

# CHARTER

## TAX PRACTITIONER GOVERNANCE AND STANDARDS FORUM

### ROLE

1. The Tax Practitioner Governance and Standards Forum (TPGSF) is established pursuant to Recommendation 3.3 of the Final Report of the [Review of the Tax Practitioners Board](#) (Final Report) to ensure that any significant proposals affecting tax practitioners, such as to relevant legislation and regulations including the Code of Professional Conduct in the *Tax Agent Services Act 2009* (TASA) and the creation and ongoing application of the Charter of Tax Practitioner Governance, are made with appropriate consultation.
2. The role and purpose of the TPGSF, as articulated in the Final Report, is as follows:
  - a. create a Charter of Tax Practitioner Governance, and once created oversee its implementation and ongoing application<sup>1</sup>
  - b. facilitate any changes to the Code of Professional Conduct in the TASA and ensure they are only introduced after a comprehensive consultative process has occurred,<sup>2</sup> in addition to other legislative matters such as law reform and legislative instruments issued by the Tax Practitioners Board (TPB) under the TASA
  - c. exchange information relevant to the tax profession, to the extent permissible by law<sup>3</sup>
  - d. discuss and advise on best practice and professional and ethical standards of the tax profession<sup>4</sup>
  - e. conduct appraisals and take learnings from wider regulatory outcomes, as appropriate<sup>5</sup>
  - f. to provide feedback in relation to the TPB's Regulator Performance Framework (RPF) self-assessment<sup>6</sup>
  - g. discuss and provide input on relevant TPB strategic matters, including the TPB's Corporate Plan
  - h. such other relevant matters as may be brought before the TPGSF by a member.

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<sup>1</sup> paragraph 3.37 of the Final Report

<sup>2</sup> paragraph 5.17 of the Final Report

<sup>3</sup> paragraph 3.41.2 of the Final Report

<sup>4</sup> paragraph 3.41.3 of the Final Report

<sup>5</sup> paragraph 3.41.5 of the Final Report

<sup>6</sup> The TPB has previously received endorsement from the Minister to have the TPB's RPF self-assessment approved by the TPB's Combined Consultative Forum and it is intended that this process continues.

3. The TPGSF is to provide advice, feedback and input in relation to the above matters, however final operational and strategic decisions are matters for the TPB Board.

## BACKGROUND

4. The TPB is an independent statutory body created under the TASA to register and regulate entities providing tax agent services in Australia. The objective of the TPB is to ensure that the services provided by registered tax practitioners (registered BAS agents, registered tax agents and registered tax (financial) advisers) are provided to the public in accordance with appropriate standards of professional and ethical conduct. The TPB seeks to regulate tax practitioners in a fair, consistent and practical way under the TASA to protect consumers of taxation services, thereby strengthening the integrity of the tax practitioner profession.<sup>7</sup>
5. Recommendation 3.3(b) made in the [Final Report](#) called for the creation of '*...a Tax Practitioner Governance and Standards Forum and corresponding Charter of Tax Practitioner Governance*'. In its response to the Final Report, Government accepted this recommendation, noting '*In addition to the proposed members of the Tax Practitioner Governance and Standards Forum, the Government considers that a BAS agent association member should also be a member.*'
6. As such, the TPB, in consultation with key stakeholders, including members of the TPB's Combined Consultative Forum, established the TPGSF.

## MEETINGS

### Frequency

7. It is intended that the TPGSF will convene quarterly each calendar year, however the TPGSF may meet more frequently on an ad-hoc basis, as required.
8. Meetings will be held either face-to-face setting or remotely (for example, via video conferencing).

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<sup>7</sup> Further information about the TPB's role, purposes (strategic goals) and activities is outlined in the TPB Corporate Plan and Annual Reports, which are published on the [TPB website](#).

## Agenda

9. TPGSF meeting agendas will be set by the Co-Chairs and distributed to members at least working days before the meeting.
10. A standing TPGSF meeting agenda item will be an update regarding the Consultative Forum to ensure alignment and consistency amongst the two groups.

## MEMBERSHIP

11. The membership of the TPGSF will consist of:
  - a. representatives of:
    - i. the TPB<sup>8</sup>
    - ii. the ATO, and
    - iii. Treasury
  - b. tax agent associations<sup>9</sup>
  - c. Corporate Tax Association
  - d. BAS agent association(s) that are appointed by BAS agent association members of the TPB's Combined Consultative Forum
  - e. Financial adviser association(s) that are appointed by tax (financial) adviser association members of the TPB's Combined Consultative Forum.
12. Invitation to be a member of the TPGSF will also extend to representatives of the Professional Standards Councils and a representative from the Australian Securities and Investments Commission's Financial Services and Credit Panel (FSCP).
13. Membership of the TPGSF will be reviewed periodically by the Co-Chairs.
14. The inaugural membership of the TPGSF is contained in [Appendix A](#).
15. Where appropriate, representatives of non-Government members of the TPGSF should be different to the representatives of the same members of the Consultative Forum, and members should be limited to having one representative attend TPGSF meetings, unless additional representatives are agreed to by the Co-Chairs.

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<sup>8</sup> TPB Chair, TPB CEO/Secretary and TPB Secretariat.

<sup>9</sup> The inaugural membership will consist of tax agent associations who are members of the ATO's National Tax Liaison Group (NTLG), as recommended in the Final Report of the [Review of the Tax Practitioners Board](#)

## CO-CHAIRS

16. The TPGSF will be co-chaired by the TPB (TPB Co-Chair) and a representative of a non-Government member (non-Government Co-Chair). The non-Government Co-Chair is to be nominated by the non-Government members.
17. The non-Government Co-Chair term must be for no more than two years, subject to renewal for further periods of two years at a time.

## ROLES AND RESPONSIBILITIES

### Co-Chairs

18. Responsibilities of the Co-Chairs include:
  - a. ensuring that the TPGSF operates effectively and meets the purposes set out in this Charter
  - b. ensuring that the TPGSF actively contributes to the better regulation and governance of the registered tax practitioner profession
  - c. undertaking reviews of the TPGSF, including effectiveness reviews, as required
  - d. showing leadership and progressing action items as appropriate
  - e. with the assistance of the secretariat, ensuring that relevant administrative and operational tasks are completed, including:
    - i. planning the TPGSF work program
    - ii. calling meetings and setting TPGSF agendas
    - iii. leading TPGSF discussions
    - iv. ensuring key messages of each meeting are provided, information is published as appropriate and records are maintained
    - v. actively engaging and managing relationships with all members in TPGSF discussions.
  - f. meet general professionalism conduct standards, including:
    - i. being fair and responsible in their representative position
    - ii. acting with due diligence and good faith
    - iii. declaring conflicts of interest
    - iv. adhering to confidentiality principles, including any confidentiality agreements entered into by TPGSF members and Co-Chairs
    - v. treating all members respectfully, ethically, and with courtesy.

## Members

19. Responsibilities of TPGSF members include:

- a. respecting and adhering to this Charter
- b. working collectively to ensure key issues are identified and included in a work program as appropriate
- c. contributing effectively and engaging in consultative and open discussion that is aligned with, and further enhances, the overall purpose of the TPGSF
- d. raising relevant issues with the TPGSF and communicating decisions as appropriate
- e. progressing any action items assigned to them
- f. meeting general professionalism conduct standards, including:
  - i. being fair and responsible in their representative position
  - ii. acting with due diligence and good faith
  - iii. declaring conflicts of interest
  - iv. adhering to confidentiality principles
  - v. treating all members respectfully, ethically, and with courtesy.

## Secretariat

20. Responsibilities of the Secretariat include:

- a. ensuring the group's operation is effectively managed
- b. supporting the Co-Chairs and members to enable their effective participation
- c. managing administrative matters relating to the group, including:
  - i. arranging meetings and distributing agendas
  - ii. taking and circulating key messages
  - iii. identifying and recording action items noting who is accountable and the timeframes
  - iv. recording the forward work program.

## OTHER MATTERS

### Management of Records

21. The Secretariat will provide ongoing coordination, record-keeping and liaison services with members in relation to the operation of the TPGSF.

22. Key messages, including where dissenting views have been presented, will be prepared and distributed by the Secretariat (following review by the Co-Chairs) as soon as possible following a TPGSF meeting (generally, within 7 business days). Following this process, and with relevant endorsement by the Co-Chairs, the key messages will also be published on the TPB's website in due course. The purpose of the key messages is to allow for reporting transparency and consistent messaging.

## Confidentiality

23. To facilitate full and frank discussion, information disclosed in connection with TPGSF meetings (including information contained in meeting papers, matters discussed and action items arising at TPGSF meetings) must not be disclosed beyond the organisation that the TPGSF member represents.<sup>10</sup>

24. However, following each TPGSF meeting, an approved key messages document will be distributed to all TPGSF members and made available on the TPB's website. It is at that time that TPGSF members may disclose and share information in the key messages document to members of their organisation. There will be exceptions to this rule that will be considered on a case-by-case basis and will be subject to approval by the Co-Chairs.

25. Notwithstanding paragraph 23, representatives from the nominated recognised tax (financial) adviser associations and the recognised BAS agent associations are permitted to share matters relevant to the TPGSF with the other TPB recognised tax (financial) adviser associations and BAS agent association members who are not directly represented at the TPGSF. This includes consultation to put forward agenda items for discussion at an upcoming TPGSF meeting and to discuss matters arising from a TPGSF meeting. Importantly, there will be limited circumstances where it may not be appropriate for information to be distributed beyond the TPGSF representative members, where this is to be the case, members of the TPGSF will be advised by the Co-Chairs.

26. Draft documents provided to TPGSF members by the TPB 'under embargo' for feedback are provided confidentially, and TPGSF members are not to circulate these documents beyond their organisations.<sup>11</sup>

## Payment of expenses

27. Members of the TPGSF will not be paid or reimbursed by the TPB for the cost of their time spent at TPGSF meetings or addressing TPGSF issues.

28. No travel expenses or other out of pocket costs will be covered by the TPB.

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<sup>10</sup> Employees, volunteers, committees, experts engaged by an organisation are considered to be within a TPGSF's organisation for the purposes of clauses 23 and 26. It does not include the general membership base of the organisation.

<sup>11</sup> See footnote 10.

29. The TPB will arrange covering the cost of reasonable catering and venue for each TPGSF meeting.

## Conflicts of Interest

30. Any conflicts of interest and/or conflicts of roles must be declared by all members at the start of each meeting.

31. A TPGSF member should be pro-active and comprehensive in declaring interests that could conflict (real or apparent) in their representative capacity on the TPGSF.

32. The Co-Chairs are responsible for determining the appropriate steps to deal with a conflict of interest having regard to the nature of the TPGSF. Such steps may include excusing the member for a relevant agenda item(s).

## Review of the operation of the TPGSF

33. The TPB Chair, with assistance from the Secretary and Board, will review the operation of the TPGSF annually, in conjunction with seeking TPGSF member views on operation of the TPGSF via a short annual survey.

# Appendix A

## Inaugural membership of the Tax Practitioner Governance and Standards Forum

<b>Government members</b>
Tax Practitioners Board
Australian Taxation Office
The Treasury
Professional Standards Council
ASIC's Financial Services and Credit Panel
<b>Non-Government members<sup>12</sup></b>
Chartered Accountants Australia and New Zealand
CPA Australia
Institute of Public Accountants
Law Council of Australia
The Tax Institute
Tax (financial) adviser association/s appointed by tax (financial) adviser association members of the TPB's Combined Consultative Forum
BAS agent association/s appointed by BAS agent association members of the TPB's Combined Consultative Forum
Corporate Tax Association

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<sup>12</sup> Non-Government members are to be represented by appointed representatives or their proxies at TPGSF meetings, should the appointed member be unavailable.