

## **TAXATION**

### **PM announces additional support for childcare providers**

Government has announced new support measures for childcare providers impacted by COVID-19 lockdowns including payments based on pre-lockdown revenue.

### **NT COVID-19 business support measures**

Government has outlined COVID-19 support measures for the NT including the tourism and hospitality sectors, and conference and exhibition organisers.

### **Victoria COVID-19 support measures extended**

COVID-19 support for businesses have been extended to regional Victoria and new regulations have been made to provide relief for struggling commercial tenants.

### **ACT COVID-19 support measures extended**

Government has announced that the COVID-19 support measures have been expanded due to the extension of the lockdown in the ACT.

### **WA assistance grants for tourism**

WA has announced funding support for tourism businesses, accommodation providers, and travel agents impacted by COVID-19.

### **COVID-19 business support programs: data sharing**

Treasurer has issued a declaration to enable the ATO to share protected data it holds with relevant government agencies in order to administer support programs.

### **NSW and Vic COVID-19 programs declared NANE**

Treasurer has declared certain grant programs administered by NSW and Victoria as eligible grant programs and therefore any payments to be NANE.

## **New ATO service to request lodgment deferrals**

Tax professionals will be able to request extra time to lodge for up to five clients from September 2021.

## **SME loan guarantee scheme: Treasurer announces changes**

Treasurer has announced changes to the SME loan guarantee scheme including removal of the requirements to have received JobKeeper.

## **AASB 112 Income Taxes: compiled standard**

Treasury has registered the latest compilation of Accounting Standard AASB 112 – Income Taxes that incorporates relevant amendments.

## **Review of insolvency safe harbour for company directors**

Treasury has advised that there is to be a review of the insolvent trading “safe harbour” that provides protection for company directors from personal liability.

## **Bill (No 6) 2021 passes Reps**

Bill to implement amendments to enable the sharing of super information in family law proceedings, among other things, has passed the House of Reps without amendment.

## **Bill (No 7) 2021 introduced**

Bill to implement an ATO reporting regime for digital distribution platforms and remove the threshold for self-education expenses has been introduced in the House of Reps.

## **GST refund fraud: property developer sentenced**

A Gold Coast property developer has been sentenced for fraudulently obtaining \$147,763 in GST refunds.

## **FINANCIAL SERVICES**

### **Westpac breach of best interests duty: penalty**

Federal Court has ordered two Westpac subsidiaries to pay a combined penalty of \$10.5m for failing to act in the best interests of their clients.

### **Fee disclosure statement breaches: NAB to pay penalty**

Federal Court has ordered NAB to pay an \$18.5m civil penalty for breaches in relation to misleading fee disclosure statements.

### **Temporary reduction of ASIC levies for financial advisers**

Government has announced that it will temporarily reduce the ASIC cost recovery levies payable by financial advisers for the next two years.

### **APRA remuneration prudential standard finalised**

APRA has released its final remuneration prudential standard for banking, insurance, and superannuation industries.

## **SUPERANNUATION**

### **APRA MySuper performance tests**

APRA has released the results from its first annual performance tests for MySuper products that had an 84% pass rate.

### **Super fund performance tests: APRA guidance**

APRA has released a set of frequently asked questions to provide guidance to RSE licensees on the performance tests.

**Total super assets \$3.3 trillion at June 2021**

APRA's quarterly super performance reported total super assets of \$3.3 trillion, which is up 14.7% due to strong investment performance and contributions growth.

**SMSF property advice breaches**

A former financial adviser has appeared in Court charged with three breaches of a financial services banning order re SMSF property advice.

**APRA review: super contributions work test**

APRA has published a FAQ on the interaction between COVID-19 disaster payments and satisfying the work test for purposes of personal super contributions.

**REGULATOR NEWS****TPB reminder: personal tax affairs of tax practitioners**

TPB has issued a media release to highlight that tax practitioners who fail to attend to their tax affairs can call into question if they can continue to be registered.

**Board of Taxation CEO update**

CEO of the Board of Taxation has provided an update including the Board's current work program including R&D tax incentive and review of the GST low value imported goods.

**IGTO releases Corporate Plan 2022-25**

Inspector-General of Taxation and Tax Ombudsman has released its corporate plan for the financial year ending 30 June 2022 and beyond.

**ASIC corporate plan and priorities 2021-25**

ASIC has published its corporate plan 2021-25 outlining its strategic priorities over the next four years.

## **TAXATION**

### **PM announces additional support for childcare providers**

The Prime Minister and the Minister for Education and Youth have issued a [joint media release](#) announcing new support measures for child care providers impacted by extended COVID-19 lockdowns.

Child care services in Commonwealth-declared hotspots will be eligible for payments of 25% of their pre-lockdown revenue, while Outside School Hours Care (or "OSHC") services will be eligible for payments of 40% – through new fortnightly payments.

This will apply to services seven days after the hotspot is declared, where States have directed families to keep their children at home. Where children are still allowed to attend, the supports will kick in four weeks after the hotspot declaration.

Payments will be contingent on providers:

- expecting attendance below 50%;
- waiving gap fees for all families whose children are not attending;
- maintaining staffing levels;
- agreeing to a fee freeze for the duration of support; and
- not accessing other Commonwealth Government funded supports.

### **NT COVID-19 business support measures**

The Federal Treasurer issued a [media release](#) outlining new COVID-19 support measures for the Northern Territory. As has become a too familiar refrain, this is as a result of lockdown orders to deal with the COVID-19 pandemic.

- A "Visitation Reliant Support Program" will be available for tourism and hospitality businesses reliant on international and interstate visitation. Under the program, employing businesses will receive a \$3,000 payment, while sole traders will receive a \$1,000 payment. Eligible businesses must have an annual turnover of less than \$10 million, and will need to demonstrate a 30% decrease in turnover as a result of the lockdown – particularly relating to visitation.
- A "Tourism Survival Fund" will be available for touring, professional conference organisers, exhibition build companies and eligible attractions, providing targeted support to those operators most impacted by the lack of

international visitors and who have not benefitted from tourism vouchers. Under the scheme, businesses will be able to access payments between \$5,000 and \$30,000 depending on their annual turnover which must be less than \$10 million. Eligible businesses must be able to demonstrate a 30% decrease in turnover, compared to the same period in 2019, as a result of the lockdown.

The NT's [Jobs First Plan website](#) has more information and application details.

## Victoria COVID-19 support measures extended

The Federal Treasurer and the Victorian Treasurer have issued a [joint press release](#) confirming that COVID-19 business support measures will be extended to regional Victoria following the extension of the lockdown measures to the whole of the State.

The measures are not new, ie the key issue is the businesses that are able to access them following the lockdown directions in regional Victoria that commenced 21 August and will continue until (at least) 2 September 2021. The support measures consist of the Small Business COVID Hardship Fund, the Business Costs Assistance Program, the Licensed Hospitality Venue Fund 2021 and the COVID-19 Disaster Payments.

Detailed information is available at the [Business Victoria website](#).

The Victorian Premier has also [announced](#) that new regulations have been made to provide relief for commercial tenants struggling with rent payments pursuant to the Commercial Tenancy Relief Scheme.

The scheme is designed to assist small and medium-sized businesses with an annual turnover of less than \$50 million that have experienced a loss in turnover of more than 30% during the pandemic. Eligibility for rent relief has been broadened, with tenants now able to choose three consecutive months between 1 April and 30 September 2021 to compare to their turnover in the same three months in 2019.

Businesses will get financial relief in the form of a proportionate reduction in rent. For example, a business with a turnover of 40% of pre-pandemic levels can only be charged 40% of its rent. Of the balance, at least half must be waived, with the remainder to be deferred.

More details can be found on the [VSBC website](#).

## **ACT COVID-19 support measures extended**

The Federal Treasurer and the ACT Chief Minister have issued a [joint media release](#) advising that the COVID-19 economic support measures have been expanded due to the extension of the lockdown in the ACT. The extension is currently due to run to 17 September 2021.

The payments that were originally offered for ACT businesses have been increased. The release states that the one-off ACT COVID-19 Business Support Grants will be increased by \$10,000 for employing businesses and \$3,500 for non-employing businesses where those businesses' turnover has declined by 30% or more as a result of the COVID-19 health restrictions.

This is the third announcement of ACT support measures in the last month, ie this is constantly changing and those affected should check the ACT Government Business Hub [website](#). Treasury also has a useful [webpage](#) setting out support for businesses and employers, which provides details and links on a State-by-State basis.

## **WA assistance grants for tourism**

The Federal Treasurer and the WA Premier (among others) have issued a [joint press release](#) announcing that WA tourism businesses impacted by COVID-19 will soon be able to apply for funding support under a new joint Commonwealth-State program.

It is anticipated about 3,500 businesses will be eligible for grants of up to \$10,000 under the program – including tourism operators, accommodation providers and travel agents. To be eligible for support, applicants must demonstrate at least a 30% reduction in turnover (by comparing the period 15 May to 25 June with 10 July to 20 August).

More information should be available on the [WA COVID-19 coronavirus: Support for business website](#), though at the time of writing this is stated to have been last updated on 21 June 2021.



## COVID-19 business support programs: data sharing

The Treasurer has issued the [Taxation Administration \(Data Sharing-Relevant COVID-19 Business Support Program\) Declaration 2021](#).

The Declaration lists the programs that have been declared relevant COVID-19 business support programs by the relevant Minister, to enable the ATO to share protected data it holds with the relevant Australian government agencies that administer a particular program. Without it, ATO officers would not be able to share information pursuant to s 355-25 of Sch 1 to the TAA.

This is obviously a mechanical provision which, for most advisors and taxpayers, will be of limited interest. The programs that are impacted by the Declaration are listed in item five, some 23 in all. However, the Declaration is noteworthy in that it shows that various government bodies will be able to liaise with each other to provide information relating to payments made to businesses – so if something is flagged as not being right, it should be assumed that the government (ie State or Federal) will investigate.

## NSW and Vic COVID-19 programs declared NANE

The Treasurer has issued the [Income Tax Assessment \(Eligible State and Territory COVID-19 Economic Recovery Grant Programs\) Amendment Declaration \(No 2\) 2021](#).

Its effect is to declare certain grant programs administered by NSW and Victoria as "eligible grant programs" for the purposes of s 59-97 of the ITAA 1997. This means that a payment received by an entity from a specified program is non-assessable non-exempt income.

### New South Wales

The following NSW programs now qualify as eligible grant programs:

- the 2021 COVID-19 business grant;
- the 2021 COVID-19 JobSaver payment;
- the 2021 COVID-19 micro-business grant; and
- the NSW Performing Arts COVID Support Package.

## Victoria

The following Victorian programs now qualify eligible grant programs:

- the Alpine Resorts Support Program (Streams one, two and three);
- the Business Continuity Fund;
- the Business Costs Assistance Program Round Two - July Extension;
- the Licenced Hospitality Venue Fund 2021 – July Extension; and
- the Small Business COVID Hardship Fund.

## New ATO service to request lodgment deferrals

From September 2021, tax professionals will be able to request extra time to lodge for up to five clients. ATO Deputy Commissioner, Hoa Wood, [said](#) details about this new service will be available in the coming weeks. The ATO said many tax professionals have made use of the range of ATO deferrals available during COVID-19. Depending on the circumstances and how much additional time is required need, Ms Wood said there are a variety of deferral options and requests can be submitted through Online services for agents.

## SME loan guarantee scheme: Treasurer announces changes

The Treasurer has [announced](#) changes to the SME Loan Guarantee Scheme.

The loan scheme has been operating since March 2020 and has undergone various permutations.

Under these latest changes, loans will be made available from 1 April 2021 until 31 December 2021. The Government will remove requirements for SMEs to have received JobKeeper during the March quarter of 2021 or to have been a flood affected business in order to be eligible under the SME Recovery Loan Scheme.

Consistent with the earlier versions, SMEs who are dealing with the economic impacts of the COVID-19 with a turnover of less than \$250 million will be able to access loans of up to \$5 million over a term of up to 10 years with a capped interest rate.

Treasury has a good [webpage](#) which sets out details of the Scheme.

## AASB 112 Income Taxes: compiled standard

The Treasury has registered the latest compilation of [Accounting Standard AASB 112 - Income Taxes](#). This compilation incorporates relevant amendments made up to and including 6 March 2020.

AASB 112 Income Taxes prescribes the accounting treatment for income taxes. The principal issue in accounting for income taxes is how to account for the current and future tax consequences of the future recovery (settlement) of the carrying amount of assets (liabilities) that are recognised in an entity's statement of financial position, and transactions and other events of the current period that are recognised in an entity's financial statements. For the purposes of the Standard, income taxes include all domestic and foreign taxes which are based on taxable profits. Income taxes also include taxes, such as withholding taxes, which are payable by a subsidiary, associate or joint arrangement on distributions to the reporting entity.

The Standard also deals with the recognition of deferred tax assets arising from unused tax losses or unused tax credits, the presentation of income taxes in the financial statements and the disclosure of information relating to income taxes.

**Date of effect:** The compiled Standard applies to annual periods beginning on or after 1 July 2021 but before 1 January 2023. Earlier application is permitted for annual periods beginning after 24 July 2014 but before 1 July 2021.

## Review of insolvency safe harbour for company directors

Treasury has [advised](#) that there is to be a review of the insolvent trading "safe harbour".

The safe harbour was established under the Treasury Laws Amendment (2017 Enterprise Incentives No 2) Act 2017 (as part of the Government's so called National Innovation and Science Agenda). It provides protection for company directors from personal liability for insolvent trading if the company is genuinely attempting to restructure.

The intention of the safe harbour is to encourage directors to seek advice early on how to restructure and save financially distressed but viable companies, rather than

closing down prematurely to avoid personal liability. This is intended to provide "breathing space" for distressed businesses.

The review is led by an independent panel of experts, chaired by Ms Genevieve Sexton, with Ms Leanne Chesser and Mr Stephen Parbery as panel members. The review will run for a three month period, between 24 August and 23 November 2021.

A consultation paper to support the review process and invite submissions will be released "shortly".

### **Bill (No 6) 2021 passes Reps**

The House of Reps has passed the [Treasury Laws Amendment \(2021 Measures No 6\) Bill 2021](#) without amendment. It is now before the Senate. The Bill contains amendments to: (i) make refunds of large-scale electricity generation shortfall charges non-assessable non-exempt; (ii) provide an actuarial certificate exemption for certain super funds; and (iii) enable the sharing of super information in family law proceedings.

### **Bill (No 7) 2021 introduced**

The [Treasury Laws Amendment \(2021 Measures No 7\) Bill 2021](#) has been introduced in the House of Reps proposing the following amendments:

- Digital distribution platforms: ATO reporting regime - electronic platform operators will be required to provide information to the ATO about transactions made through their platform. The Bill will amend Subdiv 396-B of Sch 1 to the TAA so that the Taxable Payments Reporting System (TPRS) applies to electronic platforms that facilitate supplies from an entity to another entity. The measure implements a recommendation of the Black Economy Taskforce report. The reporting regime will apply to an entity that is the operator of an electronic distribution platform (defined by s 84-70 of the GST Act, disregarding s 84-70(1)(c)). It will cover platforms operating over the internet; including through applications, websites, or other software. However, a service will not be considered an electronic distribution platform if it only advertises or creates awareness of possible supplies, operates as a payment platform, or serves a communications function. Transactions will need to be reported to the ATO if they involve the provision of consideration (within the GST Act) by a buyer to a seller for a supply made through the platform by the seller. Transactions that only involve the sale of goods or real property (the

transfer of legal title to the goods or real property) or financial supplies will not be captured. The supply must also be connected to the indirect tax zone. Date of effect: 1 July 2022 for transactions in relation to the supply of taxi travel and short-term accommodation (and 1 July 2023 for all other transactions). Note that ATO data-matching protocols already exist for platforms facilitating taxi travel, ride sharing and short-term accommodation.

- Self-education expenses - the Bill will remove the \$250 non-deductible threshold (s 82A of the ITAA 1936) for work-related self-education expenses. Date of effect: Will apply to assessments for 2022-23 and later income years. FBT amendments will apply to FBT years starting on 1 April 2023.
- Super complaints - the Bill makes transitional amendments associated with the Australian Financial Complaints Authority (AFCA) replacing the Superannuation Complaints Tribunal (SCT). The Bill provides for the transfer of records and documents from the SCT to ASIC. Date of effect: Proclamation by the Treasurer (or 5 March 2022 being the day after four years of the commencement of the AFCA Act).

### **GST refund fraud: property developer sentenced**

A Gold Coast property developer has been [sentenced](#) in the Southport District Court for fraudulently obtaining \$147,763 in GST refunds. The ATO said the developer was sentenced to three years imprisonment but released on a three year good behaviour bond of \$5,000 due to his medical condition.

The ATO said the developer, in his capacity as company director, claimed to be constructing a high-rise apartment building at Broadbeach. He lodged eight BAS with false expenses in relation to this development. During an ATO audit of the company, it was uncovered that the expenses claimed in the BAS were never incurred. The developer never owned the land in Broadbeach, hadn't obtained finance for the project and hadn't submitted any development applications.

## **FINANCIAL SERVICES**

### **Westpac breach of best interests duty: penalty**

The Federal Court has [ordered](#) two Westpac subsidiaries to pay a combined penalty of \$10.5 million for failing to act in the best interests of their clients.

The penalty follows the High Court's decision in *Westpac Securities Administration Limited & Anor v ASIC* [2021] HCA 3 that the two Westpac subsidiaries had provided "personal advice" under s 766B(3)(b) of the Corporations Act 2001 (and not simply "general advice") in relation to a superannuation switching campaign. As the High Court concluded that personal advice had been provided, the Westpac entities, Westpac Securities Administration Limited (WSAL) and BT Funds Management Limited (BTFM), had also contravened the best interests duty under s 961B of the Corporations Act.

The matter was remitted to the Federal Court which has now ordered WSAL to pay a civil penalty of \$7.5 million for contravening s 961K of the Corporations Act by failing to act in their clients' best interests under s 961B. BTFM was ordered to pay a penalty of \$3 million.

### **Fee disclosure statement breaches: NAB to pay penalty**

The Federal Court has [ordered](#) National Australia Bank to pay an \$18.5 million civil penalty for breaches in relation to misleading fee disclosure statements (FDSs).

According to ASIC, the Court ruled that NAB breached the Corporations Act 2001 on numerous occasions when it charged fees for personal advice without giving customers compliant FDSs; failed to provide clients with a FDS within the time required; and made false or misleading representations to clients in FDSs about the amount clients had paid for services and the services which clients had received.

### **Temporary reduction of ASIC levies for financial advisers**

The Government has [announced](#) that it will temporarily reduce the ASIC cost recovery levies payable by financial advisers for the next two years. The Treasurer said the ASIC levies charged for personal advice to retail clients will be reduced to

\$1,142 per adviser for 2020-21 and 2021-22. The flat per AFS licensee charge will remain at \$1,500.

Mr Frydenberg said the freeze in the per adviser levy will assist financial advisers to deal with the impacts of COVID-19 and further regulatory reforms, including the introduction of a single disciplinary body and a compensation scheme of last resort. The Government also announced that Treasury will review the ASIC Industry Funding Model in 2022 in consultation with the Department of Finance and ASIC.

For a considerable time, IPA has advocated for a full review of the ASIC industry funding model and sought transparency and accountability for the excessive increases in the levy amounts. We have made numerous representations to the Government, Opposition, Treasury, ASIC and media. More recently, this advocacy has been undertaken with CA ANZ, CPA Australia, FPA and SMSF Association. We are very pleased by this welcome news and look forward to the review. However, we are also seeking similar relief for auditors and liquidators. For more information, please refer to our recent [media statement](#) and [submission](#).

## **APRA remuneration prudential standard finalised**

APRA has released its final remuneration prudential standard for banking, insurance and superannuation industries.

APRA Deputy Chair, John Lonsdale, said [Prudential Standard CPS 511 \(Remuneration\)](#) will impose genuine financial consequences on senior banking, insurance and superannuation executives when their decisions lead to poor risk management or conduct that is contrary to community expectations. It seeks to ensure financial performance alone is no longer enough when companies reward employees - companies must also consider their impact on customers and risk management outcomes. Where executives fall short, they now stand at risk of losing their bonus, Mr Lonsdale said.

APRA also released a [response paper](#) confirming that the finalised standard will require entities to apply material weight to non-financial metrics (such as customer complaints, breaches, and regulatory and audit findings) when determining variable remuneration for employees. New minimum deferral requirements will apply for variable remuneration, coupled with malus and clawback provisions.



**Date of effect:** CPS 511 will commence from 1 January 2023, with a phased implementation starting with large banks.

## **SUPERANNUATION**

### **APRA MySuper performance tests**

APRA has [released](#) the results from its first annual performance tests for MySuper products as part of the Government's Your Future, Your Super reforms. The APRA tests found that 13 of the 76 MySuper products assessed failed to meet the objective benchmark - representing an 84% pass rate.

Details on whether a MySuper product passed the performance test is available via the [YourSuper comparison tool](#) on the ATO website. Those 13 funds that failed the test will be required to notify members of their underperformance by 27 September 2021 and provide them with details of the YourSuper comparison tool. The Treasurer [said](#) eight MySuper products have already exited the market since the performance test was announced.

APRA has also written to super funds whose MySuper products failed or marginally passed the performance test, setting out their supervisory expectations, including to assess the credibility of funds' plans to improve their performance. Products that fail the performance test again next year will be closed to new members until their performance improves. From 1 July 2022, the annual performance test will be expanded to a wider range of superannuation trustee-directed products.

### **Super fund performance tests: APRA guidance**

APRA has released a set of [frequently asked questions](#) (FAQs) to provide guidance to registrable superannuation entity (RSE) licensees on the investment performance tests to be conducted by APRA as part of the Your Future, Your Super reforms. The FAQ generally covers topics around test result notifications and how the performance tests will be conducted by APRA.



## Total super assets \$3.3 trillion at June 2021

APRA has released its [Quarterly Superannuation Performance](#) for the June 2021 quarter reporting total super assets of \$3.303 trillion at the end of the June 2021 quarter (up 14.7% for the year due to strong investment performance and contributions growth). Total assets in MySuper were up 22.5% to \$903bn, while self-managed super fund (SMSF) assets were up 10.8% to \$822bn at June 2021. Total contributions were up 5% to \$127bn, while total benefit payments were down 5.5% to \$94.4bn for the year ending June 2021.

## SMSF property advice breaches

A former financial adviser has appeared in the Brisbane Magistrates Court charged with three breaches of a financial services banning order in relation to SMSF property advice. ASIC said the former adviser was banned for seven years for allegedly failing to act in the best interests of his clients when advising them to establish an SMSF to purchase properties. ASIC alleged that the former adviser breached the existing banning order by:

- providing financial advice to an SMSF to invest in a property company;
- arranging on two occasions the sale of a financial product (shares in the property company) to the SMSF.

At the time, the former adviser's partner was the sole director of the property company. This was not disclosed to the SMSF and its trustees. The maximum penalty for each charge of engaging in conduct in breach of a financial services banning order is \$5,250 or imprisonment for six months, or both. ASIC said the matter has been adjourned for mention on 1 October 2021.

## APRA review: super contributions work test

APRA has published a [new frequently asked question \(FAQ\)](#) on the interaction between COVID-19 disaster payments and satisfying the "work test" for the purposes of personal superannuation contributions.

APRA FAQ No 15 warns superannuation trustees not to assume members aged 67 to 74 in receipt of the Pandemic Leave Disaster Payment or COVID-19 Disaster Payment are automatically "gainfully employed" for the purposes of the contributions

work test in reg 7.04 of the SIS Regulations. While APRA has previously stated that the former JobKeeper payment satisfied the work test (even if the worker had been fully stood down), the regulator considers that the treatment of Pandemic Leave and COVID-19 Disaster Payments is different.

According to APRA, an individual receiving the Pandemic Leave Disaster Payment cannot count the 14 days in which they receive the payment towards the work test "gainfully employed" period due to the fact that the individual must not be working to be eligible for the payment. While the COVID-19 Disaster Payment could potentially supplement a person's wages where they are working reduced hours, APRA believes that the payment is a personal income supplement (or replacement) rather than an employer-based wage subsidy (such as the former JobKeeper payment).

## **REGULATOR NEWS**

### **TPB reminder: personal tax affairs of tax practitioners**

The TPB has issued a [media release](#) to highlight that tax practitioners who fail to attend to their tax affairs can call into question if they continue to show the right attributes, such as honesty and integrity, to be registered as a tax practitioner.

The release brings into attention two recent AAT cases centered on non-compliance with personal tax affairs which resulted in termination of tax agent registrations. It serves as a reminder that tax practitioners breaching the Code of Professional Conduct has serious consequences. The highlighted cases were McCarthy and Tax Practitioners Board [2021] AATA 641 and Tomkinson and Tax Practitioners Board [2021] AATA 2172.

### **Board of Taxation CEO update**

The CEO of the Board of Taxation, Ms Kathryn Davy, has issued its [CEO Update – August 2021](#).

It contains an update on the Board's current work program:

- Research and Development Tax Incentive (R&DTI) – Review of the dual-administration model – the final consultation session is scheduled to occur with Perth stakeholders on 1 September 2021. The Board is reaching out to a limited number of international jurisdictions (New Zealand, Canada and the United Kingdom), seeking first-hand experience of their administration arrangements. These jurisdictions have been highlighted as countries with similar and/or innovative administration practices in their research and development programs; More information can be found on the [BoT website](#); and
- Review of GST on Low Value Imported Goods – the review into GST on LVIG was announced by the Assistant Treasurer on 5 July 2021. This followed a Government announcement, made in the 2016-17 Budget that the LVIG arrangements would be reviewed after two years to ensure they were operating as intended and to take into account any international developments. The Board is to report back to the Government by 17 December 2021. More information can be found on the [BoT website](#).

The update reminds readers of two ongoing BoT programs, ie the Tax Transparency Code and Sounding Board+.

## **IGTO releases Corporate Plan 2022-25**

The Inspector-General of Taxation and Taxation Ombudsman (IGTO) has released its [Corporate Plan](#) for the financial year ending 30 June 2022 and beyond. The Plan provides a summary of the IGTO's overall purpose: (i) to improve the administration of taxation laws for the benefit of the community; (ii) to provide independent advice (to the Government, the ATO or TPB); and (iii) to provide assurance through complaint, review and other investigations and reporting that Australian taxation administration laws are operating effectively, consistently, as intended and in accordance with community expectations of fairness.

Supporting the IGTO's purpose, the Plan breaks down its strategic priorities and finally the Key Performance Areas and Key Performance Indicators to measure its delivery of those priorities.

The Plan also includes a summary of the IGTO's "operating context" which shows the scale of Australia's tax system as at 30 June 2020, its participants and factors within and those beyond its control.

## ASIC corporate plan and priorities 2021-25

ASIC has published its [Corporate Plan 2021-25](#) outlining its strategic priorities over the next four years. ASIC Chair, Joe Longo, said there are significant law reforms and new standards coming into effect over the coming months (including the Financial Accountability Regime, reforms in superannuation and insurance, breach reporting, and the design and distribution obligations).

For the super industry, ASIC said it will monitor the implementation of the *Your Future, Your Super* reforms and work with APRA on greater consistency of investment performance disclosures. During 2021-22, this will include reviewing the mandatory underperformance notifications to members and other communications by trustees of products that fail to pass the annual performance test. The implementation of the internal dispute resolution (IDR) framework and transition to RG 271 will also be a focus.