

GOVERNMENT TO REFINE TAX AGENT SERVICES LAWS FOLLOWING INDUSTRY DIALOGUE

The Assistant Treasurer, Senator Nick Sherry, has today announced the introduction into Parliament of the *Tax Agent Services (Transitional Provisions and Consequential Amendments) Bill 2009*, another important legislative step in establishing the new national tax agent regime.

The amendments contained in the Bill have been developed through extensive consultation with industry, including six weeks of public consultation earlier this year.

"As more than 73% of individual taxpayers and 95% of businesses currently use tax agents, having a modern system of fully registered and accountable tax and Business Activity Statement (BAS) agents is critical, and thanks to the Rudd Government's passage of the *Tax Agent Services Act 2009*, we will now have such a system in Australia."

"The Bill we've introduced today will ensure a smooth transition to the new regulatory regime with minimal disruption to tax agents and taxpayers," said the Assistant Treasurer.

The Bill also makes consequential and transitional amendments, including:

- the introduction of two 'safe harbour' provisions exempting taxpayers from certain administrative penalties where they engage a registered tax agent or Business Activity Statement (BAS) agent;
- provisions to ensure that tax agents and nominees registered under the current regime and certain entities required to be registered under the new regime can transition into the new regime and continue to provide their services with minimal disruption; and
- provisions to enable a smooth transition from the current state-based boards to the new Tax Practitioners Board.

"I would like to take the opportunity to thank all industry and other stakeholders who have contributed to the development of the Bill and the new regime," said the Assistant Treasurer.

The introduction of this Bill is the next step in the implementation of the new regulatory regime which the Government intends to commence from early 2010, and follows the enactment of the *Tax Agent Services Act 2009*, which:

- established a Tax Practitioners Board, which will replace six State Tax Agents Boards with enhanced regulatory functions to regulate the provision of tax agent services across Australia including registration, investigation of improper conduct and issuance of guidance on relevant matters;
- provided for the registration and regulation of BAS agents;
- introduced a legislated Code of Professional Conduct which will govern the provision of tax agent services and BAS services by agents; and
- introduced a wider and more flexible range of disciplinary sanctions which may be imposed by the Board.

CANBERRA
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