

TPB Guidance Statement

TPB(GS) 16/2011

Challenge test criteria for a Board approved course in basic GST/BAS taxation principles

DISCLAIMER

This is a Tax Practitioners Board (TPB) Guidance Statement (TPB(GS)). It is intended to be for information only. It provides an overview of the TPB's position on the criteria the TPB will adopt for challenge tests to be conducted, to enable applicants for registration to meet the requirements of a Board approved course in basic GST/BAS taxation principles. While it seeks to provide practical assistance and explanation, it does not exhaust, prescribe or limit the scope of the TPB's powers provided in the *Tax Agent Services Act 2009* (TASA) and the *Tax Agent Services Regulations 2022* (TASR).

In addition, please note that the principles, explanations and examples in this TPB(GS) do not constitute legal advice and do not create additional rights or legal obligations beyond those that are contained in the TASA or which may exist at law. Readers should refer to the TASA and the TASR for the precise content of the legislative requirements.

Document History

The TPB published the TPB Information Sheet *TPB(I) 11/2011 Challenge test criteria for a Board approved course in basic GST/BAS taxation principles* on 23 December 2011. The following amendments have been made since:

- On 20 February 2012, the TPB amended paragraph 7 by replacing the word “tested” with the words “examinable and discernible respectively”.
- On 1 April 2022, the TPB updated this TPB(GS) to replace references from the repealed Tax Agent services Regulations 2009 to Tax Agent Services Regulations 2022.
- On 30 April 2026, the TPB renamed its ‘Information Sheet’ to ‘Guidance Statement’. All references in this document have been updated accordingly. The TPB Information Sheet [TPB\(I\) 11/2011 Challenge test criteria for a Board approved course in basic GST/BAS taxation principles](#) has been archived.

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Introduction

1. This Guidance Statement (TPB(GS)) has been prepared by the Tax Practitioners Board (TPB) to assist approved providers to understand the criteria the TPB will adopt for challenge tests to be conducted, to enable applicants for registration to meet the requirements of a Board approved course in basic GST/BAS taxation principles.
2. In this TPB(GS), you will find the following information:
 - background to registering as a BAS agent (paragraphs 3 to 5)
 - the criteria the TPB will adopt for determining whether to recognise a challenge test as meeting the requirements of a Board approved course in basic GST/BAS taxation principles, including criteria relating to:
 - topics and learning outcomes (paragraphs 7 to 8)
 - structure and mode of delivery (paragraphs 9 to 10)
 - assessment requirements (paragraphs 11 to 13)
 - approved providers (paragraph 14)
 - information about the Statement of Assurance that will need to be properly completed by the approved provider. This only applies where the provider has not had their challenge test recognised by the Board (paragraphs 15 to 17).

Background to registering as a BAS agent

3. To become a registered BAS agent, an individual must meet certain eligibility criteria, including the qualifications and relevant experience requirements in the Tax Agent Services Regulations 2022 (TASR).
4. One of the qualification requirements in the TASR is that the individual must have completed a course in basic GST/BAS taxation principles that is approved by the Board¹. One way to complete this course is to undertake a challenge test from an approved provider. This may be particularly relevant for individuals who have not completed a formal qualification but believe they have the necessary knowledge and skills (which may have been acquired through prior learning in the workplace) to competently deal with taxpayers' affairs in a manner expected of a registered BAS agent.

¹ For details about other qualification requirements for BAS agents, refer to the TPB Guidance Statement [TPB\(GS\) 09/2011 BAS agent educational qualification requirements](#).

5. This TPB(GS) deals with the criteria the TPB will adopt for challenge tests to be conducted, to enable applicants for registration to meet a Board approved course in basic GST/BAS taxation principles.

Criteria for a challenge test

6. The criteria for challenge test to meet the requirements of a Board approved course in basic GST/BAS taxation principles are as follows:
 - topics and learning outcomes
 - structure and mode of delivery
 - assessment requirements
 - approved providers.

Topics and learning outcomes

7. A challenge test for a Board approved course in basic GST/BAS taxation principles should cover at least the topics and learning outcomes that are included in the Board approved course. That is, the following topics and learning outcomes should be examinable and discernible respectively:
 - a) collection and recovery of tax provisions in Part VII of the *Fringe Benefits Tax Assessment Act 1986*
 - b) the indirect tax law (which means the goods and services tax (GST) law, the wine tax law, the luxury car tax law and the fuel tax law, as defined in section 995-1 of the *Income Tax Assessment Act 1997* (ITAA 1997))
 - c) Parts 2-5 and 2-10 of Schedule 1 to the *Taxation Administration Act 1953* (TAA 1953) (the pay as you go system)
 - d) relevant Australian Taxation Office (ATO) and TPB requirements, including TPB registration requirements, the Code of Professional Conduct and the operation of the civil penalty provisions
 - e) relevant privacy principles as contained in the *Privacy Act 1988*
 - f) GST terminology and appropriate application to financial transactions
 - g) taxation requirements for business purposes and taxation parameters related to a range of business types
 - h) relevant accounting terminology when maintaining accounting records for a variety of business types for taxation purposes
 - i) all sections of both Business Activity Statements (BAS) and Instalment Activity Statements (IAS) for multiple entity types, including lodging statements within the allocated timeframe
 - j) how to calculate and input data into payroll systems (payroll is included in the definition of a BAS provision), includes PAYG (withholding and instalments), FBT relating to collection and recovery and preparation of payment summaries
 - k) how to comply with organisational guidelines relating to security and confidentiality of information, (in order to be able to, or know how to, meet the Code of Professional Conduct obligations of confidentiality).

8. For further details about these topics and learning outcomes, please refer to www.training.gov.au.

Structure and mode of delivery

9. The TPB is of the view that a hard-and-fast rule on the structure and manner of delivery of a challenge test is not necessary, provided that whatever manner is adopted involves an expectation that individuals will demonstrate that they have developed knowledge and skills in relation to the topics and learning outcomes listed at paragraph 7 at the appropriate level (see paragraph 10).
10. The TPB is of the view that the appropriate level of knowledge and skill for a registered BAS agent should be at a Certificate IV level which is equivalent to a Level 4 as specified in the Australian Qualifications Framework (AQF)². This means that individuals will have theoretical and practical knowledge and skills for specialised and/or skilled work and/or further learning.

Assessment requirements

11. The TPB is of the view that a challenge test for a Board approved course in basic GST/BAS taxation principles must involve objective assessment of the knowledge and skills of the individual candidate. The TPB must be satisfied that individuals have demonstrated their knowledge and skills of the topics and learning outcomes detailed in paragraph 7 of this TPB(GS) by some means of independent and objective assessment. Such assessment should be rigorous and have integrity.
12. Independent and objective assessment refers to assessment practices which are conducted under the supervision of an invigilator (independent exam supervisor). The TPB is of the view that invigilators must be examination officers of universities, TAFE or registered training organisation colleagues, ministers of religion, police officers, lecturers, teachers, school principals or deputy principals, justices of the peace, commissioners of declarations or other supervisors considered acceptable to the Board. A challenge test should not be administered by a family member, friend or someone that has a close personal or professional relationship with the individual undertaking the assessment.
13. The TPB is of the view that assessments may occur by a variety of modes including being conducted online, provided that suitable quality assurance mechanisms are in place to ensure the integrity of the examination process.

² See Australian Qualifications Framework 2011, available at www.aqf.edu.au.

Approved providers

14. The TPB will rely on the existing regulatory and quality assurance frameworks applicable to universities, registered training organisations, other registered higher education institutions and other course providers approved by the Board in determining approved providers for the purpose of providing a challenge test for a Board approved course in basic GST/BAS taxation principles³. Consistent with this approach, the TPB will rely on approved course providers to develop challenge tests for a Board approved course in basic GST/BAS taxation principles that complies with the requirements as set out in this TPB(GS).

Statement of Assurance

15. To demonstrate that a challenge test for a Board approved course in basic GST/BAS taxation principles has been undertaken in accordance with the TPB's assessment requirements (see paragraphs 11 to 13), the TPB requires individuals to submit a properly completed Statement of Assurance with their application for registration as a BAS agent.
16. The Statement of Assurance must be completed by an appropriately qualified officer (being someone who is in a position of sufficient authority) of the approved provider.
17. A pro forma [Statement of Assurance](#) is available to be downloaded from the TPB website.

³ For further information regarding the TPB's approach to approved course providers for the purpose of Board approved courses which are referred to in the Tax Agent Services Regulations 2022, refer to the TPB Guidance Statement [TPB\(GS\) 12/2011 Approval process for course providers](#).