



10 November 2022

Director  
Tax and Compliance Unit  
Retirement, Advice and Investment Division  
Treasury  
Langton Cres  
Parkes ACT 2600

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

Dear Sir/Madam,

**SMSF ASSOCIATION SUBMISSION – EXPOSURE DRAFT: SUPERANNUATION AUDITOR  
REGISTRATION IMPOSITION REGULATIONS 2022**

The SMSF Association welcomes the opportunity to provide this submission in response to the Government's proposed remaking of the Superannuation Auditor Registration Imposition Regulations.

We welcome the proposed amendment to the application fee to cancel an SMSF auditors' registration under section 128C of the *Superannuation Industry (Supervision) Act 1993* (SISA). The current fee of \$899 is excessive and the impost of a fee should not be a barrier to exit. Someone who is seeking to cancel their registration and exit the sector should be encouraged to do so, and not encouraged to maintain their registration due to the cost.

The proposed reduction of the cancellation fee to \$193 [item 3, section 6] is welcomed if it is representative of the cost to administer the cancellation of an auditor's registration. We note that registered company auditors are not subject to a registration cancellation fee. It is unclear how significantly the processing of an application to cancel a registration differs between these cohorts, and whether for SMSF auditors it differs to such an extent.

*We recommend that the SMSF auditor cancellation of registration fees at item 3 of section 6 be amended to \$nil.*

We support the continuation of the SMSF Auditor competency exam fee at its current rate of \$107 [item 4, section 6].

We acknowledge the small increase to the application for registration fee [item 1, section 6]. This is a reasonable adjustment over time. However, we note that this fee is five times higher than the comparable fee that applies to company registered auditors. It is unclear how this position has been arrived at.

We welcome the reduction of the application fee to vary or revoke conditions imposed on an approved SMSF auditor's registration from \$1,028 to \$678 [item 2, section 6]. We note however, that a range of conditions could apply, as ASIC 'are not limited to the nature or type of conditions



that may be placed on a person's registration. [These are]..determine[d] on a case-by-case basis.<sup>1</sup> As such, we ask that Treasury consider the introduction of a tiered fee approach.

The administration of some matters will be less burdensome than others. We also appreciate that while some matters may very simple others, due to their nature, may require more time and resources to administer. A tiered approach on whether the matter has low or high complexity, like that used for certain Australian financial services license fees, should be considered.

*We recommend the introduction of a tiered schedule of fees for item 2 of section 6, addressing the level of complexity (as applicable). The fee for an application to revoke or amend registration conditions should be commensurate to the administration required and not punitive in nature.*

If you have any questions about our submission, please do not hesitate to contact us, and we thank you again for the opportunity to provide this submission.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Peter Burgess', written over a horizontal line.

Peter Burgess  
Deputy CEO/Director of Policy and Education  
SMSF Association

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

The SMSF Association is the peak body representing the self-managed superannuation fund (SMSF) sector which is comprised of over 1.1 million SMSF members and a diverse range of financial professionals. The SMSF Association continues to build integrity through professional and education standards for practitioners who service the SMSF sector. The SMSF Association consists of professional members, principally accountants, auditors, lawyers, financial advisers, tax professionals and actuaries. Additionally, the SMSF Association represents SMSF trustee members and provides them with access to independent education materials to assist them in the running of their SMSF.

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<sup>1</sup> ASIC, 'Regulatory Guide 243: Registration of self-managed superannuation fund auditors', March 2019: RG243.93