

Explanatory Paper TPB(EP) 3/2010

Professional indemnity insurance requirements for registered tax and BAS agents

This TPB explanatory paper (TPB(EP)) is intended as information only. It provides a detailed explanation of the TPB's professional indemnity (PI) insurance requirements from 30 June 2013. Further, this TPB(EP) explains the TPB's interpretation of the provisions in the *Tax Agent Services Act 2009* (TASA) relating to the PI insurance requirements, translating these provisions into practical principles that can be applied by the profession.

The principles, explanations and examples in this paper do not constitute legal advice.

Currency of details of the PI insurance requirement

The TPB intends to review the details of its PI insurance requirements periodically, with a view to making any necessary refinements for the future. The TPB reserves the right to amend its PI insurance requirements at any point, including before any formal review, if it becomes necessary to do so.

Document history

This TPB(EP) is based on the TASA as at 17 February 2021.

This TPB(EP) was initially issued on 20 December 2010.

On 3 May 2019 the TPB updated this TPB(EP) to provide additional information in relation to cyber insurance cover.

On 1 January 2021, the TPB further updated this TPB(EP):

- following a complete review of its PI insurance requirements, to provide additional information in relation to the minimum requirements relating to amount of cover and recommended additional features of fidelity cover and run-off cover
- to include the TASA changes for PI insurance requirements at registration renewal.

On 1 January 2022, the TPB made further changes to this TPB(EP) to include specific requirements for tax agents with a tax (financial) advice services condition on their registration.

PI insurance requirements before 30 June 2013

The TPB's PI insurance requirements for registered tax and BAS agents **before 30 June**

2013 are contained in the [superseded TPB\(EP\) 03/2010 Professional indemnity \(PI\) insurance](#).

The PI insurance requirements contained in the superseded TPB(EP) no longer apply.

Issue date: 20 December 2010

Last updated: 1 January 2022

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Overview

It is an eligibility requirement for registration that you maintain, or in the case of new applications for registration, will be able to maintain once registered, PI insurance that meets the TPB's requirements.

For newly registered tax and BAS agents (collectively referred to as tax practitioners), you must advise the TPB of your PI insurance requirements within 14 days from the date that you are notified that your registration has been granted.¹

For registered tax practitioners applying to renew their registration, you must demonstrate that you have PI insurance that meets the TPB's requirements at the time of applying for renewal of registration.²

It is also a requirement under the Code of Professional Conduct (Code) that you maintain PI insurance that meets the TPB's requirements.³

Summary of the TPB's PI insurance requirements

The TPB's PI insurance requirements are outlined in this document. The TPB notes the following:

- The primary purpose of the TPB's PI insurance requirements is to ensure those entities that are registered with the TPB have PI insurance cover for the tax agent, BAS or tax (financial) advice services (collectively referred to as 'tax agent services') they provide.
- The TPB specifically considered the application of its PI insurance requirements to registered tax practitioners who have a low turnover. Turnover means the total amount of fees received by tax practitioners, excluding GST. While the TPB understands (through external consultation) that PI insurance may be an added expense, it understands that premiums are affordable. Moreover, it is important for consumer protection that these tax practitioners maintain PI insurance that meets the TPB's requirements.
- A tax practitioner will meet the TPB's PI insurance requirements if the tax practitioner is adequately covered under a policy held by another registered tax practitioner entity, and that tax practitioner will not be required to hold their own policy.
- Tax practitioners may have a PI insurance policy for their business that covers non-tax agent services, other aspects of their business or which covers PI insurance requirements set by other regulatory bodies. In those circumstances, provided that the policy also covers the provision of any tax agent service, the tax practitioner does not need to have a separate policy or multiple policies to meet the TPB's requirements.

¹ Subsections 20-5(1)(c), 20-5(2)(d), 20-5(3)(e) of the TASA

² Subsection 20-5(1)(d), 20-5(2)(e), 20-5(3)(f) of the TASA

³ Subsection 30-10(13) of the TASA

- If an employee is providing in-house tax agent services to their employer, the employee will not be required to have PI insurance in order to meet the TPB's requirements.
- Tax practitioners who do not provide tax agent services for a fee or other reward will not be required to have PI insurance in order to meet the TPB's requirements.⁴
- In relation to charging or receiving a fee for providing tax agent services, a tax agent service is taken to be provided for a fee even if the fee for the service is bundled with other fees for other services (for example, accounting services).
- Tax practitioners who only receive an honorarium (or honorary reward) for voluntary tax agent services will not be required to have PI insurance in order to meet the TPB's requirements.⁵

Tax agents with a tax (financial) advice services condition

- In determining the TPB's PI insurance requirements for tax agents with a tax (financial) advice condition, the TPB has given detailed consideration to the compensation requirements imposed on Australian Financial Services (AFS) licensees by the Australian Securities and Investments Commission (ASIC). In doing so, the TPB has, wherever possible, adopted a significant number of ASIC requirements to avoid duplication. However, there are two key differences between the TPB and ASIC requirements:
 - The TPB requires PI insurance coverage to include tax advice. ASIC requirements do not extend to tax advice.
 - The PI insurance requirements under the TASA apply to all entities that are registered with the TPB, not just to AFS licensees.
- Generally, AFS licensees are required to have adequate compensation arrangements (which is generally PI insurance cover) under section 912B of the *Corporations Act 2001*.
- Further, under the *Corporations Act 2001*, AFS licensees are required to have internal dispute resolution (IDR) procedures and to be members of the Australian Financial Complaints Authority (AFCA) external dispute resolution (EDR) scheme. (Also see the [Key terms](#) section of this TPB(EP)).
- In order for AFS licensees to have compensation arrangements that comply with that Act, the arrangements generally must satisfy the requirements specified in the Corporations Regulations 2001. Those requirements are that AFS licensees must hold PI insurance cover that is adequate, having regard to both:
 - their membership of the AFCA EDR scheme, taking account of the maximum potential liability that could arise from any particular claims against the AFS licensee and claims for which the licensee may be found liable

⁴ *Lengyel and Tax Practitioners Board* [2012] AATA 134

⁵ An honorarium includes an honorary reward for voluntary services or a fee for professional services voluntarily rendered. For example, the voluntary provision of tax agent services for a not-for-profit entity.

- considerations relating to their financial services business. These include the volume and type/s of business, the number and kind of clients and the number of representatives.
- The TPB's regulatory function does not seek to replicate or duplicate the requirements relating to IDR and EDR, nor does it apply independently from the dispute resolution processes in the *Corporations Act 2001*.
- The TPB considers that PI insurance, held by AFS licensees who are tax agents with a tax (financial) advice services condition, with an extension to cover the provision of tax financial (advice) services, will generally meet the TPB's minimum requirements. In these circumstances, the tax agent with a tax (financial) advice service condition does not need to have a separate policy or multiple policies to meet the TPB's requirements.
- Further, the TPB will approve certain self-insurance arrangements⁶ as PI insurance that meets its requirements, in a manner consistent with that adopted by ASIC.

The legislative framework

What 'maintain' means

The TPB will consider a registered tax practitioner who is required to have PI insurance as maintaining PI insurance that meets the TPB's requirements if either:

- the registered tax practitioner holds a PI insurance policy that meets the minimum requirements set out in this TPB(EP)
- the registered tax practitioner is covered by a PI insurance policy that meets the minimum requirements set out in this TPB(EP), that is held by another registered tax practitioner
- the registered tax practitioner has an alternative arrangement that has been approved by the TPB, as described in this TPB(EP).

What 'will be able to maintain' means

The purpose of the wording 'will be able to maintain' is to accommodate those new applicants who are applying for registration but who, at the time of applying for registration, do not maintain PI insurance that meets the TPB's requirements.

Example 3.16 in the Explanatory Memorandum to the *Tax Laws Amendment (2013 Measures No.2) Bill 2013*, which amended the PI insurance requirements in the TASA from 30 June 2013, provides the following guidance in respect of the purpose of the wording 'will be able to maintain'.

⁶ ASIC Regulatory Guide 126: *Compensation and insurance arrangements for AFS licensees* provides that self-insurance relates to setting aside a calculated amount of money to form a source of compensation for potential claims.

Liza applies to the TPB for registration as a registered tax agent. In addition to having to satisfy the TPB that she is a fit and proper person and that she can meet the registration requirements (prescribed by the regulations), Liza will need to satisfy the TPB that she will be able to maintain PI insurance that meets its requirements as soon as she is registered.

Assuming that the TPB grants Liza's application and she becomes a registered tax agent, three years later Liza applies to the TPB to renew her registration.

As Liza already has PI insurance, she need only satisfy the TPB that this insurance meets its requirements.

In circumstances where a new applicant for registration does not maintain PI insurance that meets the TPB's requirements at the time of applying for registration and indicates to the TPB that they will be able to maintain PI insurance once registered, the applicant will meet the PI insurance eligibility requirement for registration.

If the applicant is granted registration, the TPB will generally require the tax practitioner to provide details of how they meet the TPB's requirements within 14 days from the date that they receive notification that their application for registration has been granted.

For registered tax practitioners who are applying for renewal of registration, they must demonstrate that they maintain PI insurance that meets the TPB's requirements at the time of applying for renewal of registration in order to be eligible.

The TPB's requirements for tax practitioners who do not receive a fee or other reward

The TPB understands that some registered tax practitioners do not receive a fee or other reward for the tax agent services that they provide, for example:

- employee registered tax practitioners who provide tax agent services on behalf of their employer registered tax practitioner
- employee registered tax practitioners who provide in-house tax agent services to their employers
- contractor registered tax practitioners who provide tax agent services on behalf of another registered tax practitioner
- registered tax practitioners who receive honorary rewards or fees voluntarily rendered for voluntary tax agent services.

The TPB will consider employee and contractor registered tax practitioners in their own right (as described above) as meeting the TPB's requirements if they do not hold their own PI insurance policy, but are covered by another registered tax practitioner's policy.

Purpose of the TPB's PI insurance requirements

The TPB has considered the PI insurance requirements that all registered tax practitioners will need to meet in order to:

- be eligible for registration under the TASA
- satisfy their ongoing registration eligibility requirements
- comply with subsection 30-10(13) of the Code.

In any industry or profession, from time to time, clients might suffer loss due to an act, error or omission by a service provider. In the tax practitioner profession, there needs to be a mechanism to ensure that funds are likely to be available to compensate clients who may suffer loss due to certain conduct on the part of the tax practitioner connected with the provision of tax agent services.

Paragraph 3.54 of the Explanatory Memorandum to the Tax Agent Services Bill 2008 explains the purpose of PI insurance:

Tax agents and BAS agents are professionals who hold themselves out as having a special skill on which members of the community are entitled to rely. As they are agents for the client, they can be liable for any financial loss or damage which their clients suffer through failure or mistake. The requirement to be insured ensures that those people who are exposed to the risks of financial loss resulting from the agent's conduct are adequately compensated.

The TPB has developed the policy objective for its PI insurance requirements (which is set out below) on the basis of the above principle, as far as it relates to the provision, or failure to provide, tax agent services by registered tax practitioners.

Policy objective

The TPB's policy objective is:

The TPB's PI insurance requirements for registered tax practitioners are to reduce the risk that a client's losses (due to the conduct of the tax practitioner) are not compensated, due to the tax practitioner having inadequate financial resources or for any other reason, as far as this is practically possible.

The policy objective complements the object of the TASA which is to ensure that tax agent services are provided to the public in accordance with appropriate standards of professional and ethical conduct.⁷

⁷ Section 2-5 of the TASA

The TPB's PI insurance requirements

The TPB's objective

The objective of the TPB's PI insurance requirements is to ensure those entities that are registered with the TPB have adequate PI insurance cover for the tax agent services they provide.

What this means for tax practitioners

In order to be eligible for registration under the TASA, applicants for registration will need to satisfy the TPB that they maintain PI insurance or that they will be able to maintain PI insurance that meets the TPB's requirements once registered.

To be eligible for renewal of registration under the TASA, registered tax practitioners will need to satisfy that they maintain PI insurance that meets the TPB's requirements at the time of applying for renewal.

The requirement to maintain PI insurance that meets the TPB's requirements is an ongoing registration requirement, and is also an obligation contained in the Code.

What this means for consumers of tax agent services

It is important to recognise the limitations of PI insurance as a consumer protection mechanism. PI insurance protects:

- consumers indirectly and it is not a guarantee that compensation will in fact be paid
- the tax practitioner against the risk of financial losses arising from acts, errors, omissions and other misconduct by a tax practitioner in the provision, or failure to provide tax agent services. This might occur where the tax practitioner is otherwise unable or unwilling to compensate a client in respect of a loss caused by the tax practitioner and there is or would be a liability to do so.⁸

The cover required by the TPB is not necessarily intended to cover what a client might perceive as a loss in every circumstance. For example, it is not intended to cover what a client thinks is a loss because a tax refund or liability does not meet their expectations.

⁸ While PI insurance does not provide direct protection to clients, there are safe harbour provisions, administered by the Australian Taxation Office, which may provide some consumer protection against penalties in some circumstances. Refer to [Safe harbour](#) for further information.

Providing evidence of PI insurance cover to the TPB

When applying for registration, applicants will need to satisfy the TPB that they maintain PI insurance or that they will maintain PI insurance that meets the TPB's requirements upon becoming registered.

For renewing registration, registered tax practitioners will need to satisfy that they maintain PI insurance that meets the TPB's requirements at the time of applying for renewal.

Additionally, tax practitioners will be required on an annual basis to provide the TPB with evidence that they have maintained PI insurance that meets the TPB's requirements.

Further, the TPB may require a tax practitioner to provide a Certificate of Currency (or if unavailable, a Policy Schedule) in relation to their PI insurance at renewal or when requested.

If a tax practitioner cannot or does not comply

If a new applicant for registration does not satisfy the TPB that they maintain PI insurance, or that they will maintain PI insurance that meets the TPB's requirements once registered, the TPB will not grant the applicant registration. Similarly, if a tax practitioner does not satisfy the TPB that they have PI insurance that meets the TPB's requirements at the time they apply for renewal of registration, the TPB will not renew the tax practitioner's registration.

If a tax practitioner fails to maintain PI insurance cover that meets the TPB's requirements during their period of registration, their registration may be terminated on the basis that the tax practitioner ceases to meet an ongoing registration requirement, under Part 4 of the TASA.

Alternatively, if a tax practitioner fails to maintain adequate PI insurance that meets the TPB's requirements during the period of their registration, the TPB may sanction the tax practitioner for a breach of the Code under subsection 30-10(13) of the TASA. Depending on the circumstances, the sanctions available to the TPB range from written cautions to suspension or termination of a tax practitioner's registration.

Key principles

Table 1 sets out the key principles the TPB's PI insurance requirements.

Table 1: Key principles

Principle 1: Fit to achieve the policy objective	Adequate cover is cover that will satisfactorily indemnify a tax practitioner against civil liability that may arise in the tax practitioner's provision of tax agent services and which meets the policy objective of reducing the risk that client losses are not compensated by the tax practitioner for not having adequate financial resources or for any other reason.
Principle 2: Responsibility of tax practitioner to assess adequacy	It is the basic responsibility of each tax practitioner to determine what is adequate PI insurance cover for them, having regard to the risks that are associated with the provision by them of tax agent services. If what is adequate for them requires insurance cover in addition to the cover which is required by the TPB, they must obtain such additional adequate cover.
Principle 3: Practical availability	An element of adequacy is what is practically available at any given time.

Principle 1: Fit to achieve the policy objective

PI insurance is a way of reinforcing a tax practitioner's ability to meet any client losses caused by an act, error, or omission of the tax practitioner or their 's employees, by making funds available to the tax practitioner under the terms of a PI insurance policy. PI insurance:

- protects the tax practitioner against certain risks
- indirectly protects consumers but is not a guarantee that compensation will be paid
- is an agreement between an insurance company and a tax practitioner; consumers will not be party to these insurance policies.

The concept of what is 'adequate' is an important element of the TPB's overall requirements for PI insurance. The TPB will consider what is 'adequate' with reference to the minimum requirements, set out in [Table 3](#). The TPB provides further guidance on what it considers to 'adequate' PI insurance. See the [Adequate PI insurance cover](#) section.

Principle 2: Responsibility of tax practitioner to assess adequacy

The TPB considers that compliance with the PI insurance requirement should form part of a tax practitioner's overall risk management processes.

The TPB accepts that different tax practitioners will have very different businesses and risks, which will impact on what PI insurance arrangements are adequate for them. Therefore, subject to certain minimum requirements, the TPB considers that tax practitioners should undertake their own analysis of what is an adequate level of insurance for them.

PI insurance standards set by relevant industry and professional bodies might also provide a guide for tax practitioners in this process. However, compliance with industry standards will not necessarily mean that a tax practitioner meets the PI insurance requirements of the TPB. The TPB requires an objective assessment of the adequate level of cover for the business and risks of a particular tax practitioner.

Some tax practitioners might find it helpful to engage external consultants, actuaries, brokers or advisers to undertake a risk assessment of their business and provide advice on the amount and terms of cover that they should obtain. The TPB encourages this, provided that the minimum requirements are met.

Principle 3: Practical availability

One of the considerations relevant to the assessment of the adequacy of PI insurance cover is what is practically available at any given time.

The TPB is aware that the nature and extent of coverage of PI insurance may be limited from time to time by what the insurance market will provide and that the market is subject to fluctuations. This can have a material impact on the scope and effectiveness of PI insurance cover. There may be times in the future where PI insurance is also less freely available (for example, during a future insurance market). These limitations mean that PI insurance cover that achieves the policy objective may sometimes be more difficult to achieve.

The TPB has considered these factors in the formulation of its requirements and in the setting of minimum requirements set out in [Table 3](#). The TPB believes that its minimum requirements are reasonable and should generally be able to be achieved by tax practitioners. The TPB will continue to monitor and consider what is practically available in the insurance market and how that will affect requirements.

Adequate PI insurance cover

What is 'adequate'

Tax practitioners must at all times maintain adequate PI insurance cover, which also complies with the TPB's requirements. Adequate cover is cover that will both:

- adequately indemnify a tax practitioner against any civil liability that may arise in the tax practitioner's provision of tax agent services
- meet the policy objective of reducing the risk that client losses are not compensated by the tax practitioner due to the tax practitioner having inadequate financial resources or for any other reason.

The TPB requires that tax practitioners hold PI insurance that is 'adequate', having regard to the nature of the business carried on by the tax practitioner, including:

- the volume of business in terms of turnover (see the [Key terms](#) section)
- the number and kind of clients
- the kind or types of services provided
- the number of employees
- the degree of risk.

This is not an exhaustive list of the factors that agents need to take into account in assessing what PI insurance cover is adequate in their circumstances.

Amount of cover

To be adequate overall, a PI insurance policy must have a sufficient amount of cover and at least meet the minimum requirements and cover a reasonable estimate of clients' potential losses (see step 2 in [Table 2](#) and amount of cover in [Table 3](#)).

Further, the TPB requires that tax practitioners obtain PI insurance cover that provides legal and defence 'costs exclusive' or 'costs in addition' amount of cover.

Scope of cover

The TPB's PI insurance requirements require that the insurance must cover civil liability arising from any act, error or omission in the provision of tax agent services.

Terms and exclusions

If exclusions in a PI insurance policy undermine the policy objective, the cover may not be adequate. This applies especially to exclusions that directly affect the minimum requirements set out in [Table 3](#). If an exclusion removes a minimum requirement, the cover will not be adequate.

Deductibles, excesses and the tax practitioner's financial resources

Consideration of the financial resources of a tax practitioner seen through the size of their business is a necessary element in assessing the adequacy of PI insurance cover.

The TPB is aware that there is generally an excess on insurance policies. All tax practitioners who are insured need to consider how they will cover the excess. Tax practitioners are required to assess what financial resources are required (to cover the excess and gaps in cover due to various acceptable exclusions) and to ensure they have such financial resources available. They should be able to demonstrate to themselves, and to the TPB if necessary, that they have such financial resources available.

The TPB requires that the excess for most registered tax practitioners' PI insurance cover should not exceed 4% of their turnover unless 4% of that turnover is less than \$1,000, in which case the excess cannot exceed \$1,000.

For registered tax agents with a tax (financial) advice services condition, there is no minimum requirement in relation to excess. However, these tax agents must ensure that any excess under the PI insurance policy is at a level that the business can confidently sustain as an uninsured loss taking into account the tax agent's financial resources.

Tax practitioners should retain records of the assessment of their excess level. These records should indicate how the financial resources were calculated using capital, cash flow, overdraft or support from a parent company.

Assessing adequacy

As discussed above, whether a particular PI insurance policy or cover is adequate for a particular tax practitioner depends on all the facts and circumstances, including the nature, scale and complexity of the tax practitioner's business, and their other financial resources. Therefore, it is the responsibility of each tax practitioner to determine what is adequate cover for them and to obtain the required cover, ensuring that it at least meets the minimum requirements.

Table 2 gives guidance on the processes the TPB recognises that tax practitioners should go through to determine what is adequate cover for them. However, the TPB will not generally 'approve' PI insurance arrangements of tax practitioners on a case-by-case basis unless, in the TPB's discretion, there is reason to do so.

Initial assessment

The TPB suggests that tax practitioners use the assessment process in Table 2 to determine what will be adequate PI insurance cover.

Table 2: Initial assessment process

<p>Step 1: Assess the business</p>	<p>Review the business, taking into account any proposed changes to the business. Review the claims history (if any) and risk management procedures.</p>
<p>Step 2: Assess potential liability</p>	<p>Determine the maximum liability that has, realistically, some liability potential to arise. The TPB suggests tax practitioners do this by making a reasonable estimate of the following factors:</p> <ul style="list-style-type: none"> • the maximum exposure to any single client ('worst case scenario' per client) • the number of claims that could arise from a single event (potential for multiple claims)

	<ul style="list-style-type: none"> the number of claims that might be expected during the policy period.
Step 3: Approach insurers/brokers	Ask insurers or insurance brokers for a list of key policy features, insurers/brokers exclusions and available extensions (based on full disclosure of your assessment in steps 1 and 2).
Step 4: Assess amount of cover	Consider whether the amount of cover is adequate. It should at least meet the TPB's minimum requirements set out in Table 3 .
Step 5: Assess scope of cover	Consider whether the scope of cover is adequate. It must at least meet the minimum requirements.
Step 6: Review policy terms and exclusions	Review the policy features using the questions in Table 3 . Identify any exclusions and gaps in cover.
Step 7: Consider financial resources	<p>Check that you have the financial resources to pay the excess on resources, the estimated number of claims and cover any gaps and legal costs.</p> <p>Consider how these claims will be covered and retain records of the assessment, for example, through capital, cash flow, overdraft, support.</p>

Ongoing assessment

The TPB requires tax practitioners to review their PI insurance cover at least annually to ensure it continues to be adequate, for example, when their existing policy is due for renewal. Tax practitioners are also required to review the adequacy of their PI insurance coverage in light of any major changes in their business, for example, if they start providing new services or engage more employees. Once obtained, tax practitioners must maintain PI insurance cover for as long as they are registered as a tax or BAS agent, although this need not be done through the same insurer or insurers.

Compliance systems

The TPB holds tax practitioners accountable for ensuring that their PI insurance policies are renewed when required, that premiums are paid on time and that their policies or other compensation arrangements continue to be adequate.

Authorised insurers

Generally, the cover needs to be from an insurer regulated by the Australian Prudential Regulation Authority (APRA), or operating under an exemption within the *Insurance Act 1973* or the Insurance Regulations 2002. The TPB will advise tax practitioners on a case-by-case basis if it determines some alternative source of cover is acceptable.

What the policy should cover and include

Minimum requirements for adequate PI insurance cover

Table 3 sets out the TPB's view on the features a PI insurance policy should have in order for it to be 'adequate'. The table includes what is considered to be the minimum requirements for these features. Additional factors tax practitioners should consider when determining what is adequate depending on their business and individual circumstances are also suggested in the notes set out in the table.

Table 3: Features of adequate PI insurance cover and minimum requirements

Policy feature	Minimum requirements and factors to consider
Amount of cover	<p>The minimum amount of cover that needs to be maintained is based on turnover (see the Key terms section).</p> <p>Tax practitioners who have been in business for at least a complete financial year are required to assess their turnover by reference to the turnover for the previous financial year.</p> <p>The TPB requires that tax practitioners who do not have any turnover history or a complete financial year from which to determine their turnover will need to make a reasonable estimate of anticipated turnover for the forthcoming financial year, for the purposes of complying with the minimum amount of cover requirement.</p> <p>The TPB requires that tax practitioners have a minimum amount of cover as specified below, provided at all times the amount of cover obtained is adequate for the risks associated with the provision of tax agent services and BAS services in the circumstances of the tax practitioner.</p> <p>A tax practitioner must assess their own PI insurance requirements by considering their own business and risk circumstances and obtain PI insurance that is appropriate for them, factoring in legal or defence costs. If the results of the assessment are that less cover may be required, the tax practitioner must nevertheless have cover to at least the minimum amount of cover shown in the table below, by reference to their turnover. The TPB encourages tax practitioners to discuss their particular business circumstance with an insurance provider to assist in determining what is adequate PI insurance cover for them.</p>

Policy feature	Minimum requirements and factors to consider												
	<p>In addition to turnover, other factors that tax practitioners should consider in determining what amount of cover is adequate include (but are not limited to):</p> <ul style="list-style-type: none"> ○ size and kind/s of business ○ number and tax affairs of clients (including, for example, amount of potential tax liabilities) ○ degree of complexity of tax agent services ○ structure of business (for example, relative number of supervising registered tax practitioners to unregistered employees and representatives) ○ geographical distribution of any unregistered employees and representatives who provide tax agent or BAS services on behalf of the registered tax practitioner ○ degree of risk. <p>Additional factor for tax agents with a tax (financial) advice services condition include the following:</p> <ul style="list-style-type: none"> ○ Are they covered by a policy that contains an aggregation clause and a sub-limit on the amount payable by the insurer in relation to AFCA EDR scheme awards? ○ If so, what is the sub-limit amount as compared to the EDR compensation limit (per claim) for the particular type of claim, and would the aggregation of claims and application of the sub-limit by the insurer likely result in gaps in cover? If so, the tax agent will need to consider how to cover any gaps. If they do not have sufficient financial resources to meet any gaps, they may need to consider obtaining cover on a 'per claim' (instead of an 'aggregate') basis (see the Key terms section of this document for further information about AFCA EDR scheme awards and aggregation clauses). <p>Minimum amount of cover</p> <table border="1" data-bbox="475 1496 1449 1841"> <thead> <tr> <th>Tier</th> <th>Turnover</th> <th>Minimum aggregate amount of cover*</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Up to \$75,000 (excluding GST)</td> <td>\$250,000 cover inclusive of legal and defence costs</td> </tr> <tr> <td>2</td> <td>\$75,001 - \$500,000 (excluding GST)</td> <td>\$500,000 cover inclusive of legal and defence costs</td> </tr> <tr> <td>3</td> <td>Over \$500,000 (excluding GST)</td> <td>\$1,000,000 cover inclusive of legal and defence costs</td> </tr> </tbody> </table> <p>* What is an appropriate amount of cover for a tax practitioner may in fact be more than what is set as the minimum requirement.</p>	Tier	Turnover	Minimum aggregate amount of cover*	1	Up to \$75,000 (excluding GST)	\$250,000 cover inclusive of legal and defence costs	2	\$75,001 - \$500,000 (excluding GST)	\$500,000 cover inclusive of legal and defence costs	3	Over \$500,000 (excluding GST)	\$1,000,000 cover inclusive of legal and defence costs
Tier	Turnover	Minimum aggregate amount of cover*											
1	Up to \$75,000 (excluding GST)	\$250,000 cover inclusive of legal and defence costs											
2	\$75,001 - \$500,000 (excluding GST)	\$500,000 cover inclusive of legal and defence costs											
3	Over \$500,000 (excluding GST)	\$1,000,000 cover inclusive of legal and defence costs											

Policy feature	Minimum requirements and factors to consider
	<p>Tax agents with a tax (financial) advice services condition</p> <p>The TPB requires that tax agents with a tax (financial) advice services condition have a minimum amount of cover of \$2 million for any one claim and in the aggregate for tax agents with a tax (financial) advice services condition with total revenue of \$2 million or less. For tax agents with a tax (financial) advice services condition with total revenue greater than \$2 million, the TPB requires cover to be approximately equal to actual or expected revenue (up to a maximum limit of \$20 million).</p> <p>A tax agent who is also an AFS licensee and a member of the AFCA EDR scheme should also ensure that their PI insurance provides an adequate and appropriate amount of cover for potential liabilities for claims that might be brought under the AFCA EDR scheme in relation to tax (financial) advice services provided under their license.</p> <p>In determining whether the amount of cover is adequate for this purpose, the tax agent should include consideration of any potential claims and liabilities arising from personal advice (as defined in the <i>Corporations Act 2001</i>) which involve the application of taxation laws to the circumstances of clients and which clients can reasonably rely on to satisfy tax liabilities or claim tax entitlements.</p> <p>Note: The TPB understands that some AFS licensees who are tax agents may hold PI insurance policies that include both an aggregation clause (in which the insurer treats multiple claims as related and therefore subject to a single indemnity limit), and a sub-limit on the amount of cover the insurer will provide for claims resulting from AFCA EDR scheme awards.</p> <p>In some policies, the sub-limit may restrict the cover to an amount that is less than the monetary compensation limit that AFCA has the jurisdiction to award (per claim) for the particular type of claim. Depending on how the insurer aggregates claims and the amount of sub-limit applied to those claims, the amount of cover for AFCA EDR scheme awards could result in significant gaps. If the tax agent does not have sufficient financial resources to cover any gaps, they are unlikely to maintain PI insurance that meets the TPB's requirements.</p>
Legal/defence costs	<p>The policy must provide legal and defence 'costs exclusive' or 'costs in addition' amount of cover.</p> <p>Alternatively, the level of cover must be sufficiently increased to take into account these costs.</p>
Scope of cover	<p>The policy must include civil liability arising from any act, error or omission in the provision of tax agent services as defined in the TASA.</p> <p>In relation to a tax agent with a tax (financial) advice services condition, who is also an AFS licensee and a member of the AFCA EDR scheme, the policy must also effectively provide cover for potential liabilities for claims that might be brought under the scheme which arise from the provision of tax (financial) advice services.</p>

Policy feature	Minimum requirements and factors to consider
Persons covered	<p>The policy must cover:</p> <ul style="list-style-type: none"> • the tax practitioner • directors, principals, partners and employees who provide tax agent services on behalf of the tax practitioner • contractors, if they do not have their own PI insurance cover, then the tax practitioner must have cover that includes the work of contractors for which the tax practitioner is liable • any other individuals or entities that provide tax agent services on behalf of the tax practitioner. <p>Note 1: Tax practitioners need to take into account all of their employees and representatives (not just registered tax practitioners) who are occupied in the provision of tax agent services when considering the type and extent of cover that will be adequate. A client will generally have the same remedies against the tax practitioner as the client has against the employees and representatives of the practitioner.</p> <p>Note 2: A tax practitioner's policy does not need to indemnify the tax practitioner for acts of its contractors or representatives if such acts are adequately covered by the contractor's or representative's own PI insurance cover.</p> <p>Factors to consider</p> <p>Are there many employees or representatives geographically dispersed? If so, the limit of indemnity might need to be higher to manage this risk.</p> <p>Note: Experience suggests that the greater the number of employees or representatives that are working for a registered tax practitioner and the more geographically dispersed they are, the greater may be the potential for client losses to occur. The number and distribution of employees and representatives might affect the registered tax practitioner's ability to adequately supervise its employees and representatives and a tax practitioner with a greater number of employees and representatives is likely to provide services to a greater number of clients.</p>
Exclusions	<p>The policy must not have the effect of excluding cover for the work of contractors if the result is that there is no cover for the tax agent services that are provided to the client.</p> <p>Note: A policy may include a term prohibiting the tax practitioner from admitting liability for any claim, loss or demand.</p> <p>In relation to a tax agent with a tax (financial) advice condition, who is also an AFS licensee and a member of the AFCA EDR scheme, the policy must also not have the effect of excluding cover for potential liabilities for claims that might be brought under the scheme which arise from the provision of tax (financial) advice services.</p>

<p>Excess/deductibles</p>	<p>The TPB requires tax practitioners to undertake an assessment of their financial situation and ensure that the excess is not set at a level which cannot be met by them.</p> <p>For tax practitioners (except tax agents with a tax (financial) advice services condition on their registration), the TPB further requires that the excess cover should not exceed 4% of their turnover, unless 4% of that turnover is less than \$1,000, in which case the excess cannot exceed \$1,000.</p> <p>For tax agents with a tax (financial) advice services condition, the TPB does not have a maximum requirement of excess for the cover. However, these tax agents must ensure that any excess under the PI insurance policy is at a level that the business can confidently sustain as an uninsured loss taking into account the tax agent's financial resources.</p> <p>Note 1: A business with a lower cash flow available to meet claims might require a larger amount of cover, or cover with a lower excess, or both. If there is a limited asset base available to meet claims, a policy with a lower excess might be preferable. The TPB is aware that available PI insurance policies generally have an excess. Therefore, the TPB considers that whether a tax practitioner has sufficient cash flow to meet the excess for a reasonable estimate of claims is a relevant consideration in determining whether a PI insurance policy is adequate for that tax practitioner.</p> <p>Note 2: If the excess is significant relevant to the limit of indemnity, tax practitioners should seek approval from the TPB as an alternate arrangement as we consider this kind of arrangement to be effectively self-insurance rather than PI insurance.</p>
<p>Insurance provider</p>	<p>The TPB requires that the PI insurance cover must be provided by:</p> <ul style="list-style-type: none"> • an APRA approved insurer • an insurer who is not APRA approved but otherwise permitted to provide insurance in Australia under the <i>Insurance Act 1973</i>, or • an unauthorised foreign insurer if they are providing insurance in accordance with Part 2 of the Insurance Regulations 2002 • other insurance providers as approved by the TPB.
<p>Retroactive cover</p>	<p>If the registered tax practitioner had an immediately previous PI insurance policy, the policy must provide retroactive cover to the earlier of:</p> <ul style="list-style-type: none"> • the retroactive date specified in the most recent PI insurance policy; or • the commencement date of the first PI insurance policy in the series of continuous policies.

TPB recommendation on additional features of PI insurance cover and extensions

There are some features of the PI insurance cover and extensions to PI insurance cover which the TPB recommends tax practitioners to obtain. These are set out in Table 4 below.

Table 4: TPB recommendations on additional PI insurance features and extensions

Policy feature	TPB recommendation
Fraud/dishonesty/fidelity	<p>The TPB recommends that tax practitioners have innocent party fraud/dishonesty cover in respect of the actions of employees or partners/directors (except sole tax practitioners).</p> <p>Once a tax practitioner has undertaken a risk assessment, the TPB also recommends they consider whether they require innocent party fidelity cover for any financial loss they may suffer as a result of the actions of employees or partners/directors (except sole tax practitioners).</p> <p>Note 1: Fidelity cover generally provides cover to insured entities for direct financial loss they sustain due to conduct by employees or partners/directors (for example, theft of money or business assets). This is in contrast to fraud/dishonesty cover, which generally covers civil liabilities for claims made against insured entities arising from the conduct of other individuals.</p> <p>Note 2: A policy may include a term prohibiting the tax practitioner from admitting liability for any claim, loss or demand.</p>
Automatic reinstatement	<p>The TPB recommends tax practitioners obtain the benefit of at least one automatic reinstatement, if not multiple or unlimited reinstatements.</p> <p>Note 1: Automatic reinstatement means that if the limit of the policy is exhausted before the end of the policy period (by reason of claims being made or paid under insurance), the limit of indemnity is reinstated for the balance of the period to cover any new claims that might arise. This is important, as tax practitioners must ensure their PI insurance cover is adequate at all times.</p>
Run-off cover	<p>The TPB recommends that a tax practitioner obtain run-off cover if the tax practitioner proposes to cease providing tax agent services during their period of registration.</p> <p>Should an entity no longer remain registered after they cease providing tax agent services (for example, due to surrender and termination or non-renewal of registration), they will no longer be required under the TASA to maintain PI insurance that meets the TPB's requirements.</p>

Policy feature	TPB recommendation
	<p>However, given the operation of State and Territory statutory limitation periods, an entity may still be subject to a civil claim made years after the cause of action arose, which might also be after their registration with the TPB has ceased.</p> <p>Accordingly, the TPB recommends that tax practitioners who no longer maintain registration after ceasing to provide services assess any ongoing risk of claims and, if appropriate, consider whether they should obtain run-off cover for a continued period for potential claims.</p> <p>Note: The compensation requirements imposed by ASIC on AFS licensees do not require licensees to obtain automatic run-off cover, having regard to the limited availability of this policy feature in the PI insurance market.</p> <p>The TPB therefore recognises that the availability of run-off cover at any given time may impact on the ability of tax agents with a tax (financial) advice services condition to hold run-off cover and the period of such cover.</p>
<p>Cyber insurance cover</p>	<p>Once a tax practitioner has assessed the risk of a cyber-attack, the TPB recommends they consider whether they require additional protection against cyber threats, including losses that a tax practitioner may suffer from a cyber-attack (first party losses⁹).</p>

Cyber insurance

It is important to note that PI insurance policies are limited to responding to losses stemming from a deficiency in the tax agent services provided by the tax practitioner. Therefore, PI insurance policies will generally cover tax practitioner liability for cyber-related events or incidents if the liability arises in relation to the tax practitioner's provision of tax agent services. This is in contrast with cyber insurance cover, which generally covers for events such as third party cyber liability, first party hacker damage, cyber extortion, data breach notification costs and public relations costs. Accordingly, the TPB recommends that tax practitioners obtain additional cyber insurance, in addition to maintaining PI insurance that meets the TPB's requirements.

⁹ First party losses resulting from a cyber-attack that an entity may suffer include 'denial of service' attack, costs of rectifying harm done (such as repairing and restoring systems that have been damaged by malicious acts), the costs of improving cyber security, undertaking forensic investigations to identify the source of a cyber-attack, reputational damage and the costs of managing a reputational crisis and extortion costs.

Applications for alternative arrangements to be considered as meeting the TPB's PI insurance requirements

Application regarding alternative arrangements

The TPB will generally grant applications for alternative arrangements to be considered as meeting the TPB's PI insurance requirements where it can be demonstrated that there are satisfactory arrangements for compensation of clients of registered tax practitioners, having regard to the policy objective and the requirements set out in this TPB(EP).

Further, the TPB considers that self-insurance arrangements are alternative arrangements which require TPB approval in order to be considered as meeting the TPB's PI insurance requirements.

How to apply for alternative arrangements to be considered as meeting the TPB's PI insurance requirements

Tax practitioners who wish to apply for alternative arrangements to be considered as meeting the TPB's PI insurance requirements will need to lodge an application and should address the following issues:

1. Which registered tax practitioners will be covered by the alternative arrangements, for example, will the alternative arrangements cover a group of related tax practitioners or an industry sector.
2. How the compensation arrangements that the applicant has in place do and do not meet the criteria for assessing adequate PI insurance in accordance with the TPB's requirements (see the [Adequate PI insurance cover](#) section).
3. Any benefits, risks, or costs to clients arising from the agents using alternative arrangements as opposed to the TPB's general requirements.
4. Any circumstances particular to the tax practitioner or the industry sector which make these arrangements more appropriate than the TPB's general requirements.
5. Confirm that the tax practitioner will advise the TPB if the alternative arrangements are cancelled, varied or become unavailable for any reason.
6. In the case of tax agents with a tax (financial) advice services condition, whether the compensation arrangements have been approved by ASIC in accordance with RG 126, under paragraph 912B(2)(b) of the *Corporations Act 2001*.

The TPB will generally ask for an expert's report, for example, actuarial report to be submitted with the application to assess whether the alternative arrangements provide a satisfactory level of compensation to the clients of the tax practitioner, having regard to the policy objective and the requirements set out in this TPB(EP).

Applications must be made in writing and sent to the Secretary of the TPB, either through our [General enquiry](#) form, or by post to:

Tax Practitioners Board
GPO Box 1620

SYDNEY NSW 2001

How the TPB will assess applications

The TPB will assess each application on its merits. The TPB may, if appropriate, give priority to group applications, for example, for an industry sector or sub-sector.

The TPB will only approve an application for alternative arrangements to be considered as meeting the TPB's PI insurance requirements where it can be demonstrated that there are satisfactory arrangements for compensation of clients of tax practitioners, having regard to the policy objective and the requirements set out in this TPB(EP). The TPB recognises that some alternative arrangements may in fact provide a higher level of cover.

In considering applications, the TPB will take into account the factors used to assess adequacy of PI insurance in accordance with the TPB's requirements. This means that any alternative arrangements must also be adequate having regard to:

- volume of business in terms of turnover
- number and kind of clients
- kind/s of business
- number of employees and representatives
- degree of risk
- in the case of tax agents with a tax (financial) services condition, any potential liabilities for claims under the AFCA EDR scheme

These factors together with any additional factors considered to be relevant should be addressed in the application made to the TPB.

An important feature of PI insurance is that it is provided by a third party, which offers some security that the arrangements will be enforceable in the event of fraud by tax practitioners or officers of the practitioner. Therefore, one factor that the TPB will consider in assessing alternative arrangements is the degree to which the arrangements are provided on arm's length terms.

Example: Industry compensation fund

An application for alternative arrangements to be considered to meet the TPB's PI insurance requirements proposed by an industry body may be approved by the TPB. For example, an industry body's members might wish to set up a compensation fund supported by compulsory levies of members.

This could be in addition to PI insurance (that is, there might be an arrangement to compensate clients where a member's insurance is inadequate or they cease trading or become insolvent) or instead of PI insurance. Approval of a fund would depend on the amount of compensation that would be available for clients and the circumstances in which the fund would compensate clients, as well as the overall financial resource of the fund.

The TPB encourages industry bodies who wish to do so to consider whether an alternative arrangement is appropriate for their members. The TPB is prepared to discuss any such arrangements further.

Compensation arrangements during the assessment process

An application for alternative arrangements to be assessed if they meet the TPB's PI insurance requirements may be time consuming. Tax practitioners applying for approval of an application should continue to hold any PI insurance cover they have previously obtained or keep in place any other compensation arrangements they have previously implemented.

Key terms

The following is a list of key terms and their meaning in this document.

Alternative arrangement	An alternative arrangement is an arrangement that is not a contract of PI insurance, but which the TPB may approve as adequate to satisfy the TPB's PI insurance requirements.
Amount of cover	The amount of cover is the maximum amount of money the insurer has agreed to provide for payment of claims made against tax practitioner.
APRA	Australian Prudential Regulation Authority
ASIC	The Australian Securities and Investments Commission
AFCA	The Australian Financial Complaints Authority
AFCA external dispute resolution (EDR) scheme award	<p>AFCA operates the sole EDR scheme for financial services authorised under Part 7.10A of the <i>Corporations Act 2001</i>. The purpose of the scheme is to assist individuals and small businesses to reach agreements with financial firms to resolve complaints that firms are unable to resolve as part of their internal dispute resolution procedures.</p> <p>Under the <i>Corporations Act 2001</i>, all AFS licensees are required to have a dispute resolution system that includes membership of the AFCA EDR scheme.</p> <p>The AFCA Complaint Resolution Scheme Rules set out the types of complaints that AFCA has the jurisdiction to consider and remedies it can award (AFCA EDR scheme award).</p> <p>The types of complaints that AFCA can consider include those relating to tax (financial) advice services, and the remedies it can award include the payment of monetary compensation amounts (in addition to costs and interest) by financial firms to complainants.</p>

	<p>For non-superannuation related complaints, AFCA applies compensation caps, which generally limit the maximum amounts that AFCA can award against financial firms to pay to complainants.</p> <p>These compensation cap amounts vary, depending on the relevant type of claim, and apply on a 'per claim' basis. This means that if a complainant makes separate claims, AFCA must not aggregate (combine) those claims to determine the maximum amount it can award to the complainant.</p>
<p>Aggregation clause</p>	<p>A provision in a PI insurance policy that aggregates related claims so that they are treated by the insurer as one claim with a single limit of indemnity.</p> <p>The circumstances in which an insurer treats claims as related for the purposes of aggregation generally vary from policy to policy.</p> <p>For example, an insurer may treat claims as related if they arise from the same event (such as the failure of a financial product). In those instances, if the insured entity provides different pieces of advice to a number of unrelated clients in relation to a financial product that collapses and this results in losses to those clients, the insurer may aggregate claims by the clients and treat them as subject to a single limit of indemnity.</p> <p>In other instances, an insurer may treat claims as related if they arise from, or are attributable to, the same facts and circumstances or the same conduct / omission by the insured entity. In those instances, if the insured entity provides a piece of poor advice that multiple clients rely on to make an investment decision and which results in losses to those clients, the insurer may aggregate claims by the clients and treat them as subject to a single limit of indemnity.</p>
<p>Automatic reinstatement</p>	<p>In the event that the limit of indemnity (amount of cover) is depleted (reduced) by a claim or series of claims that equal the limit of indemnity under the policy, the limit of indemnity is automatically reinstated.</p> <p>Depending on the number of reinstatements provided by the policy, this clause can provide indemnity for multiple claims during the year where the total of these claims exceeds the policy limit of indemnity. It is important to note that no one claim payment by the insurer will exceed the policy limit of indemnity.</p> <p>For example, if an insured entity purchases a policy with a \$250,000 limit of indemnity and the policy contains one automatic reinstatement, the policy provides cover for claims aggregating up to \$500,000 during the period of insurance, subject to any one claim being no greater than \$250,000.</p>

BAS service	Has the meaning given to it in section 90-10 of the <i>Tax Agent Services Act 2009</i>
Civil liability	<p>Civil liability is liability of one party to another arising out of civil law, as opposed to criminal law. There are generally four branches of civil law:</p> <ol style="list-style-type: none"> 1. tort law (the common law torts of negligence, nuisance, and defamation) 2. contract law (breach of contract) 3. statutory law (for example, the <i>Competition and Consumer Act 2010</i>) 4. equity - (a system of law based on the principle of 'fairness' designed to furnish remedies for wrongs which were not legally recognised or for which no adequate remedy was provided by the common law). <p>A civil liability wording ordinarily covers all four branches of civil law. However, the policy only responds to civil liability for claims arising from the conduct by the insured of the nominated professional services stated in the policy schedule.</p>
Code of Professional Conduct (Code)	The Code is contained in section 30-10 of the <i>Tax Agent Services Act 2009</i> . It sets out standards of professional and ethical conduct which agents must comply with.
Costs exclusive (or costs in addition)	Legal/defence costs cover does not form part of the amount of cover that is used to pay a claim as opposed to costs inclusive where the legal/defence costs cover forms part of the same amount of cover that is used to pay a claim.
Cover/coverage	Tax practitioners are only required to have PI insurance cover to meet the TPB's requirements. This may mean that they do not actually hold their own PI insurance policy, but rather are covered by the PI insurance policy of someone else. For example, an individual registered tax practitioner who is an employee of a registered company tax practitioner would likely be covered by the PI insurance policy held by the employer registered company tax practitioner. Therefore the individual would not have to have their own PI insurance policy in order to meet the TPB's PI insurance requirements.
Excess (also known as deductible)	The first part of a loss, which is borne by the insured. The insured is responsible for the loss up to the deductible/excess amount and the insurer pays the remainder of the loss up to the policy limit. The excess can be inclusive or exclusive of costs and expenses.

Exclusion	A provision of an insurance policy that precludes coverage in particular circumstances.
Fraud/dishonesty cover	Covering claims made against innocent insured against civil liability for compensation resulting from fraudulent, dishonest or criminal acts. Cover will not extend to the perpetrator of such fraudulent, dishonest or criminal act.
Innocent party	Some cover, such as fidelity and fraud/dishonesty will only extend to the insured tax practitioner if they were an innocent party, that is, they were not responsible and had had no prior knowledge of the conduct that led to the claim.
Insured	Any person who is covered by the PI insurance policy
Insurer	The entity providing the PI insurance policy
Legal/defence costs	The costs associated with defending a claim for civil liability.
Minimum requirements	'Minimum requirements' means the amount and terms of cover that the TPB requires to be included in the insurance coverage of a registered tax practitioner, as specified by the TPB from time to time.
PI insurance	Professional indemnity insurance
PI insurance requirements	The overall description of the TPB's PI insurance requirements that are set out in this document.
Retroactive cover	A policy feature in 'claims-made' policies which extends cover into the past to cover a period of time before the policy was obtained (up to the retroactive date).
Run-off cover	<p>Professional indemnity policies are usually claims made and notified policies. This means that in order to trigger the policy the claim must be made against the insured and reported to the insurer during the policy period. Tax practitioner companies or individuals ceasing business still have exposure to claims being made after their business ceases arising from their previous business activities.</p> <p>Run off cover provides cover for unknown claims made and reported following expiration of the PI insurance policy arising out of acts, errors or omissions occurring during the period of run-off insurance cover.</p> <p>Some PI insurance policies will provide automatic run-off cover up until the end of the policy period of insurance should the policy be cancelled during the policy period.</p>

Self-insurance	Setting aside a calculated amount of money to form a source of compensation for potential claims (this could include large institutional entities).
Scope of cover	The scope of cover defines the terms and conditions on which indemnity is provided or excluded under the insurance policy.
Sole practitioner	A sole practitioner is a tax practitioner who operates on their own with no partners, employees or contract staff. Certain areas of cover, such as fidelity and fraud/dishonesty cover, are not required of sole practitioners, nor would it be available as the insured tax practitioner could not be an innocent party if they operate their business on their own.
Turnover	The total amount of business revenue received by the tax practitioner excluding GST.