



Australian Government



TAX  
PRACTITIONERS  
BOARD

# Code Determination guidance: upholding and promoting ethical standards and keeping clients informed

**Presented by**  
Peter de Cure, TPB Chair

# Welcome

*'In the spirit of reconciliation, I respectfully acknowledge the Traditional Owners and Custodians of Country throughout Australia and their continuing connection to land, waters and community. I would like to pay my respect to them and their cultures, and Elders past and present.'*

Access the presentation slides: [tpb.gov.au/webinar-hub](https://tpb.gov.au/webinar-hub)

# What we will cover today



- ✓ The reason for the new Code obligations
- ✓ When the obligations come into effect
- ✓ Upholding and promoting the ethical standards of the tax profession
- ✓ Keeping clients informed
- ✓ Case studies
- ✓ Panel and Q&A

# Code Determination



# New Code obligations



- Upholding and promoting the ethical standards of the tax profession.
- Requirements relating to false or misleading statements.
- Managing conflicts of interest when undertaking activities for government and maintaining confidentiality in dealings with government
- Obligation to keep proper client records of tax agent services

provided.

- Supervision, competency and quality management under the *Tax Agent Services Act 2009*.
- Keeping your clients informed.



The obligations align with the existing 5 key principles in the Code and leverage material of other existing bodies, such as the APES Board.

# Application date

The obligations under the Determination apply from:

- **1 July 2025** – for registered tax practitioners with 100 or less employees as at 31 July 2024.
- **1 January 2025** – for any other registered tax practitioners.



# **Upholding and promoting ethical standards (s10)**

# Upholding integrity and standards (s10)

Registered tax practitioners, independently and in cooperation with each other, must:

(1)  
Uphold  
and  
promote  
the Code

(2)  
**Not** engage in  
conduct that may  
undermine public  
trust and confidence  
in the integrity of the  
tax profession or tax  
system

(3)  
**Not** engage in conduct that may undermine the collective work of tax practitioners, as a profession, to uphold and promote:

- the Code
- public trust and confidence in the integrity of the tax profession and system
- each member of the profession being held accountable for their own conduct.



# 1. Upholding and promoting the Code

Generally, tax practitioners can demonstrate compliance to uphold and promote the Code by:

- ensuring their own compliance with the Code on an ongoing basis
- taking reasonable steps to implement practical measures in their practice.



## 2. Not engaging in conduct that undermines the tax profession and tax system

- Misconduct of tax practitioners reflects on the tax profession and tax system as a whole.
- Tax practitioners must therefore not engage in conduct that they know or ought reasonably to know undermines the tax profession and tax system.
- A tax practitioner having an actual or constructive knowledge that their conduct may undermine public trust and confidence in the tax profession and tax system will fail to meet this obligation.

### 3. Not engaging in conduct that undermines the collective work of the tax profession

- This obligation recognises the tax profession works collectively, including through professional bodies.
- Registered tax practitioners are responsible for the conduct of unregistered individuals providing tax agent or BAS services on their behalf.
- Any conduct that undermines the collective work of the tax profession will be a breach of the Code.
- Tax practitioners must have actual or constructive knowledge of their conduct for it to be a breach.

# Case study 1 – scenario



- Sam is a registered tax agent, operating with the support of a junior accountant, Paul.
- Sam is contacted by his friend, Adam, to seek assistance with preparing and lodging income tax returns for himself and his wife.
- Sam delegates the work relating to Adam and Carol to Paul.
- Soon after, Adam advises Paul that he and Carol have now separated .
- Paul identifies there may be a conflict of interest for the firm in providing services to both Adam and Carol and raises his concern with Sam via email.
- Sam dismisses Paul’s concern on the basis Adam is a close friend and instructs Paul to proceed with the work.

# Case study 1 – outcome



Sam has failed to comply with section 10 of the Determination, and as a result Code items 5 and 17, as he failed to:

- have adequate arrangements in place for the management of conflicts of interest that have arisen in relation to his activities in his capacity as a registered tax agent
- provide directions to staff not to engage in specific conduct where that conduct may result in a breach of the Code
- maintain appropriate records relating to a potential breach of the Code; and
- develop and maintain a culture of transparency, accountability, ethical conduct, and compliance with the Code.

# POLL



- Tom is a director of registered BAS agent company which employs 5 supervising registered BAS agents.
- Tom is aware 3 out of the 5 supervising registered BAS agents have not attested to their compliance with their CPE activities during the year.
- Tom raises these concerns with the 3 supervising registered BAS agents.
- The BAS agents each explain they were not able to allocate time to complete their CPE activities during the year due to the substantial increases in their workloads.
- Tom takes this into consideration and implemented an action plan to address the issue.

# Keeping clients informed (s45)

# Keeping client informed (s45)

A tax practitioner must advise all current and prospective clients:

(1)  
The TPB maintains a Register, and how to access and search on it

(2)  
How to make a complaint and the TPB's complaints process

(3)  
The rights, responsibilities and obligations

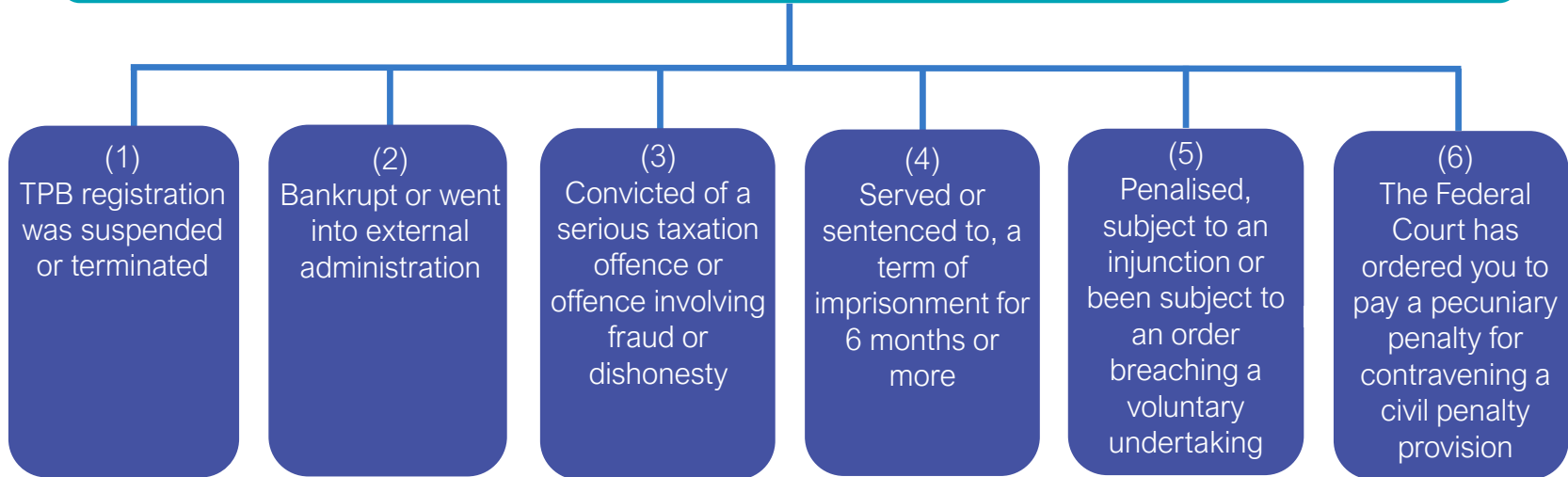
(4)  
Prescribed events that have occurred in the last 5 years

(5)  
Prescribed matters that apply currently



# Prescribed events

Certain events that have occurred in the last 5 years



The Determination, also requires tax practitioners to advise all current and prospective clients if they are subject to conditions.

## Reasonable amount of detail



- We expect tax practitioners to provide a reasonable amount of detail about the prescribed event, so clients are fully informed.
- Information that may be disclosed includes:
  - date the prescribed event occurred
  - description of the prescribed event
  - if the prescribed event is ongoing
  - if the tax practitioner intends to provide another update about the prescribed event.

# How to keep clients informed



- You must keep all current and prospective clients informed in writing, in a prominent, clear and unambiguous way.
- You can choose your preferred way to advise clients.
- You may choose to inform clients of relevant information by taking the following 3 steps:
  - publishing information on your website
  - including information in your letters of engagement; and
  - providing a copy of the TPB's factsheet titled '*Information for clients*'.



You will need to supplement the factsheet with any additional relevant information, depending on your circumstances. You can download the factsheet from our website.

# When to keep clients informed



Relevant matters	Timeframes to advise clients
<p>Information about:</p> <ul style="list-style-type: none"><li>• the TPB Register</li><li>• complaints process</li><li>• rights, responsibilities and obligations.</li></ul>	<ul style="list-style-type: none"><li>• Upon engagement or re-engagement.</li><li>• Upon receiving a client's request for information.</li></ul>
<ul style="list-style-type: none"><li>• If a prescribed event arose between 1 July 2022 and the relevant start date of the obligation for tax practitioners.</li></ul>	<p>No later than:</p> <ul style="list-style-type: none"><li>• 31 July 2025 – for small tax practitioners with 100 or less employees as at 31 July 2024.</li><li>• 31 January 2025 – for any other tax practitioners.</li></ul>
<ul style="list-style-type: none"><li>• If a prescribed event arises after the relevant start date of the obligation for tax practitioners.</li><li>• Prescribed matters.</li></ul>	<ul style="list-style-type: none"><li>• At the time of a client's enquiry to engage/re-engage the tax practitioner.</li><li>• Otherwise, within 30 days of the event for an existing client not previously advised of the prescribed event.</li></ul>

## Case study 2



- CTX Pty Ltd is engaged by a prospective client and provides a letter of engagement to the client which sets out a description of the work to be performed. However, the company omits information about:
  - the TPB maintaining a register of tax and BAS agents and how the client can access and search the register; and
  - how the client can make a complaint about a tax agent service the company provides, including the TPB's complaints process.
- Additionally, CTX Pty Ltd did not take any steps to include this information on the company's publicly accessible website.



**Questions**

# Stay in touch with the TPB



[tpb.gov.au](http://tpb.gov.au)



[facebook.com/TPB.gov](https://facebook.com/TPB.gov)



[tpb.gov.au/contact](http://tpb.gov.au/contact)



[linkedin.com/tax-practitioners-board](https://linkedin.com/tax-practitioners-board)



Australian enquiries  
1300 362 829



[youtube.com/TPBgov](https://youtube.com/TPBgov)

Overseas enquiries  
+61 2 6216 3443

Our enquiry lines are open  
Monday to Friday 9 am to 5 pm  
(Sydney time)

# Disclaimer

The information included in this webinar is intended as a general reference for users. The information does not constitute advice and should not be relied upon as such.

While the Tax Practitioners Board (TPB) makes every reasonable effort to ensure current and accurate information is included in this webinar, the TPB accepts no responsibility for the accuracy or completeness of any material contained in this webinar and recommends that users exercise their own skill and care with respect to its use.

Links to other websites may be referenced in this webinar for convenience and do not constitute endorsement of material on those sites, or any associated organisation, product or service.

Copyright is retained in all works contained in this webinar. Unless prior written consent is obtained, no material may be reproduced, adapted, distributed, stored or transmitted unless the reproduction is for private or non-commercial purposes and such works are clearly attributed to the TPB with a copy of this disclaimer attached.