



21<sup>st</sup> November 2024

Tax Practitioners Board  
GPO Box 1620  
Sydney NSW 2001

Email: [tpbsubmissions@tpb.gov.au](mailto:tpbsubmissions@tpb.gov.au)

Dear Sir/Madam

**SMSF ASSOCIATION SUBMISSION: TPB(I) D56/2024 UPHOLDING AND PROMOTING THE ETHICAL STANDARDS OF THE TAX PROFESSION**

The SMSF Association welcomes the opportunity to provide this submission in response to exposure draft *TPB Information sheet TPB(I) D56/2024 Upholding and promoting the ethical standards of the tax profession (D56/2024 ED)*.

The SMSF Association is generally supportive of the guidance in D56/2024 to support tax practitioners understand their statutory obligations to uphold and promote the ethical standards of the tax profession.

We believe providing tax practitioners a central resource that covers key information from the *Tax Agent Services (Code of Professional Conduct) Determination 2024 (Determination)* and the accompanying Explanatory Statement will help support their understanding of their new obligations in practice.

However, we note that the new obligations apply to a tax practitioner in any professional role, and as such, recommend the guidance be extended to include how this will apply in practice, including how a breach of section 10 may occur outside an individual's capacity as a tax practitioner

Our detailed responses to the consultation paper are contained in the Attachment.

If you have any questions about our submission, please do not hesitate to contact Keddie Waller, Policy Manager via email [keddiewaller@smsfassociation.com](mailto:keddiewaller@smsfassociation.com)

Yours sincerely,

Tracey Scotchbrook  
Head of Policy and Advocacy



### **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.



## TPB Information sheet TPB(I) D56/2024

Do you have any general comments regarding the guidance on the obligation to uphold and promote the ethical standards of the tax profession under section 10 of the Determination?

The SMSF Association is generally supportive of the draft guidance on the obligation to uphold and promote the ethical standards in D56/2024.

However, we note that section 10 of the Determination applies to tax practitioners in any professional role, yet this the draft guidance only references this point from the Explanatory Statement in respect of the breadth of this obligation.

The SMSF Association recommends specific guidance is include in D56/2024 on how section 10 of the Determination may apply to a tax practitioner in any professional role.

In relation to paragraph 20 which provides a non-exhaustive list of practical measures that should be implemented in a tax practice, are these measures adequate and appropriate? If not, please provide further details, including any additional measures that should be included.

We believe the measures listed in paragraph 20 are generally adequate and appropriate, depending on circumstances for the tax practitioner, as noted in the guidance. Further measures that could be considered include:

- establish, maintain, document and enforce a quality management system to provide confidence the practice's procedures are compliant with the Code, and
- appropriate oversight and monitoring mechanisms of individual tax practitioners to encourage and ensure compliance with the Code, noting this is taking a proactive approach rather than 'manage underperformance in relation to breaches of the Code'

These two measures also support tax practitioner's obligations under section 35(2) and 40 of the Determination and demonstrate how the obligations of the Code are interrelated.

In relation paragraph 29 which provides non-exhaustive examples of breaches of section 10 of the Determination, are there any additional examples that should be included which demonstrate a failure to uphold and promote the ethical standards of the tax profession? Please provide further details.

Given a breach of section 10 of the Determination will be dependent on the individual circumstances of each case, we believe the examples listed in paragraph 29 of 'very likely' breaches are sufficient.



Are there any additional case study scenarios that would assist registered tax practitioners in understanding how the obligations under section 10 of the Determination apply practically? If so, what types of scenarios should be addressed?

Section 10 of the Determination applies to tax practitioners in any professional role, yet D56/2024 does not include a case study to demonstrate this fact.

The SMSF Association recommends a case study is included in D56/2024 to provide general guidance how a breach of section 10 may occur outside an individual's capacity as a tax practitioner.