,
40
reporting framework, 31
reporting requirements, practitioners; see
annual declarations process
Research and Development Tax Incentive, 47
revenue, 62
Review of the Tax Practitioners Board and *Tax
Agent Services Act 2009*, 3, 6, 28–29; see
also James Review
reward and recognition processes
awards under, 19, 24, 29
establishment of, 18, 19
risk-based compliance model, 25, 35, 41–49
role, TPB, 6, 8–9
Royal Commission into Misconduct in the
Banking, Superannuation and Financial
Services Industry, 28, 52

S

salary costs, 60
sanctions for non-compliance, 30, 36, 38, 48
provisions to impose, 3, 6, 8, 11, 15
self-managed superannuation funds audit
issues, 25, 35, 46, 49
Senate Economics Legislation Committee, 52
Senate Legal and Constitutional Affairs
Legislation Committee, 52
service standards, registration processing, 19,
39, 40–41
small businesses, support for, 62
social media engagement, 23, 24, 33
staff engagement, 56–57
staff statistics, 17–18

- stakeholder consultation, 14, 29, 39, 55
 - statutory reform, collaborative work, 52–53
 - stay decisions, 26, 48, 51
 - stimulus measures, COVID-19
 - declaration as BAS services, 9
 - ensuring integrity of payments, 2, 18, 25, 29–30, 36, 41
 - case studies, 42, 43
 - strategic objectives, 31–32
 - performance reports, 33–38, 39–51, 52–57
 - results against, 32
 - strategic plan, 3
 - structure, organisational, 16
 - submissions, to public inquiries, 52
 - suppliers, expenditure, 60–61
 - surveys
 - employee, 19, 30, 56–57
 - tax practitioners and consumers, 34–35, 40, 53–54
- T**
- targeted projects, 25, 35, 46–47
 - Tax Agent Services Act 2009*, 11, 15, 60, 68
 - amendments arising from James Review, 3, 9, 29
 - Board's powers and functions under, 6, 8, 11
 - compliance measures, 6, 8
 - establishment of Board under, 8
 - independent review of, 3, 6, 28–29 (see also James Review)
 - Tax Agent Services Regulations 2009*, 8, 14, 30, 60
 - Tax Agent Services (Specified BAS Services No.1) Instrument 2020*, 9
 - Tax Agent Services (Specified BAS Services No. 2) Instrument 2020*, 9, 40
 - Tax Agent Services (Transitional Provisions and Consequential Amendments) Act 2009*, 9
 - tax agents
 - number of registered, 7
 - regulation and registration of, 8, 14
 - tax file numbers, use and disclosure guidance, 28, 39
 - tax (financial) advisers
 - James Review recommendations, 8, 28
 - number of registered, 7
 - regulation and registration of, 8, 14
 - transition to ASIC, 8, 28, 53
 - Tax Laws Amendment (2013 Measures No. 3) Act 2013*, 8
 - Tax Practitioner Biannual Survey, 34–35, 40, 53–54
 - Tax Practitioner Governance and Standards Forum, 14, 29, 55
 - tax practitioners, numbers registered, 7
 - Tax Practitioners Board Corporate Plan 2020–21*, 18, 31, 54
 - Tax Practitioners Board Corporate Plan 2021–22*, 6
 - Tax Practitioners Board v Hacker* [2020] FCA 1047, 10
 - Tax Practitioners Board v Hacker (No 2)* [2020] FCA 1048, 10
 - Tax Practitioners Board v Hacker (No 3)* [2020] FCA 1814, 10
 - tax time campaigns, 24, 34, 54
 - Taxation Ombudsman, 3, 52
 - termination of registrations, 42, 45, 46, 48
 - TPB Audit and Risk Committee, 14, 55
 - TPB Charging Arrangements Review, 7
 - TPB Consultative Forum, 14, 29, 39, 55
 - TPB Cost Recovery Implementation Statement, 62
 - TPB eNews*, 23, 24, 33
 - TPB Excellence Awards, 19, 24, 29
 - TPB Register, 23, 24, 37–38, 54
 - Tramontana and Tax Practitioners Board* [2021] AATA 434, 49
 - transitional tax (financial) adviser renewal applications, 8, 19, 22, 40
 - transmittal letter, iii
 - travel and accommodation expenditure, 61
 - Treasury
 - collaboration with on James Review measures, 28, 52, 53
 - collaboration with on statutory reforms, 31, 52
 - Treasury portfolio, TPB as statutory body in, 6
 - Treasury Portfolio Budget Statements 2020–21*, 31
 - 2020–21 People Program, 18–19

2024 strategic plan, 3

Twitter, 33

U

unplanned leave days, 57

unregistered preparers, measures to curb, 25,
26, 35, 44–45

W

webinar program, 23, 24, 33, 34

website, TPB

improvements and maintenance, 25, 38,
41, 60

publications on, 34, 40, 55, 62

TPB Register on, 37–38

wellbeing, staff, 18–19, 30 57

Workbench, customer relationship

management tool, 25

workforce profile, 18

workforce size, changes in, 18

workforce statistics, TPB, 17–18

working-from-home arrangements, 30

Y

year in review, 2–4

YouTube, 33