



ASSOCIATION OF
ACCOUNTING TECHNICIANS

Association of Accounting Technicians

Submission to the TPB Review Discussion Paper 2019

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About the Association of Accounting Technicians (AAT) Australia

Founded in 2002, AAT is Australia's longest standing professional association for bookkeepers. AAT's focus today is the development and delivery of bespoke training opportunities for bookkeepers to expand their professional knowledge base and progress the success of their practices in navigating the world of continual change and disruption experienced across the accounting industry.

Submission detail and commentary

Further to AAT's initial submission to the Review of the Tax Practitioners Board, and following the release of the Review Discussion Paper, AAT submit the following responses to the consultation points raised.

1. Achieving TPB's independence

We concur that the third option appointing the Chair of the TPB as an 'accountable authority' better achieves the required level of independence. Having jurisdiction over the TPB budget would potentially assist in overcoming some of the restrictions faced by the board over the years in terms of an available spend for the important advocacy work with the general community. However, we stress with great importance that this course of action would require adequate government funding and not have an expectation that already overburdened practitioners fund the important work of the TPB.

2. TPB visibility and community awareness

As acknowledged in our previous submission and in the following TPB Review Discussion Paper, the visibility of the TPB not only to the tax community but also the general public is of utmost importance. The TPB would benefit from additional spending to enable them to increase their profile awareness, and this should not place further financial burden on tax practitioners.

ATO Commissioner, Chris Jordan

3. Strengthening working relationships with industry

The discussions evolving around a co-regulatory system between the Registered Professional Associations (RPA's), the ATO and the TPB have great merit in terms of efficiency. Greater capacity to share information, for example, around CPD audit makes a great deal of common-sense. A model whereby a practitioner opted-in to a program where their association could share audited CPD detail would mean that the TPB could focus on registered agents who are not members of professional associations or opted out of the program.

4. Registration, education and qualifications

- 4.1. The importance of Continuing Professional Development (or Education) to a relevant, competent and contemporary tax practitioner cannot be understated. There is currently no apparent control over who can advertise and deliver relevant CPD that would be acceptable by the board. This means that some members of the tax professional's community, particularly new entrants, can be quite vulnerable to advertised CPD events that would be of little value to their competence as an aspiring or registered agent. More control and guidance should be provided by the TPB as to who can deliver recognised CPD.
- 4.2. More flexibility should be given to the TPB in relation to what subject matter constitutes valuable CPD content matter, keeping in touch with contemporary practices and issues as relevant learning.
- 4.3. The formal educational outcomes in the Vocational Education and Training (VET) sector depend very much on the quality of the Registered Training Organisation's (RTO's) standard of delivery and understanding of job ready outcomes for graduates. Having witnessed a great disparity in the quality of graduate outcomes, across a variety of RTO's, it is apparent that the regulator for VET qualifications needs to improve their regulation processes to ensure a greater level of consistency for the qualifications being delivered. Whatever level of educational requirement for registered BAS agents is decided upon (and we believe a good quality Certificate IV in Accounting and Bookkeeping is adequate), until the regulation of the RTO's educational delivery standards is enforced with much greater consistency, the same issue around job ready outcomes being absent from graduates will prevail. This would require standard setting around the qualification outcomes with the VET regulator, Australian Skills Quality Authority (ASQA).
- 4.4. Periodic review of the educational qualification requirements and CPD content between the TPB and the RPA's would be a good outcome for the industry.
- 4.5. Currently there is not a great deal of rigour around the experience requirement for registration. For example, a bookkeeper can work for a small business as an employee without supervision and utilise that experience to meet the registration requirement, without any guarantee of the quality and diversity of that experience. More attention could be paid to ensuring all experience is connected with some form of quality validation.

5. Unregistered Agents

Increasing the TPB's capacity to investigate unregistered agents and take swift action to publicise those individuals and entities who are not registered, providing services captured by the TASA (and therefore in breach of the law) would provide greater protection to the community. This process needs to be able to happen without onerous and costly requirements to apply to the Federal Court of Australia to take any action whatsoever.

6. Constitution of the TPB Board

The TPB are responsible for the regulation of three key communities, tax agents, BAS agents and tax financial advisors. We maintain that it is our strong opinion that the board should be well represented by each of these constituent groups with practitioners actually in practice who understand what current challenges face each of the individual groups. BAS agents have again not been represented in the recent change to the board composition and this does not send the right message to all whom the TPB regulate.

7. Annual registration and fees for practitioners

The change of the registration process to an annual event, combining this with practitioner declaration streamlines all processes and brings greater certainty for planning purposes to registered tax professionals. Given the recent registration fee hike and the already onerous financial burdens on tax professionals registering and paying to attend CPD events etc, we strongly advocate against any further fee increases as part of this transition to annual registration.

Further information

For more details or further commentary regarding this submission please contact:

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