



14 May 2021

Adviser and Brokers Unit  
Financial System Division  
Treasury  
Langton Cres  
Parkes ACT 2600

Email: [SDBconsultation@treasury.gov.au](mailto:SDBconsultation@treasury.gov.au)

Dear Sir/Madam,

**SMSF ASSOCIATION SUBMISSION ON THE FINANCIAL SECTOR REFORM (HAYNE ROYAL COMMISSION RESPONSE – A NEW DISCIPLINARY SYSTEM FOR FINANCIAL ADVISERS) BILL 2021**

The SMSF Association (SMSFA) welcomes the opportunity to provide a submission on the single disciplinary body measures proposed in the Financial Sector Reform (Hayne Royal Commission Response – A New Disciplinary System for Financial Advisers) Bill 2021.

We support the policy intent to simplify the regulatory environment for financial advisers. The proposed changes will aid in the removal in some of the additional layers of complexity around multiple registrations, regulatory bodies and codes. The SMSFA also views this as an opportunity to improve the efficiency of the current systems, regulatory oversight, and increase the level of individual accountability and professionalism. This will ultimately benefit financial advisers, the financial advice sector more broadly, and most importantly consumers.

*Part 1 - Single Disciplinary Body for Financial Advisers*

This measure is an important step in raising standards, providing consistency and simplification with the use a single body – the Financial Services and Credit Panel (“FSCP”) within ASIC. Its role is to monitor, review and where necessary discipline the sector.

Over time, the FSCP and associated processes will provide greater consumer protection and in turn instil a greater level of confidence in the integrity of the system.

The structure of the panel, minimum panel size and quorum is consistent with similar, legislated, professional oversight and disciplinary panels, boards or committees. The SMSF Association believes that, post implementation, there is a need for a transparent and consistent governance framework to be documented and implemented to address:

1. Panel size and composition requirements based upon the nature, complexity and/or severity of a matter (or matters)
2. Efficient and timely review, grading and processing of complaints and matters
3. Streamlined processing of minor infringements and simple matters



As ASIC takes on the role of complaint receiver and investigator, and the FSCP itself becomes operational, other matters may arise that would need to be similarly addressed.

We note there are no timeframes with regards to how long it will take ASIC to process, investigate, prepare a file to then refer a matter to the FSCP, for the panel to then review, rule upon and issue a notice to the adviser.

It is in the best interests of the adviser, consumers, and the public to ensure that an appropriate and expedient process is put in place. It is understood that no time frames have been proposed in the draft legislation to allow for the necessary flexibility, with the time required to be determined and occur naturally based upon the nature, size and complexity of a particular matter.

Of concern, however, is whether this will see investigation times become protracted with matters lingering or mired as a result. Without a clear framework there is limited accountability.

Efficiency, particularly in the processing of simple or minor matters will be essential in containing costs incurred in processing, assessing, investigating, referring and then addressing matters before the FSCP.

Whilst the Association supports the introduction of FSCP, concerns are held on the pressure the operational costs of the FSCP and the supporting role played by ASIC will place on the sector. In particular, how this will impact the fees, levies and other charges extended already to advisers. The current advisers levy already functions on a distorted cost recovery model, which needs review.

Any significant increase in costs levied on advisers' correlates to an increase in the costs of providing advice to consumers.

Adequate resourcing will also be a critical factor.

The pressures on ASIC resourcing are expected to significantly increase. ASIC in its own media release on breach reporting: 21-080MR, has stated: *"ASIC expects a significant increase in the volume of reports received as a wider range of entities will be required to report and a wider range of breaches will be subject to reporting."*

The breach reporting mechanism is intended to compel an Australian Financial Services Licensee ("AFSL") to report significant breaches. However, this Bill allows for the reporting and issue of sanctions against the adviser on a broader range of matters. We understand that the policy intent is not to broaden the penalty regime however its reach is considerably wider.

Proposed s.921L lists the matters on which the FSCP can make an instrument in relation to a relevant provider (financial adviser). The matters listed are serious and include where the relevant provider:

- Becomes insolvent
- Is convicted of fraud
- Has been convicted of an offence



- Has at least twice been linked to a refusal or failure to give effect to a determination made by AFCA
- Is an officer of a corporation unable to pay its debts under Corp Act s.921A(1C) in relation to 2 or more corporations

In addition to the above, a broader scope can be applied under proposed s. 921L(d) where *the panel reasonably believes that the relevant provider has contravened a financial services law (including a restricted civil penalty provision)*. This is further clarified at proposed s.921L(3):

*“To avoid doubt, a person contravenes a financial services law if a person fails to comply with a duty imposed under that law, even if the provision imposing the duty is not an offence provision of a civil penalty provision.”*

The ‘restricted civil penalty provisions’ are clearly defined at proposed s.921Q(3). These include:

- 921D(7): Advisers to meet education and training standards
- 921E(2): Advisers to comply with the Code of Ethics

This introduces a broad scope when we examine the *Financial Planners and Advisers Code of Ethics 2009*, Standard 1:

*“You must act in accordance with all applicable laws, including this Code, and not try to avoid or circumvent their intent.”*

Whilst the breach reporting regime is designed for the early reporting of significant non-compliant behaviours, and there is a process for the reporting of non-compliance with the CPD requirements, it is not clear how matters outside of this framework will ultimately be reported to ASIC.

The processes or channels need to be considered or provisioned for, including client or consumer complaints processes and how professional bodies will engage with this process. Similarly, what are the types or quantum of matters that need to be channelled through this process?

The proposed legislation does not discuss or contemplate the need for a complaints process to be established under the single disciplinary model operated within ASIC. This Bill will see the removal of the current Division 8B which incorporates the *Disputes and Complaints* at section 921G(5) and (6) which state:

#### *Disputes and Complaints*

(5) A compliance scheme must set out how a dispute is to be resolved between the monitoring body for the scheme and a relevant provider covered by the scheme.

(6) A compliance scheme must set out how a person may make a complaint to the monitoring body for the scheme in relation to a failure to comply with, or possible failure to comply with, the Code of Ethics by a relevant provider covered by the scheme.



It is important that similar provisions are made in the proposed legislation for the replacement model under ASIC. A clear framework is essential to ensure that an appropriate complaints process is put in place, given that ASIC and then the FSCP will be responsible to review matters that will also include the administration of the *Financial Planners and Advisers Code of Ethics 2019*.

The framework needs to contemplate how the ASIC complaints process and FSCP are separately distinguishable to the role played by Australian Financial Complaints Authority (“AFCA”). This will be particularly important for consumers.

We understand the need to broadly include the Code of Ethics and to hold advisers accountable to the standards therein. However, given the catch all provision that arises from the *Financial Planners and Advisers Code of Ethics 2019* Standard 1, there is a need for ASIC to issue clear guidance on complaints reporting and the nature and type of matters that are to be referred to the FSCP.

Without such guidance, there is a risk of ASIC and potentially the FSCP being inundated with matters that were perhaps not intended by the measures in this Bill.

The proposed measures under section 921N will see copies of instruments issued by the FSCP to the relevant provider also given to ASIC and their AFSL. This reporting needs to be expanded to include the relevant providers professional bodies and associations. This collaboration is essential in maintaining the integrity of the sector, with the broader review and oversight mechanisms already in place.

Where the FSCP has determined a matter is to be recorded on the Register of Relevant Provider, a clearer definition of what is to be included on the register is needed. As a minimum, the notice needs to state what sanction is to be recorded and the period of time the sanction is to appear on the Register. It would be unreasonable for sanctions to remain on the register for unspecified periods.

Where a directions-based instrument is issued, and the requirements have been met to the satisfaction of the FSCP, application could be made to have the sanction removed.

Other matters should remain on the Register of Relevant Providers for a period determined by the FSCP based up on the gravity of the matter.

Consideration should also be given to the nature of the sanction issued. The proposed legislation provides where an instrument is issued, the sanction can range from a warning, written reprimand, various written directions through to suspensions and prohibition orders. Any of these, if directed by the FSCP can be recorded by ASIC on the Register of Relevant Providers.

Written warnings should be separated out from other types of sanctions and the legislation needs to prescribe that it would not be reportable on the Register of Relevant Provider (Financial Advisers Register). Where a written warning is issued, it is expected that it would relate to a minor breach. Their appearance on a public register in this circumstance would be considered excessive and harsh.



## Part 2 - Registration of Financial Advisers

The SMSF Association welcomes measures that seek to improve the integrity and function of the financial advisers register and registration.

The introduction of an annual registration or renewal process and the incorporation of a fit and proper person declaration aligns with other professions and industry registrations. One comparable example includes tax agent or current tax (financial) adviser registrations with the Tax Practitioners Board (“TPB”).

Increasing individual accountability is seen as a positive step forward in further improving professional standards and the elevation of financial advisers as professionals. However, to achieve this goal, the obligation should be an individual one and not that of the AFSL.

AFSLs have existing and increasing, ongoing regulatory and reporting obligations, including the updated breach reporting obligations, and non-compliance with CPD obligations. Further, any change in an individual’s licencing with the AFSL is required to be actively reported to ASIC by the AFSL. This will not change.

The TPB’s internal processes identified deficiencies in individual declarations of varying degrees, with disciplinary action taken as appropriate in those circumstances. The onus should therefore fall back to the individual.

Having the declaration made by the relevant provider (adviser) directly to ASIC reinforces the seriousness of that declaration and the consequences of making a false or misleading declaration.

Those that are currently registered as tax (financial) advisers will already be familiar with such a process and its obligations. It also makes clear that the fit and proper person declaration is a legal requirement rather than a mere administrative obligation set by the licensee.

In this environment, obligations and the penalties for non-compliance should lie with the relevant provider (adviser).

The proposed requirement for the AFSL to attend to the registration and renewal process raises two key issues.

A process that requires a third party to be responsible for the registration of the individual as a professional in the manner prescribed, does not align with other industries or professions. The registration of lawyers, doctors, accountants, and the tax practitioners require the individual to take responsibility for their own registration, ongoing obligations and registration renewal.

The second issue is on the lack of guidance available on what is required of AFSLs in discharging their duties when assessing a person as fit and proper. Section 921V(2)(b)(ii) requires the AFSL to provide a written declaration *as to whether the licensee is aware of any reason why the relevant provider might not be a fit and proper person.*



Informal consultations seemed to be suggestive of the need for ongoing or regular checks of a relevant providers fitness or suitability to be registered by the AFSL. If this were to be required, this would place an unreasonable burden on AFSLs. Further, it would be out of step with other professions, where tests are applied at registration, regular attestations are made by the individual on renewal and issues addressed on an events basis.

The exposure draft explanatory materials state at 1.182 that *it is not intended to require the licensee to undertake additional investigation but is intended to be based on information already available to the licensee*. However, further guidance is required on what regular checks, if any, the licensee would be expected to undertake to satisfy this requirement. Unless a matter is disclosed to the AFSL it is unlikely that any further investigations or inquiries would be undertaken.

The example given in the EM at 1.182 states that the AFSL, when making their *assessment would take into account whether the adviser has had an instrument made against them by the Financial Services and Credit Panel, notification of which is required to be provided to the financial services licensee by the panel*.

This highlights a perpetual problem for the sector, where different components of the system do not adequately communicate with one another. Where an instrument has been issued by the FSCP, this would be a matter of record with ASIC. Therefore, what value is added, or advantage gained by having a third-party report sanctions arising from ASIC's own systems to have them reported back to itself?

This would be a matter already recorded within the system and if serious enough, would be flagged at the time of application or renewal. It would be expected that the individual would make the appropriate disclosures on their renewal statement.

A licensee can at any time make a commercial decision on whether to continue a relationship with an adviser authorised by them. Where a copy of a FSCP instrument is received for one of its advisers, this would likely trigger an internal risk and compliance review. A commercial decision on whether to continue that relationship, depending on the seriousness of the matter would likely be made. This therefore also brings into question the benefit of the AFSL separately making a fit and proper person declaration as is proposed.

Ironically, the system requires the individual adviser to be registered, yet what is proposed removes any individual control. If a licensee for any reason fails or omits to register or renew an adviser's registration, the registration will cease. Yet if the individual provides advice at a point in time when they are not registered, they are held personally liable. This is a distortion, particularly if the adviser has an expectation that their registration is continuing.

Consideration should also be given to the streamlining of the registration of relevant providers (advisers). Rather than a single registration commencement date applying to all advisers, the anniversary date of their current AFSL registration, or an alternative date as determined by the regulator, could be used.

The staged registration methodology and associated time frames should be determined after consultation between ASIC and industry to ensure that the chosen model is suitable to stakeholders.



The staggering of registrations will ensure a smoother transition through the active control and management of the load and pressures on ASIC's information and technology services, infrastructure, and resourcing.

Individual registrations will ease the current administrative burden and cost structures that apply to licensees. Further, by placing this responsibility with licensees, ASIC is obviating its responsibility as the regulator in administering, reviewing and processing these applications and renewals. It is essentially an outsourcing of an ASIC responsibility. Yet ASIC registration or renewal fees will still apply despite the light touch applied.

The SMSF Association is aware of strong concerns amongst advisers as to what the additional cost for registration will be, particularly given the already substantial adviser levies imposed. Clear and transparent communication on the additional costs that will be incurred by relevant providers (advisers) is essential.

### Part 3 - Wind up of FASEA and transfer of standards functions to the Minister and ASIC

The SMSF Association supports the proposed winding up of FASEA. This is a common-sense measure that will further consolidate the regulation of financial advisers.

It was pleasing to see that clear provisions have been made to allow for a smooth transition and for the retention of essential work already undertaken by FASEA. Particularly with regards to the approval of degrees and qualifications, both Australian and foreign.

It is essential that these resources, and the certainty they provide for advisers, are continued beyond the winding up of FASEA.

There is a clear need for improved communication and reporting within the "system". Additional reporting obligations create administrative burden and cost. These should be more effectively managed.

One such example is the requirement to separately report an adviser's completion of the FASEA financial adviser's exam. ASIC's financial adviser register should automatically be updated internally by the two regulators when an adviser successfully completes the exam. Currently, the adviser must separately advise their licensee, and the licensee must then update the adviser register within a prescribed time to avoid financial penalties.

In order to register to sit the exam, advisers are required to provide their authorised representative details. FASEA later implemented a register of advisers who had completed the financial adviser exam. This however is a separate register to the financial adviser register maintained by ASIC.

It is acknowledged that the transitional arrangements for existing advisers to complete the adviser exam is currently scheduled to end prior to the proposed transfer of FASEA functions into ASIC. It



does however illustrate how the streamlining of such processes can improve the integrity of the system, remove layers of red tape, duplication, and unnecessary costs and complexity.

The SMSFA would welcome the establishment of a consulting panel or panels to assist with the winding up of FASEA and the transfer of its functions to the Minister and ASIC. We believe this would be an important step in ensuring there is active engagement between industry, the regulators, Treasury and the Minister. Further, we view this as essential in ensuring that any future reviews, changes and new or amended legislative instruments, codes or standards are appropriate, practical and benefit consumers.

#### Part 4 – Tax (Financial) Advice Services

The SMSFA supports the consolidation of financial adviser registrations and the relocation of tax (financial) adviser registrations from the TPB to ASIC. This is a positive measure and an important first step in alleviating the complex and convoluted regulatory regime that applies to financial advisers and the associated compliance costs and burden.

In the supplementary explanatory material “Questions and Answers” on changes for tax financial advisers, it states that there will not be a gap in the regulation of tax (financial) advisers. This is a result of the prescribed regulatory transfer from the TPB to ASIC.

The Bill will in its current form, result in groups of advisers being excluded due to a lack of other transitional measures. Measures are needed due to the misalignment in the timing of these amendments and the FASEA education standards.

The proposed section 921D of the Corporations Act aligns in part with the current *Tax Agent Services Regulations 2009* (“TASR 2009”) education requirements for tax (financial) advisers. Both include requirements for the completion of an approved qualifications.

The implementation of the FASEA education standards has seen the approval of courses that include taxation as part of their curriculum. In time, this will align the FASEA education standards and those required for a tax (financial) adviser.

It is however essential that any relevant providers (financial advisers) who are required to complete an approved qualification (in part or full) or bridging courses under the transitional arrangements for FASEA, can still meet the requisite education and approval (and renewal) standards as a tax (financial) adviser.

There will be relevant providers (or advisers) who will be negatively impacted under these proposed changes due to a misalignment in the timing of the requisite education standards.

Renewals that occur with ASIC from 1 January 2022 will be required to satisfy the new education standards which are expressly limited to registrants who hold an approved qualification in taxation.





However, for advisers meeting their broader education requirements under the transitional provisions for FASEA, the education standards must be met by no later than 1 January 2026.

TASR 2009 Schedule 2, Part 3 Division 1 item 304 provided for an adviser who did not hold the requisite qualifications but had a prescribed period of experience and held a voting membership with an approved professional association (or body) to have met the requirements for authorisation.

The FASEA education standards will over time bring all advisers into the approved tertiary or, diploma or higher award education standard. This aligns with the education standards set out in TASR 2009 Schedule 2, Part 3 Division 1 (items 301 and 302).

There needs to be recognition for those advisers who qualified under TASR 2009 Schedule 2, Part 3 Division 1 item 304 and are currently completing their FASEA education pathways. There will be advisers whose TPB registration will cease prior to 1 January 2026 who would have not yet wholly met the education requirements.

An interim, transitional measure should be included to ensure that these advisers, who are appropriately registered under the regime at that time, and who are actively working towards completing their education, which include subjects in addition to taxation, can continue to be registered as tax (financial) advisers.

To be clear, an appropriate taxation course would need to be met by 1 January 2026 to ensure compliance with the new tax financial advice requirements under the Corporations Act and compliance with adviser education standards.

The Tax Practitioners Board previously published a summary table of TASR 2009 Schedule 2, Part 3 Division 1, clearly setting out the different pathways for registration. A copy of that table is included in this paper. Please refer to **Table 1** (Annexure 'B').

Proposed s.921H allows for the Minister to make legislative instruments for relevant providers (advisers) who provide tax (financial) advice services. Referenced here is the requirement for the adviser to have completed a specified degree, qualification, or course, undertaken specified work and training, and ongoing professional development.

This is a duplication of existing education and training standards in s.921B(2) along with the work already undertaken by FASEA in approving various degrees and courses. As previously discussed, the FASEA education standards require the completion of taxation subjects. These include taxation law, finance and business law subjects as defined by the TPB.

The SMSFA is of the opinion that it is difficult to separate financial product and strategic advice from taxation advice. Each of these are intrinsically linked. Consideration should therefore be given to the phasing out of a separate designation. This will further alleviate some of the existing red tape that applies to financial advisers. It also takes into account the existing legislative requirements and the current work that is being done within the sector and by advisers to meet the new education standards.



The current FASEA prescribed continuing professional development standard requires financial advisers to complete 40 hours of CPD, 70% of which must be approved by their AFSL. Minimum CPD requirements across mandatory categories are:

- Technical – 5 Hours
- Client Care and Practice – 5 Hours
- Regulatory Compliance and Consumer Protection – 5 Hours
- Professionalism and Ethics – 9 Hours

This CPD framework and guidelines require urgent review.

Rather than implement a further layer of CPD requirements for tax (financial) advisers, a review of the overall CPD requirements for relevant providers (advisers) is needed. Particularly with regards to the ‘technical’ component. This is not just with respect to the tax (financial) adviser registrations but across all specialisations or accreditation as well broader technical areas of advice.

The application and renewal of a tax (financial) adviser registration with the TPB was an individual obligation. The applicant was required to supply the requisite information including:

- 1) Copies of degrees, qualifications and academic transcripts.
- 2) A statement of relevant experience.
- 3) Full details of any events that may affect eligibility for registration.
- 4) Membership details of a recognised tax agent or tax (financial) adviser association (if applicable).

The application process also incorporates a declaration from the individual that they meet the fit and proper person test.

The individual was also responsible for ensuring that they complied with the requisite CPD obligations applicable to their tax (financial) adviser registration.

We now see the responsibility to register a relevant provider (adviser) once again shifting from the individual to the licensee.

As previously discussed with regards to individual adviser registrations, the registration and renewal process for tax (financial) advisers should be a responsibility of the individual. A similar individual application process to that adopted by the TPB should be put in place by the regulator which will now be ASIC.



Due to the number of matters included in this Bill and in response the number of recommendations made, we have included a “Summary of Recommendations” at Appendix ‘A’.

If you have any questions about our submission, please do not hesitate in contacting us.

Yours sincerely,

A handwritten signature in black ink that reads "John L. Maroney".

John Maroney  
CEO  
SMSF Association

#### **ABOUT THE SMSF ASSOCIATION**

The SMSF Association is the peak body representing SMSF sector which is comprised of over 1.1 million SMSF members who have more than \$700 billion of funds under management and a diverse range of financial professionals servicing SMSFs. The SMSF Association continues to build integrity through professional and education standards for advisors and education standards for trustees. The SMSF Association consists of professional members, principally accountants, auditors, lawyers, financial planners and other professionals such as tax professionals and actuaries. Additionally, the SMSF Association represents SMSF trustee members and provides them access to independent education materials to assist them in the running of their SMSF.



## Appendix 'A' Summary of Recommendations

### **Part 1 - Single Disciplinary Body for Financial Advisers**

1. Transparency and Consistency: FSCP and ASIC should document and implement a transparent and consistent governance framework.
2. Accountability and Efficiency: Prescribed time frames are needed for the processing of complaints, completing investigations and referring matters to the FSCP.
3. Resourcing: ASIC should be appropriately resourced to take on these additional roles and responsibilities.
4. Code of Ethics: Further guidance is needed on how ASIC the FSCP will administer the Code of Ethics. What are the expected nature of complaints, quantum or size. There is a need for well documented, clear, and detailed guidelines.
5. Complaints Process: A clear complaints reporting process should be documented and implemented and should explain:
  - a. The role of the FSCP and ASIC (it should also clearly distinguish their roles from that of AFCA).
  - b. The complaints reporting process.
  - c. The matters for which complaints can be lodged, including guidance on matters involving the Code of Ethics.
6. Reporting: The legislated provisions should be expanded to include professional bodies and associations as a party to receive copies of FSCP instruments issued to members.
7. FSCP Instruments:
  - a. FSCP should be required to determine and document if, and for how long, a matter is to be reported on the Register of Relevant Providers.
  - b. 'Warnings' issued by the FSCP should not be recorded on the Register of Relevant Providers.
  - c. Copies of instruments issued by the FSCP should be provided to a relevant provider's professional bodies and associations, in addition to ASIC and the AFSL.



## **Part 2 - Registration of Financial Advisers**

1. Accountability & Professional Standards: Registrations should be the sole responsibility of the individual and not that of their licensee. Doing so increases personal accountability and professionalism and aligns with other professions.
2. Discharging Duties: If proceeding with the model as proposed, greater guidance will be required on the role and duties of licensees in undertaking fit and proper person assessments of an individual adviser.
3. Registration Management: A staged or stepped registration process should be considered in consultation with industry. A managed approach will allow all parties time to manage the process and for the management and allocation of the required resources.

## **Part 3 - Wind up of FASEA and transfer of standards functions to the Minister and ASIC**

1. Reduce complexity, red tape and improved integrity: Improved reporting and communication is required across various roles performed by regulators. Re-reporting of information across departments causing unnecessary costs, duplication and administrative red tape.
2. Industry Consultation and Engagement: Consulting panels should be established with industry to ensure active engagement between industry, regulators, Treasury and the Minister.

## **Part 4 – Tax (Financial) Advice Services**

1. Transitional Measures Needed: Advisers currently registered as tax (financial) advisers under TAsR 2009 Schedule 2, Part 3, Division 1, Item 304 will require transitional provisions to be put in place. FASEA education standards require the completion of approved qualifications that include taxation units. These education standards are required to be met before 1 January 2026.
2. Duplication of Education and CPD Standards: Adviser education standards set by FASEA already require advisers to complete taxation and financial law subjects as defined by the TPB. Outcome is a likely duplication and complexity.
3. Review of continuing professional development (“CPD”) requirements: Simplification is needed with a single CPD legislative instrument. A review of the current instrument is needed, particularly with regards to the ‘technical’ component. Such a review should be broader than contemplating just the general technical and tax (financial) adviser obligations. It should be expanded to contemplate other specialisations or designations held by an adviser.



4. Individual Registrations: The existing registration obligations for tax (financial) advisers with the TPB is an individual one. Any model that requires individual registration of relevant providers (advisers), including tax (financial) adviser registration should continue to be an individual obligation.
5. Phase out tax (financial) adviser designation: Financial product and strategic advice and taxation advice are intrinsically linked. Consideration should be given to the phasing out of a separate designation. This will further alleviate some of the existing red tape that applies to financial advisers and recognises changing education standards.



**ANNEXURE 'B'**

**Table 1: Summary of qualifications and experience requirements for tax (financial) adviser registration (including renewal)**

	Primary Qualification	Board Approved Courses		Relevant Experience
		Australian Taxation Law	Commercial Law	
<b>301</b> Tertiary Qualifications	Degree or post-graduate award (from an Australian tertiary institution) or degree or award that is Board approved (from an equivalent institution) in a relevant discipline	Required <sup>1</sup>	Required	Equivalent of 12 months full-time relevant experience in the past 5 years
<b>302</b> Diploma or Higher Award	Diploma or higher award (from a registered training organisation or an equivalent institution) in a relevant discipline	Required <sup>1</sup>	Required	Equivalent of 18 months full-time relevant experience in the past 5 years
<b>303</b> Work Experience	Not required	Required <sup>1</sup>	Required	Equivalent of 3 years full-time relevant experience in the past 5 years
<b>304*</b> Member of a professional association	Individual is a voting member of recognised tax (financial) adviser association or a recognised tax agent association	Not required	Not required	Equivalent of 6 years full-time relevant experience in the past 8 years

<sup>1</sup> Must include a component in the *Tax Agent Services Act 2009*, including the Code of Professional Conduct

\*Emphasis Added

Source: Tax Practitioners Board, [https://www.tpb.gov.au/sites/default/files/summary\\_of\\_qualifications\\_experience\\_for\\_tfas.pdf?v=1498714695](https://www.tpb.gov.au/sites/default/files/summary_of_qualifications_experience_for_tfas.pdf?v=1498714695)

**Note:** This table is a summary prepared by the Tax Agents Board of *Tax Agent Services Regulations 2009* ("TASR 2009") Schedule 2, Part 3 Division 1