

INFORMATION FOR CLIENTS

YOUR OBLIGATIONS TO THE ATO, AND YOUR TAX PRACTITIONER'S OBLIGATIONS TO YOU, THE TPB AND ATO

Overview

As a taxpayer, it is important you:

- are aware of your obligations to the Australian Taxation Office (ATO)
- understand your tax practitioner has obligations to you, the ATO and the Tax Practitioners Board (TPB).

Your obligations

- Be truthful with the information you provide your tax practitioner.
- Keep the required records and provide them to your tax practitioner on a timely basis, as required.
- Be co-operative with your tax practitioner's requests, and meet their due dates.
- Comply with the tax laws.

If you do not meet your obligations

- The ATO may impose administrative penalties (fines).
- Interest charges may be applied.
- In some cases, criminal prosecutions may be sought.
- The ATO may initiate debt recovery.

Your tax practitioner's obligations include:

- Act honestly and with integrity.
- Uphold and promote the ethical standards of the tax profession.
- Act lawfully in your best interests.
- Manage any conflicts of interest.
- Take reasonable care to ascertain your state of affairs and apply tax laws correctly.
- Keep your information confidential unless there is a legal duty to disclose.
- Provide services competently.
- Not knowingly obstruct the administration of the tax laws.

- Advise you of your rights and obligations under the tax laws
- Account to you for money or other property on trust.
- Not make false or misleading statements to the TPB or ATO, and in some cases withdraw their engagement with you and notify the TPB or ATO of certain matters.
- Keep proper records.
- Keep you informed of certain matters so you can make informed decisions.
- Address any false or misleading statements they are responsible for.
- Engage with clients to address other false or misleading statements, exploring options to correct.
- In higher risk cases, withdraw their services and notify the ATO or TPB about false or misleading statements.

If your tax practitioner does not meet their obligations to you or under the law

- Their registration can be suspended or terminated, meaning they can't practice.
- They could receive a caution or orders from the TPB – for example, undertaking education or working under the supervision of another registered tax practitioner.
- Have fines imposed on them by the Federal Court.
- Your tax and superannuation matters may not be accurate.
- You may be subject to enquiries or audits.
- Any tax shortfalls may attract penalties and interest.
- Litigation to review decisions and to recover debts.
- In the case of fraud or criminality, penalties may lead to prosecutions.

What you should expect from your tax practitioner



They will ask you questions to better understand your situation.



They may ask you to provide evidence of any claims you make.



They will not act illegally



They will advise you of your obligations under the tax laws.

Further information

For further information, see tpb.gov.au and ato.gov.au

Your tax practitioner must keep you informed of certain matters

1. Information about the TPB Register

To support you and the public make the right decisions about any tax practitioner, the TPB maintains a **register**. You can identify registered BAS agents and tax agents, as well as those who are in your locality. The TPB's Register also provides important information about higher risk cases, where an investigation has resulted in serious sanctions being imposed.

Further information about the Public Register can be found at: tpb.gov.au/help-using-tpb-register.

2. How to make a complaint to the TPB

The TPB welcomes all feedback which helps improve our services and the regulatory system and provides critical intelligence and data. You can provide information to the TPB, about a tax practitioner, using a simple online form at: myprofile.tpb.gov.au/complaints.

Complaints can also be made about unregistered preparers who are not complying with the law. All complaints and referrals are assessed by the TPB. In addition, we have client service compliance strategies that address the highest risk issues.

Further information about the complaints process is available at: tpb.gov.au/complaints.

3. General information about rights, responsibilities and obligations

Your tax practitioner must advise you of your rights, responsibilities and obligations. These rights and responsibilities may arise under the tax law or because of the particular services they provide to you.

Key rights and responsibilities of tax practitioners include their obligations to:

- act honestly and with integrity
- provide competent services
- exercise reasonable care
- practice lawfully in their clients' best interests
- address confidentiality and any conflicts of interest.

Key rights and responsibilities of clients to tax practitioners include:

- acting honestly and with integrity
- responding to reasonable requests and timelines (acknowledging that all taxpayers and tax practitioners may need to comply with time restrictions in the tax law).

4. Prescribed events within the last 5 years

If certain prescribed events have occurred involving the tax practitioner within the last 5 years, they must advise you of this at the time you make enquiries to engage or re-engage them to provide tax services. Otherwise, the tax practitioner must notify you within 30 days of them becoming aware of the matter. Prescribed events include if the tax practitioner was:

- suspended or terminated by the TPB
- an undischarged bankrupt or went into external administration
- convicted of a serious taxation offence or an offence involving fraud or dishonesty
- serving or sentenced to a term of imprisonment in Australia for 6 months or more.

Tax practitioners need to be transparent with clients about certain misconduct (prescribed events) that may have occurred in the past 5 years. This disclosure obligation extends to prospective clients – for example, a taxpayer seeking a quote for tax agent services).

5. Registration subject to conditions

Your tax practitioner must advise you if their registration is subject to conditions (e.g. they can only provide tax services related to research and development or tax (financial) advice services).

The tax practitioner must notify you of this at the time you are making inquiries to engage or re-engage them to provide you with tax services. Otherwise, the tax practitioner must notify you within 30 days of them becoming aware of the matter.