

27 August 2019

Nick Westerlink
Individuals and Indirect Tax Division
The Treasury
Langton Crescent
PARKES ACT 2600

By email: TPBreview@treasury.gov.au

Dear Mr Westerlink,

Discussion Paper: Review of the Tax Practitioners Board

KDA Group Pty Ltd is a regional accounting practice with a wide range of SME clients and welcomes the opportunity to comment on some aspects of the *Review of the Tax Practitioners Board* (Discussion Paper).

In general we support the purpose and proposed outcomes of the Review, to evaluate the current and future suitability and effectiveness of the legislative and governance framework of the tax profession in Australia, including identifying possible improvements.

There are two points that we would like to provide specific feedback to, as follows.

Consultation Point 5.6:

We agree with the need to maintain standards in the profession, and believe that the current pathways to registration are adequate and suitable. We would be very concerned if the minimum education requirement was increased to a degree level qualification. The reason for this is that some tax practitioners do not attend universities on account of their religious beliefs, and the introduction of a minimum degree-level qualification would discriminate against these practitioners. Under the existing pathways it is possible to attain tax agent registration without the requirement to attend universities, and this should be maintained.

Consultation Point 10.1:

We are highly supportive of Option 7, to reinstate the accountants' exemption that would allow tax agents to provide basic self-managed super fund advice and services without having to operate in the AFSL environment. The current regulatory system does not achieve the intended outcome of quality and affordable financial advice for consumers, and inhibits accountants from providing high quality accounting

and administration services to self-managed super fund clients in a cost effective manner. Should the accountants' exemption be reintroduced, it is very important that the new regime provide for tax agents, who are not a voting member of a professional association, to operate under the model. The reason for this is that some tax agents cannot join professional associations due to their religious beliefs; however this should not disqualify them from a new accountants' exemption. We would be glad to have further input into the development of an accountants' exemption model that would provide for the regulation of tax agents who are not members of professional associations.

As you will appreciate, our responses to the above two questions are primarily on the basis of provision for conscience to be afforded for religious beliefs. We are aware of at least 33 tax practitioners around Australia who require consideration of this, in order to be able to continue to operate in the tax profession without compromising their beliefs, and have no doubt that there would be others with similar requirements.

We appreciate the opportunity to respond to the Discussion Paper, and would be glad to discuss our responses with you in greater detail if required.

Yours faithfully,

A handwritten signature in black ink, consisting of a stylized, cursive 'D' followed by a long horizontal line extending to the right.

David Ohlmeyer

Director