Australian Government

TAX PRACTITIONERS BOARD

TPB Guidance Statement TPB(GS) 43/2023

What is a BAS service?

Disclaimer

This is a Tax Practitioners Board (TPB) Guidance Statement (TPB(GS)). It provides information regarding the TPB's position on the application of subsection 90-10 of the *Tax Agent Services Act 2009* (TASA), containing the definition of a BAS service.

While it seeks to provide practical assistance and explanation, it does not exhaust, prescribe or limit the scope of the TPB's powers in the TASA.

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. Please refer to the TASA for the precise content of the legislative requirements.

Document history

This TPB(GS) was originally issued as an Exposure draft on 1 August 2022. The TPB invited comments and submissions in relation to the information contained in it by 12 September 2022. The TPB considered all the comments and submissions received and published the TPB Information Sheet *TPB(I) 38/2023 What is a BAS service?* on 31 January 2023.

On 22 August 2024, the TPB updated this TPB(GS) with the latest penalty unit value.

On 8 January 2025, the TPB updated this TPB(GS) with the latest penalty unit value.

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) 38/2023 What is a BAS service? has been archived.

On 9 September 2026, the TPB(GS) was updated to include relevant information from the explanatory statement to the Tax Agent Services (Specified BAS Services No. 2) Instrument 2020 (now repealed), including details of the additional services BAS agents have been able to provide since 6 November 2020.

This TPB(GS) is based on the TASA as at the date of publication.

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Contents

Introduction

1. Entities that provide BAS services for a fee or other reward[1] must be registered with the Tax Practitioners Board (TPB).

2. The TPB has prepared this Guidance Statement (TPB(GS)) to assist entities to determine if they are providing a BAS service and whether they need to register with the TPB.

3. Whether a particular service is a BAS service is a question of fact. This means each service will need to be considered on a case-by-case basis having regard to the facts and circumstances surrounding the provision of the service.

4. There are significant civil penalties for anyone providing BAS services for a fee or reward or advertising BAS services, while unregistered. These include fines of up to $82,500 for individuals, and $412,500 for a body corporate.[2]

What is a BAS service?

Legislative background

5. A BAS service is defined in section 90-10 of the *Tax Agent Services Act 2009* (TASA) as:

   (1) A **BAS service** is a *tax agent service[3]:

   (a) that relates to:

   i. ascertaining liabilities, obligations or entitlements of an entity that arise or could arise, under a BAS provision; or

   ii. advising an entity about liabilities, obligations or entitlements of the entity or another entity that arise, or could arise, under a BAS provision; or

   iii. representing an entity in their dealings with the Commissioner[4] in relation to a BAS provision; and

   (b) that is provided in circumstances where the entity can reasonably be expected to rely on the service: for either or both of the following purposes:

   i. to satisfy liabilities or obligations that arise, or could arise, under a BAS provision;

   ii. to claim entitlements that arise, or could arise, under a BAS provision.

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[1] For more information on what is a fee or other reward, see the TPB Guidance Statement TPB(GS) 45/2023 What is a fee or other reward?

[2] Refer to section 50-5 of the TASA for further information. The provided figures reflect the current rate based on the current dollar value of penalty units. The current value of one penalty unit is $330 (as at 7 November 2024 and subject to indexation).

[3] The use of an asterisk '*' indicates that the term is a defined term in the TASA. For further information, see the 'Key terms' section of this TPB(GS).

[4] Commissioner of Taxation.

(1AA) A *tax agent service that relates to any of the following is also a **BAS service**:

(a) section 9 of the *A New Tax System (Australian Business Number) Act 1999;*

(b) sections 202CD and 202CF of the *Income Tax Assessment Act 1936*;

(c) the *Superannuation Guarantee Charge Act 1992*;

(d) Part 3B of the *Superannuation Industry (Supervision) Act 1993*;

(e) Part 5-30 in Schedule 1 to the *Taxation Administration Act 1953*.

(1AB) A *tax agent service that relates to the *Superannuation Guarantee (Administration) Act 1992* is also a **BAS service** to the extent that it relates to a payroll function or payments to contractors.

(1A) The TPB may, by legislative instrument, specify that another service is a **BAS service**.

(2) A service specified in the regulations for the purposes of this subsection is not a BAS service.

BAS provision

6. The term 'BAS provision' is defined in the *Income Tax Assessment Act 1997* as meaning:

(a) Part VII (collection and recovery only) of the *Fringe Benefits Tax Assessment Act 1986*; and

(b) The indirect tax law, including:

- the goods and services tax (GST) law[5]
- the wine tax law[6]
- the luxury car tax law[7]
- the fuel tax law[8], and

(c) Parts 2-5 and 2-10 in Schedule 1 to the *Taxation Administration Act 1953* (which are about the PAYG system);

(d) Division 389 in Schedule 1 to the *Taxation Administration Act 1953;* and

(e) the *Major Bank Levy Act 2017*.

7. Not all items of work undertaken when preparing an approved form (such as a business activity statement) are BAS services. For example, entering data, coding transactions based on instructions provided, processing payments or preparing bank reconciliations (whether these processes are done manually or through an automated process) are not BAS services because they do not require the interpretation or application of a BAS

[5] For further information refer to the *A New Tax System (Goods and Services Tax) Act 1999*.

[6] For further information refer to the *A New Tax System (Luxury Car Tax) Act 1999*.

[7] For further information refer to the *A New Tax System (Luxury Car Tax) Act 1999*.

[8] For further information refer to the *Fuel Tax Act 2006*.

provision.[9] Similarly, administrative duties such as paying tax and record-keeping are not BAS services.[10]

Additional services that are BAS services

8. From 6 November 2020[11], BAS agents have been able to provide tax agent services in relation to:

   - section 9 of the *A New Tax System (Australian Business Number Act 1999 (ABN Act)*
   - sections 202CD and 202CF of the *Income Tax Assessment Act 1936* (ITAA 1936)
   - the *Superannuation Guarantee Charge Act 1992* (SGCA 1992)
   - Part 3B of the *Superannuation Industry (Supervision) Act 1993* (SISA 1993)
   - Part 5-30 in Schedule 1 to the *Taxation Administration Act 1953* (TAA 1953)
   - a tax agent service that relates to the *Superannuation Guarantee (Administration) Act 1992* (SGAA 1992) to the extent that it relates to a payroll function or payments to contractors.

Section 9 of the *A New Tax System (Australian Business Number) Act 1999*

9. Section 9 of the ABN Act details how an entity seeking an Australia Business Number (ABN) must apply to the Registrar, in the approved form, to be registered on the Australian Business Register.
10. Paragraph 90-10(1AA)(a) of the TASA allows BAS agents to lawfully apply to the Registrar for an ABN, on behalf of a client.

Sections 202CD and 202CF of the *Income Tax Assessment Act 1936*

11. Section 202CD of the ITAA 1936 details the requirements relating to sending a tax file number (TFN) declaration to the Commissioner of Taxation. The section outlines what the payer must do when a recipient gives them a TFN declaration. The section also deals with requirements to retain a copy of the TFN declaration.
12. Section 202CF of the ITAA 1936 details the requirements relating to sending a TFN declaration to the Commissioner where the recipient has not provided their TFN.
13. Therefore, paragraph 90-10(1AA)(b) of the TASA allows BAS agents to lawfully send a TFN declaration to the Commissioner, on behalf of a client.

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[9] See paragraph 2.42 of the Explanatory Memorandum to the Tax Agent Services Bill 2008.

[10] See paragraph 2.41 of the Explanatory Memorandum to the Tax Agent Services Bill 2008.

[11] For further information refer to the *Tax Agent Services (Specified Services No.2) Instrument 2020* (now repealed) and subsections 90-10(1AA) and 90-10(1AB) of the TASA (inserted on 27 November 2023).

A tax agent service that relates to the *Superannuation Guarantee Charge Act 1992*

14. The SGCA 1992 deals with the imposition of a charge on any superannuation guarantee (SG) shortfall of an employer for a quarter.
15. To determine if there is an SG shortfall, an employer needs to calculate the level of superannuation support provided for each employee in a quarter and compare this with the prescribed level of support to be provided (i.e. the charge percentage).
16. An employer that has an SG shortfall in a quarter is required to lodge an SG statement with the Australian Taxation Office (ATO) by the 28th day of the second month following the end of the quarter.
17. Therefore, paragraph 90-10(1AA)(c) of the TASA allows BAS agents to lawfully determine and report the SG shortfall amount and any associated administration fees.

Part 3B of the *Superannuation Industry (Supervision) Act 1993*

18. Part 3B of the SISA 1993 provides a system of standards relating to payments and information connected with the operation of eligible superannuation entities. Part 3B allows for the Commissioner of Taxation, by legislative instrument, to determine standards (superannuation data and payment standards) relating to superannuation data and payment matters, applicable to trustees of, and employees in their dealings with, eligible superannuation entities.
19. Under the Superannuation Data and Payment Standards 2012 (F2013L00041 or as in force from time to time), the Commissioner of Taxation has specified, by way of legislative instrument, minimum requirements for dealing with payments and information relating to certain transactions within the superannuation system (including employer contributions, rollovers and transfers between superannuation entities and associated reporting obligations for superannuation purposes).
20. Therefore, paragraph 90-10(1AA)(d) of the TASA ensures that a service provided by a BAS agent with regard to superannuation data and payments matters made in accordance with the Superannuation Data and Payments Standard 2012 will be a BAS service. BAS agents will therefore be able to lawfully deal with superannuation payments made through a clearing house.

Part 5-30 In Schedule 1 to the *Taxation Administration Act 1953*

21. Part 5-30 in Schedule 1 to the TAA 1953 imposes additional reporting requirements on purchasers and suppliers to report certain information to the ATO on an annual basis. The information that needs to be reported relates to:

    a. the verification of ABNs;

    b. total payments paid (including goods and services tax (GST);

    c. GST amount paid; and

    d. total tax withheld where an ABN has not been quoted.

22. In particular, Division 405 in Schedule 1 to the TAA 1953, together with the accompanying regulations, requires businesses to report the payments they make to applicable contractors each year to the ATO through a Taxable payments annual report.

To date, the accompanying regulations require that an annual report relating to payments made to applicable contractors in the building and construction industry is required to be reported.

23. Therefore, paragraph 90-10(1AA)(e) of the TASA allows BAS agents to lawfully complete and lodge the Taxable payments annual report to the ATO, on behalf of a client.

A service under the Superannuation Guarantee (Administration) Act 1992 (SGAA 1992) to the extent that it relates to a payroll function or payments to contractors

24. The SGAA 1992 deals with, among other things, the liability of certain employees to make superannuation guarantee contributions for certain individuals they employ, including contractors who are treated as employees for superannuation purposes.

25. The SGAA 1992 also deals with the assessment and payment of the superannuation guarantee charge, payable in circumstances where an employer has a superannuation guarantee shortfall.

26. Examples of services that may relate to the assessment and payment of the superannuation guarantee charge (and therefore are included in the definition of a BAS service in subsection 90-10(1AB) of the TASA) include:

    a. advising about a superannuation guarantee charge liability, including the calculation of the superannuation guarantee charge and preparing the superannuation guarantee charge statement;

    b. advising about the offsetting of late payments of superannuation contributions against the superannuation guarantee charge, including completing the late payment offset election section of the superannuation guarantee charge statement;

    c. representing a client in their dealings with the Commissioner of Taxation relating to the superannuation guarantee charge, including the lodgment of superannuation guarantee charge statements, being an authorised contact in relation to the superannuation guarantee and superannuation guarantee charge accounts, and accessing the superannuation guarantee and superannuation guarantee charge accounts in online services for BAS agents;

    d. being an authorised contact for requesting penalty remission relating to the superannuation guarantee charge; and

    e. being an authorised contact for any audit or review activity undertaken by the Commissioner of Taxation relating to the superannuation guarantee charge.

27. Payroll function is not a legislatively defined term. It refers to a function that is performed in connection with advising about the liability for:

    a. Pay As You Go Withholding (PAYG(W)); or

    b. superannuation guarantee contributions on ordinary time earnings.

28. Therefore, a payroll function can include:

    a. the calculation, verification and/or lodgment of payment summaries, employee termination payments, gross wages, allowances, PAYG(W) and other taxable and non-taxable payroll items; and

    b. the calculation, payment, verification and/or reporting of superannuation guarantee contributions on ordinary time earnings.

29. A payment summary is defined in section 16-170 in Schedule 1 to the TAA 1953 to be a written statement that:
    a. names the payer and the recipient;
    b. if the recipient has given the recipient TFN or ABN to the payer – states the TFN or ABN;
    c. states the total of the withholding payments (if any) that it covers, and the total of the amounts withheld by the payer from those withholding payments;
    d. specifies the financial year in which the withholding payments were made;
    e. specifies the reportable fringe benefits amount (if any) that it covers in the income year to which that amount relates;
    f. specifies the reportable employer superannuation contributions (if any) that it covers and the income year to which those contributions relate; and
    g. is in the approved form.
30. Payments of superannuation guarantee for contractors refers to the calculation, verification and reporting of superannuation contribution payments made for contractors under a contract that is wholly or principally for labour.
31. Examples of services that go beyond a payroll function or payments of compulsory superannuation for contractors (and therefore are not covered by the Legislative Instrument included in the definition of BAS services) include:
    a. advising about the claiming of an allowable tax deduction for superannuation contribution purposes;
    b. advising about the application of fringe benefits tax laws (collection and recovery of tax provisions in Part VII to the *Fringe Benefits Tax Assessment Act 1986*);
    c. advising about, preparing and/or lodging income tax returns;
    d. advising on salary sacrifice arrangements/salary packaging;
    e. advising about the superannuation contribution caps and the effect of exceeding those caps.
32. If a BAS agent wishes to provide services that go beyond relating to a payroll function or payments for contractors, including those listed in paragraph 31 above, they may need to be a registered tax agent, in relevant circumstances.
33. Therefore, subsection 90-10(1AB) of the TASA allows BAS agents to provide tax agent services that relate to the SGAA 1992 to the extent that the service relates to a payroll function or payments to contractors.

Elements of a BAS service

34. The definition of a BAS service can be explained by way of three elements. One of the first 2 elements (Element 1 or 2) and Element 3 must be satisfied in order to meet the definition of a BAS service.[12]

[12] Note that for a service to be considered a BAS service that falls under TPB regulation, it must also be provided for a fee or other reward.

Element 1 Service relates to ascertaining or advising a client about liabilities, obligations or entitlements under a BAS provision	To be a BAS service,[13] the service must relate to: • ascertaining liabilities, obligations or entitlements of an entity (or client) that arise, or could arise under a BAS provision, or • advising an entity (or client) about liabilities, obligations or entitlements of the entity (or client) or another entity that arise, or could arise, under a BAS provision.

OR

Element 2 Representing a client in their dealings with the Commissioner	To be a BAS service, it must be a service relating to representing an entity (or client) in their dealings with the Commissioner. Note*:* A BAS agent's authority to act for an entity (or client) is much more restricted than a registered tax agent's authority and is limited to dealing with the Commissioner in relation to a BAS provision.

AND

Element 3 Client relies on the service	A service will be a BAS service only if it is provided in circumstances where the entity (or client) can reasonably be expected to rely on the service: • to satisfy liabilities or obligations that arise, or could arise, under a BAS provision, and/or • to claim entitlements that arise, or could arise, under a BAS provision.

[13] A tax agent service that relates to any of the services provided in subsections 90-10(1AA), (1AB) and (1A) of the TASA is also a BAS service.

When will a client be reasonably expected to rely on a service?

35. To determine circumstances in which a client can reasonably be expected to rely on a service being provided, it is necessary to consider the facts and circumstances surrounding the provision of the service. Some of the key facts and circumstances to consider, as taken from relevant legislative guidance and case law, include:

    - whether the provider of the service has to interpret or apply a BAS provision or other relevant provision[14] and therefore requires a certain level of knowledge about the provision
    - whether the provider of the service applies knowledge of the BAS provision or other relevant provision to a client's individual circumstances
    - whether the client, or another entity, checks or reviews the work before relying on it
    - whether the provider of the service intends for the client to rely on the advice or information provided
    - whether the client has a relative lack of knowledge or prior experience in relation to the service, perhaps indicating that the client regards the skill and experience of the entity providing the service as superior to their own
    - the availability of other experts and the ability of a client to form their own judgement or rely on their own knowledge
    - the circumstances surrounding the provision of the service, including the nature of the relationship/dealing between the parties (for example, whether the service is provided as part of a formal consultation or merely during the course of a casual conversation/engagement)
    - whether the client has specifically requested the service or has paid for the service
    - the level of complexity surrounding the service
    - whether the provider of the service suggested or encouraged the client to seek further advice in relation to the matter
    - the nature of the advice or information given – for example, it is not reasonable to expect a client would rely on a provisional opinion in speculative circumstances of an 'off-the-cuff' statement
    - whether the service provider gave an indication that they possessed greater knowledge or skill in relation to the matter
    - whether the provider of the service has provided an effective disclaimer against responsibility for the service. However, the existence of a disclaimer does not automatically absolve the entity providing the service from registration. Additionally, the effect of such a disclaimer will generally depend on all the circumstances of the

[14] Use of the phrase 'other relevant provision' in this paragraph means a provision provided in subsections 90-10(1AA), (1AB) and (1A) of the TASA for the purposes of being a BAS service.

case, including the relative knowledge and skill of the provider and the complexity and/or significance of the service provided.[15]

Summary

36. Whether a particular service falls within the definition of a BAS service for the purposes of the TASA is a question of fact and will depend on the elements identified in this TPB(GS). For the service to be a BAS service, it must satisfy at least one of Element 1 or Element 2, and must satisfy Element 3.

37. A list of indicative BAS services can be found in **Appendix A – Examples of BAS services.**

Key Terms

Tax agent service	Tax agent service is defined in section 90-5 of the TASA as any service: a) that relates to: i. ascertaining liabilities, obligations or entitlements of an entity that arise, or could arise, under a taxation law; or ii. advising an entity about liabilities, obligations or entitlements of the entity or another entity that arise, or could arise, under a taxation law; or iii. representing an entity in their dealings with the Commissioner; and b) that is provided in circumstances where the entity can reasonably be expected to rely on the service for either or both of the following purposes: i. to satisfy liabilities or obligations that arise, or could arise, under a taxation law; ii. to claim entitlements that arise, or could arise, under a taxation law. Note: subsection 90-5(2) of the TASA provides that a service specified in the Tax Agent Services Regulations 2022 for the purposes of this subsection is not a tax agent service.

[15] Use of the word ‘disclaimer’ in this paragraph means a general disclaimer.

Appendix A

Examples of BAS services

The following table contains a non-exhaustive list of the types of services commonly provided and whether they constitute a BAS service.

	Service	BAS service?
1	Ascertaining the withholding obligations for employees of your clients, including preparing income statements.	Y
2	Dealing with the Australian Taxation Office (ATO) on behalf of clients in relation to a BAS provision	Y
3	Providing a payroll service which involves interpreting and applying a taxation law, including reporting of employee payroll information through the use of or set up of single touch payroll (STP) enabled software.[16]	Y
4	Calculating leave payments and determining the withholding with reference to the period it pertains to and the various tax rates that could apply.	Y
5	Applying to the Registrar for an ABN on behalf of a client.	Y
6	Advising a client on fuel tax credits	Y
7	Advising or acting on behalf of clients on tax debts (i.e. payment plans, remission of debt or interest, winding-up matters initiated by the ATO.	Y
8	Installing computer accounting software and determining default goods and services tax (GST) and other codes tailored to clients.	Y
9	Reconciling BAS provision data entry to ascertain the figures to be included on a client's activity statement.	Y
10	Completing activity statements on behalf of a client or instructing them which figures to include.	Y
11	Confirming figures to be included on a client's activity statement.	Y

[16] For further information see the TPB Guidance Statement TPB(GS) 29/2016 Payroll service providers.

	Service	BAS service?
12	Coding transactions, tax invoices and transferring data onto a computer program for clients through processes that require the interpretation or application of a BAS provision.	Y
13	Providing advice about or confirming a client's withholding tax obligations in relation to the client's employees.	Y
14	Services declared to be a BAS service by way of a legislative instrument issued by the TPB.	Y
15	Preparing and providing an income statement that may include reportable fringe benefits amounts (calculated by a registered tax agent) and the reportable employer superannuation contributions.	Y
16	Registering or providing advice on registration for GST, PAYG withholding, or fringe benefits tax (FBT).	Y
17	Services under the *Superannuation Guarantee (Administration) Act 1992* to the extent that they relate to a payroll function or payments to contractors.	Y
18	Advising about a superannuation guarantee charge (SGC) liability, including calculating the liability and preparing the SGC statement.	Y
19	Advising about the offsetting of late payments of superannuation contributions against the SGC.	Y
20	Completing the late payment offset election section of an SGC statement.	Y
21	Representing a client in their dealings with the ATO relating to the SGC – lodging SGC statements and being an authorised contact relating to superannuation guarantee (SG) and SGC.	Y
22	Being an authorised contact with the ATO for payment arrangements relating to SGC account.	Y
23	Being an authorised contact with the ATO for requesting penalty remissions relating to SGC.	Y
24	Being an authorised contact for any audit or review activity undertaken by the ATO relating to SGC.	Y
25	Determining and reporting the superannuation guarantee shortfall and associated administrative fees.	Y

	Service	BAS service?
26	Dealing with superannuation payments made through a clearing house.	Y
27	Completing and lodging the Taxable payments annual report to the ATO on behalf of a client.	Y
28	Sending a tax file number (TFN) declaration to the ATO on behalf of a client.	Y
29	Undertaking a payroll compliance review, providing an assessment and/or opinion whether the client is compliant with one or more BAS provisions.	Y
30	Providing a payroll service which involves interpreting and applying a BAS provision, including reporting of employee payroll information through the use of or set up of STP enabled software.	Y
31	Installing computer accounting software without determining default GST and other codes tailored to the client.	N
32	Providing non-tax advice relating to salary sacrificing arrangements and salary packaging.	N
33	Transmission of data to the ATO through STP enabled software, where the data transmission does **not** require the interpretation or application of a taxation law or a BAS provision.[17]	N
34	Coding tax invoices and transferring data onto a computer program for clients under the instruction and supervision of a registered tax or BAS agent.	N
35	Performing data entry for clients through processes that do not require the interpretation or application of a taxation law and/or BAS provision.	N
36	Contracting the services of a specialist to provide advice about an area of taxation law that you have no expertise and cannot review for accuracy.	N
37	Services provided by an auditor of a self-managed superannuation fund under the *Superannuation Industry (Supervision) Act 1993.*	N

[17] For further information see the TPB Guidance Statement TPB(GS) 29/2016 Payroll service providers.

	Service	BAS service?
38	Providing general taxation advice that does not involve the application or interpretation of a taxation law and/or BAS provision to the client's personal circumstances.	N
39	General training (such as a classroom) in relation to the use of computerised accounting software not related to particular situations.	N
40	Performing bank reconciliations.	N
41	Entering data without involvement in or calculation of figures to be included on a client's activity statement.	N
42	Providing advice on taxes and duties under State or Territory based legislation.[18]	N

Appendix B

Historical Provisions: COVID-19 stimulus measures

From 16 April 2020, BAS agents can legally provide advice and assist eligible businesses to claim their entitlements under the JobKeeper Payment and Cashflow support for business initiatives. The *Tax Agent Services (Specified BAS Services No. 1) Instrument 2020,* declares the following to be a BAS Service:

(a) a service under the *Boosting Cash Flow for Employers (Coronavirus Economic Response Package) Act 2020*

(b) a service under the *Coronavirus Economic Response Package (Payments and Benefits) Act 2020*

(c) a service under any rules that the Treasurer may, by legislative instrument, make pursuant to section 20 of the *Coronavirus Economic Response Package (Payments and Benefits) Act 2020*

(d) a service under any legislative instrument made under subsections (b) and (c).[19]

This Legislative Instrument also allows registered BAS agents to legally provide services under the JobKeeper Payment extension rules and the JobMaker Hiring Credit rules.

[18] The provision of these services may be subject to other regulatory regimes.

[19] For further information refer to the *Boosting Cash Flow for Employers (Coronavirus Economic Response Package) Act 2020* and Coronavirus Economic Response Package (Payments and Benefits) Rules 2020.