

TAXATION

TASA changes: 2024 timetable

The Tax Practitioners Board has issued a release that lists the changes implemented by the Treasury Laws Amendment (2023 Measures No 1) Act 2023.

Board of Taxation: CEO update December 2023

The Acting CEO of the Board of Taxation has issued the CEO Update - December 2023 providing an overview of the Board's activities throughout the 2023.

Latest issue of ATO's interpretation NOW!

The ATO has released Episode 103 of its series on statutory interpretation entitled interpretation NOW!.

2023 Population Statement released

The Centre for Population has released its 2023 Population Statement, which provides comprehensive data on Australia's population.

ICAEW and SAICA ceases to be recognised: TPB

The TPB has announced that the ICAEW and the SAICA have voluntarily ceased their formal accreditations with the TPB.

Pre-budget submission 2024-25

'The Assistant Treasurer and Minister for Financial Services have called for submissions from individuals, businesses and community groups on their views regarding priorities for the 2024–25 Budget'

SUPERANNUATION

ASIC extends disclosure exemption order

ASIC has issued an Instrument which extends the current relief for super licensees from complying with certain disclosure requirements.

REGULATOR NEWS

ASIC News

Updates from ASIC in the past week including media releases, news, articles and speeches.

INTERNATIONAL ETHICS STANDARDS BOARD FOR ACCOUNTANTS (IESBA) – Sustainability Exposure Draft and Tax Planning-related Ethics Standard

The Australian accounting profession, including IPA, inputs to the work of IESBA, which informs Standards and other developments in the Australian jurisdiction. These Standards partly reflect the situation in Australia where tax planning was brought into sharp focus by recent scandals

TAXATION

TASA changes: 2024 timetable

The Tax Practitioners Board has issued a [release](#) that lists the changes implemented by the Treasury Laws Amendment (2023 Measures No 1) Act 2023 which have either recently commenced or will commence in 2024.

1 January 2024

Items 15 and 16 of the Code of Professional Conduct prevent tax practitioners from employing or using a "disqualified entity" without TPB approval, or entering into certain arrangements with such entities. The TPB intends to issue draft guidance on this "shortly".

The Minister has the ability to expand the Code to include additional obligations that tax practitioners must comply with, to address emerging or existing behaviours and practices.

1 July 2024

The registration period for tax practitioners will change from at least every 3 years to at least every year.

A tax practitioner will be required to notify the TPB in writing if the tax practitioner has reasonable grounds to believe that they have breached the Code and that the breach is a significant breach. The TPB intends to issue draft guidance on this.

A tax practitioner will be required to notify the TPB and TPB recognised professional association in writing if the tax practitioner has reasonable grounds to believe that another tax practitioner has breached the Code and that the breach is a significant breach. Again, the TPB intends to issue draft guidance on this.

1 October 2024

Ensure that individuals appointed to the TPB as Board members meet the definition of "community representatives".

Board of Taxation: CEO update December 2023

The Acting CEO of the Board of Taxation, Ms Michelle Calder, has issued the [CEO Update - December 2023](#) providing an overview of the Board's activities throughout the 2023 calendar year and updates on its current work program including the Review of the Tax Treatment of Digital Assets and Transactions. The review is to consider the policy framework for taxation of digital assets and if any changes are required to taxation laws and/or their administration. The report is due out on 29 February 2024.

The next Board meeting is on 9 February 2024 in Sydney.

Latest issue of ATO's interpretation NOW!

The ATO has released [Episode 103](#) of its series on statutory interpretation entitled interpretation NOW!.

2023 Population Statement released

The Centre for Population has released its [2023 Population Statement](#), which provides comprehensive data on Australia's population. Highlights include the following.

Australia's estimated resident population is expected to grow from 26.0 million on 30 June 2022 to 30.9 million by 30 June 2034.

The median age projected to increase from 38.5 years in 2021-22 to 39.8 years by 2033-34.

The total fertility rate is projected to decline from 1.66 babies per woman in 2022-23 to 1.62 babies by 2030-31. Note that the "replacement rate" is 2.1 babies per woman.

Australia has the third highest life expectancy in the world, however life expectancy for Aboriginal and Torres Strait Islander people is over 8 years lower than for the non-Indigenous population.

Melbourne is projected to overtake Sydney as Australia's largest city in 2031-32.

Brisbane's population is projected to overtake the population of the rest of Queensland in 2027-28.

Tasmania and South Australia are the slowest growing States over the projection period with little natural increase (due to the population's age structure) and little or negative inter-State migration.

Western Australia is forecast to have the highest population growth rate (3%) in 2022-23, with elevated net overseas migration.

ICAEW and SAICA ceases to be recognised: TPB

The TPB has [announced](#) that the Institute of Chartered Accountants in England and Wales (ICAEW) and the South African Institute of Chartered Accountants (SAICA) have voluntarily ceased their formal accreditations with the TPB. This means effective 1 January 2024, the ICAEW and SAICA are no longer accredited as recognised professional associations with the TPB.

Pre-budget submission 2024-25

The IPA will be making a submission. Kindly provide your input to ipaadvocacy@publicaccountants.org.au by **Tuesday, 23 January 2024**. To view our pre-budget submission in relation to the 2022-23 click [here](#). For more information on the 2023-24 pre-budget submission click [here](#).

SUPERANNUATION

ASIC extends disclosure exemption order

ASIC has issued the [ASIC Superannuation \(Disclosure and Reporting Consistency Obligations\) Instrument 2023/941](#). The Instrument extends the current relief for super licensees from complying with the disclosure requirements in s 29QC(1) of the Superannuation Industry (Supervision) Act 1993 until 1 January 2026 (contained in [CO14/541](#), which was otherwise due to end on 1 January 2024).

Section 29QC requires disclosure to align with APRA data reporting requirements in some circumstances (mostly in the area of information given to the public in disclosure documents). However, there has been uncertainty about how to achieve consistency between the disclosure requirements in the SIS Act and the data that is required to be reported under APRA's reporting standards. The proposal to extend by two years was announced by ASIC in November 2023.

REGULATOR NEWS

ASIC news

ASIC has released the following updates in its Newsroom section:

[12 January 2024 - MEDIA RELEASE 24-003MR ASIC disqualifies two more Canberra property developers](#) - ASIC has disqualified Jamie Charles Farrelly of Kingston, ACT, and Gary James Kelly of Wright, ACT, from managing corporations for two years each due to their involvement in the failure of four companies between January 2019 and August 2021. Mr Farrelly and Mr Kelly were directors of: Be Athletic Canberra Pty Ltd (ACN 619 049 740) (Be Athletic); A.C.N. 601 334 749 Pty Ltd (formerly Tiger Property Group Pty Ltd ACN 601 334 749) (TPG); and 3 Property Group 13 Pty Ltd (ACN 621 691 932) (3PG13). Mr Kelly was also a director of Lifestyle Homes Accounts (ACT) Pty Ltd (ACN 625 959 097) (Lifestyle Homes). The companies were involved in developing commercial and residential properties in Canberra.

[10 January 2024 - MEDIA RELEASE24-002MR Federal Court hands down \\$390,000 in](#)

[directors' duties penalties](#) - The Federal Court has ordered four current and former directors of Endeavour Securities (Australia) Ltd (in liquidation) and Linchpin Capital Group Ltd (in liquidation) to pay \$390,000 in penalties. The Federal Court had previously found Endeavour directors Ian Williams, Paul Raftery, Paul Nielsen and Peter Daly (who was found to have acted as an officer of Endeavour) breached their duties as officers of a responsible entity of a registered managed investment scheme and did not act in the best interests of members ([23-089MR](#)).

[05 January 2024 - MEDIA RELEASE 24-001MR ASIC extends product intervention orders for short term credit and continuing credit contracts](#)

- ASIC has extended its product intervention orders made in relation to short term credit and continuing credit contracts so that the orders remain in force until they are revoked or they sunset on 1 October 2032. The target market of these short term credit and continuing credit contracts included vulnerable retail clients who were in financial difficulty and required loans for basic living expenses (many of whom had been declined for regulated credit) and were charged significant fees in relation to the products. Since the orders came into effect on 15 July 2022, they have reinforced consumer protections by preventing the provision of short term credit and continuing credit contracts that involve unreasonably high fees. These fees exceeded the cost caps imposed by the National Credit Code. These orders have been effective in reducing the risk of significant harm resulting from these types of products.

[22 December 2023 - MEDIA RELEASE 23-352MR ASIC suspends Prospero Markets' AFS licence and accepts undertaking](#)

- ASIC has suspended the Australian financial services (AFS) licence of over-the-counter (OTC) derivatives issuer, Prospero Markets Pty Ltd (Prospero). Prospero has also provided an undertaking to ASIC that it will not deal in client funds without ASIC's agreement. Prospero's licence suspension means it cannot provide financial services during the suspension period from 20 December 2023 until 28 February 2024. Following an administrative hearing, ASIC found that Prospero failed to lodge its annual financial statement and audit report for the financial year ending 30 June 2023 within the prescribed timeframe and in compliance with its AFS licence conditions. If Prospero fails to lodge its annual financial statement and audit report for the financial year ending 30 June 2023 during the suspension period, ASIC will consider whether the licence should be suspended for a further period or cancelled.

[22 December 2023 - NEWS ITEM What to do if you are affected by floods in Queensland](#)

- ASIC has outlined practical steps to take for communities affected by flooding in Far North Queensland following ex-Tropical Cyclone Jasper. On 18 December 2023, the Insurance Council of Australia declared a [significant event](#) for regions of Far North Queensland impacted by severe weather and flooding over the past week. ASIC Commissioner Alan Kirkland said there was support available for people affected by the natural disaster.

[21 December 2023 - MEDIA RELEASE 23-351MR Court finds Zurich did not breach duty of utmost good faith](#)

- The Federal Court has found that Zurich Australia Limited (Zurich) did not breach its duty of utmost good faith when OnePath Life Limited (OnePath), the previous owner of Zurich's life insurance business, avoided an income protection policy because the insured failed to disclose a prior history of hospitalisation for serious mental health issues. ASIC Deputy Chair Sarah Court said, "ASIC took on this case to clarify the steps that an insurer must reasonably take before avoiding an insurance policy on the basis of fraudulent non-disclosure. We believe this was an important case to bring given our view that it was appropriate for procedural fairness to be provided before avoiding a customer's insurance policy. ASIC enforcement action plays an essential role in testing legislation to ensure it affords consumers with appropriate protection."

[21 December 2023 - NEWS ITEM ASIC temporarily extends relief from disclosure and reporting consistency obligations for super trustees](#)

- A new relief instrument ASIC

Superannuation (Disclosure and Reporting Consistency Obligations) Instrument [2023/941](#) (the

Instrument) continues the relief previously provided under ASIC Class Order [CO 14/541] which is due to expire on 1 January 2024. The Instrument provides an exemption to RSE licensees from complying with subsection 29QC(1) of the Superannuation Industry (Supervision) Act 1993 (the SIS Act) for a further two years.

[21 December 2023 - MEDIA RELEASE 23-350MR Former Queensland director banned by ASIC for seven and a half years](#) - ASIC has banned Mark Andrew Cooper of Seven Hills, Queensland from providing any financial services for a period of seven and a half years. Mr Cooper is also banned from controlling an entity that carries a financial services business and performing any function involved in the carrying on of a financial services business for seven and a half years. Mr Cooper was the sole director of Acquire Strategic Advisers Pty Ltd between 27 August 2012 and 4 February 2020, and its Chief Financial Officer during January and February 2022.

[21 December 2023 - MEDIA RELEASE 23-349MR Former director sentenced to four years and four months imprisonment](#) - Former director Mudasir Mohammed Naseeruddin has been sentenced to a total prison sentence of four years and four months for dishonest conduct and other charges. He will serve a non-parole period of two years and nine months. The sentence was handed down after Mr Naseeruddin pleaded guilty to two charges of dishonest conduct in the course of carrying on a financial services business contrary to subsections 1041G(1) and 1311(1) of the Corporations Act and two charges of failing to exercise powers and discharge duties in good faith in the best interests of a corporation contrary to subsection 184(1) of the Corporations Act. Mr Naseeruddin encouraged investors to rollover their superannuation monies into newly created self-managed superannuation funds (SMSF) and to lend those funds to his two companies, Secure Investments Pty Ltd and Aquila Group Pty Ltd. Mr Naseeruddin was a director of both companies.

[21 December 2023 - MEDIA RELEASE 23-348MR ASIC takes civil action against Open4Sale Global Ltd and two of its directors](#) - ASIC has commenced civil penalty proceedings in the Federal Court against Open4Sale Global Ltd (Open4Sale Global) and two of its directors, Simeon La Barrie and Ewald Hafer, for allegedly offering shares in the company and distributing application forms without the required disclosure document. ASIC alleges that over a four-year period between March 2019 and July 2023, Open4Sale Global raised approximately \$1.3 million from more than 80 investors, without lodging any disclosure document with ASIC, nor distributing the document to those investors when it offered them shares. ASIC claims Open4Sale Global was required to lodge a disclosure document with ASIC and provide the document to these investors when it made the offers, because they were retail investors. ASIC claims they were not sophisticated investors or otherwise in a category of investor to whom exceptions to the disclosure requirements may apply.

[20 December 2023 - MEDIA RELEASE 23-347MR Former registered liquidator pleads guilty to dishonest conduct](#) - Former registered liquidator Peter Andrew Amos appeared in the Downing Centre Local Court on 19 December 2023 charged with six counts of dishonestly using his position as an officer of a company to gain an advantage for his business and himself contrary to s184(2)(a) of the Corporations Act. Mr Amos was a registered liquidator and business owner of Amos Insolvency Pty Ltd (Amos Insolvency).

[20 December 2023 - MEDIA RELEASE 23-346MR ASIC's annual corporate insolvency statistics shows COVID-19 impact on small business](#) - ASIC's latest annual statistics of reports lodged by registered liquidators about Australian corporate insolvency, released today, has highlighted the lag of the impact of the COVID-19 pandemic on small business. For the period 1 July 2022 to 30 June 2023, small to medium size corporate insolvencies continued to dominate external administrators' reports. Of the reports lodged, 83% had assets of \$100,000 or less, 82% had fewer than 20 employees, 32% had liabilities of less than \$250,000 and 68% had liabilities of less than \$1 million. In this group of creditors, 96% received between 0–11

cents in the dollar, reflecting the asset/liability profile of small to medium size corporate

insolvencies. The highest number of reports were received for insolvencies in the construction industry (28%), followed by the accommodation and food services industry (15%).

[19 December 2023 - MEDIA RELEASE 23-345MR ASIC permanently bans Hope Island financial advisor](#) - ASIC has permanently banned Delan Pagliaccio of Hope Island,

Queensland from providing any financial services, controlling an entity that carries a financial services business and performing any function involved in the carrying on of a financial services business. Mr Pagliaccio was the sole director of Veridian Securities Pty Ltd (deregistered), Veridian Markets Pty Ltd (undergoing external administration), and Synergy Asia Pacific Partners Pty Ltd (previously known as SKR Private Pty Ltd and Synergy Equities Group Pty Ltd). ASIC has also cancelled the Australian Financial Services Licence (AFSL) held by Synergy Asia Pacific Partners Pty Ltd.

[19 December 2023 - MEDIA RELEASE 23-344MR ASIC issues infringement notice to Northern Trust Asset Management for greenwashing](#) - ASIC has taken action for

greenwashing against Northern Trust Asset Management Australia Pty Ltd (Northern Trust). Northern Trust has paid \$29,820 to comply with two infringement notices issued by ASIC regarding concerns about alleged false and misleading statements about the application of a Carbon Emissions Exclusion Screen. Northern Trust is the Investment Manager of the NT World Green Transition Index Fund (the Fund). The Product Disclosure Statements (PDSs) of the Fund claimed to exclude companies that 'derive 5% or more of their total annual revenues (either reported or estimated) from thermal coal-based power generation' and have a score of three or four in the low carbon transition management score quartile. ASIC was concerned the information in the PDSs was misleading because the Carbon Emissions Exclusion Screen was not properly applied.

[19 December 2023 - NEWS ITEM ASIC revises date for the first financial adviser exam of 2024](#) - The Government has released for consultation draft legislation to improve the delivery

and accessibility of the financial adviser exam. Following the consultation, ASIC will implement changes to the exam. The first exam of 2024 will be held on 26 March 2024.

[19 December 2023 - MEDIA RELEASE 23-343MR ASIC highlights focus areas for 31 December 2023 reporting](#) - ASIC urges directors, preparers of financial reports and auditors to

assess the impact of uncertain market and economic conditions when reporting for full and half-years ending 31 December 2023. Key findings in ASIC's first integrated financial reporting and audit surveillance report (Report 774 Annual financial reporting and audit surveillance report 2022–23) form the basis for identifying areas for particular consideration, including: impairment and asset values; provisions; events occurring after year end and before completing the financial report; disclosures in the financial report and operating and financial review (OFR); and the impact of a new accounting standard for insurers.

[18 December 2023 - MEDIA RELEASE 23-342MR Kristofer Ridgway charged with providing false or misleading information to ASIC](#) - Former Brisbane-based financial adviser Kristofer

Ridgway has appeared at the Southport Magistrates Court in Queensland charged with two counts of providing false or misleading information to ASIC during the conduct of a compulsory examination, contrary to section 64(1) of the Australian Securities and Investments Commission Act 2001 (Cth). It is alleged that Mr Ridgway provided false or misleading information to ASIC while he was being examined during a compulsory examination conducted by ASIC as part of its investigation into Mr Ridgway's role in recommending unlisted McFaddens Securities shares to clients. Mr Ridgway appeared on 14 December 2023. He was released on bail and the matter was adjourned for mention on 5 February 2024 in the Southport Magistrates Court. The matter is being prosecuted by the Commonwealth Director of Public Prosecutions following a referral by ASIC.

INTERNATIONAL ETHICS STANDARDS BOARD FOR ACCOUNTANTS (IESBA) – Sustainability Exposure Draft and Tax Planning-related Ethics Standard

'IESBA announces successful completion and approvals of sustainability exposure draft and tax planning-related ethics standard'

At its December Board meeting, the International Ethics Standards Board for Accountants ("IESBA") successfully completed and approved an Exposure Draft on Ethics and Independence Standards for Sustainability Reporting and Assurance and the final Ethics Standard for Tax Planning and Related Services. Other major achievements of the IESBA December Board meeting include the approval of an Exposure Draft on the Use of Experts and of the IESBA's Strategy and Work Plan for 2024-2027.

Commitment to Trustworthy Sustainability Reporting and Assurance

The IESBA voted and approved the proposed new International Ethics Standards for Sustainability Assurance (including International Independence Standards) ("IESSA"), and proposed revisions to the International Code of Ethics for Professional Accountants ("the Code") on sustainability reporting. The Exposure Draft will contain proposed independence standards for use by all sustainability assurance practitioners regardless of whether they are professional accountants, and specific ethics provisions relevant to sustainability reporting and assurance. This milestone completes more than 18 months of intensive fact-finding, outreach, and drafting efforts by the IESBA Board and staff.

The result is a set of draft standards that will establish the essential third pillar of ethics, including independence, standards to support public and corporate trust in sustainability-related information, alongside sustainability reporting and assurance standards. The IESBA intends to release the Exposure Draft in late January 2024.

Using the Work of External Experts

The IESBA approved proposed ethics provisions addressing the use of external experts by organizations as well as in the context of audit and assurance engagements, including sustainability assurance engagements. Professional accountants and sustainability assurance practitioners will be guided by an ethical framework to evaluate the competence, capabilities, and objectivity of external experts. These provisions will thereby help meet public expectations concerning ethical behavior when using external experts, especially in an audit or assurance context.

Strengthening Ethical Behavior in Tax Planning

The IESBA also approved final revisions to the Code to address tax planning and related services. These revisions respond to heightened public concerns about ethical behavior in tax planning in light of high-profile revelations about tax avoidance schemes in several jurisdictions in recent years. The final provisions establish an ethical framework in the public interest to guide professional accountants in making judgments and decisions when providing tax planning or related services. Pending certification by the Public Interest Oversight Board ("PIOB"), the final pronouncement is expected to be issued by mid-April 2024.

Strategy and Work Plan 2024-2027

The IESBA voted to approve its Strategy and Work Plan ("SWP") for 2024-2027. Among other matters, the IESBA will tackle two new ambitious strategic areas of focus: accountancy firm culture and governance, and extending the impact of the Code beyond the accountancy profession, where it believes it can significantly expand reach and business impact.

Throughout 2023, the IESBA has responded vigorously to the challenges of ethics in the accountancy profession and beyond. The IESBA's 2024 agenda will focus on final approvals of the sustainability-related standards, as well as on new workstreams addressing accountancy firm culture and governance, and independence considerations regarding the audits of collective investment vehicles, pension fund arrangements, and investment company complexes.

"The global shift of governments, companies, and investors towards a more sustainable future will not happen with good intentions and soft targets," said IESBA Chair Gabriela Figueiredo Dias. "This movement will require hard ethics to realize sustainability goals and mitigate the risks of wrongdoing. The IESBA's new and proposed revisions to the Code and the Board's strategy will help ensure that professional accountants and other sustainability assurance practitioners adopt the necessary ethical approaches to foster transparency, relevance, and public trust within the reporting sphere while supporting global sustainability efforts."

About IESBA

The International Ethics Standards Board for Accountants serves the public interest by setting high-

quality ethics standards, including independence requirements, as a cornerstone to ethical behavior in business and organizations, and to public trust in financial and non-financial information that is fundamental to the proper functioning and sustainability of organizations, financial markets and economies worldwide.

Along with the International Auditing and Assurance Standards Board ("IAASB"), the IESBA is part of the International Foundation for Ethics and Audit ("IFEA"). The Public Interest Oversight Board ("PIOB") oversees IESBA and IAASB activities and the public interest responsiveness of the standards.

For more information about IESBA, please visit www.ethicsboard.org and on LinkedIn at www.linkedin.com/company/iesba.