



TAXATION

TPB finalises practical guidance for new Code items

The TPB has finalised a range of practical guidance explaining how the 8 new Code items apply.

Legal professional privilege review: discussion paper released

A discussion paper on Treasury and the A-G's Department joint review into the use of legal professional privilege in Commonwealth investigations has been released.

Build-to-Rent Determination: meaning of “affordable dwelling”

The Determination sets out the requirements for a dwelling to be an affordable dwelling for the purposes of the BTR development receiving the related tax concession.

Rules to implement OECD Two-Pillar Solution released

The Treasury has released finalised rules implementing key aspects of the OECD/G20 Two-Pillar Solution.

Rental bond data-matching program: ATO notice

The ATO has registered a data-matching program notice that it will acquire rental bond data bi-annually for the 2023-24 through to 2025-26 financial years.

FINANCIAL SERVICES

New RSE reporting standards registered: APRA

APRA has registered two RSE reporting standards: SRS 332.0 Expenses and Investment and Transaction Fees and Costs and SRS 340.0 RSE Licensee Financial Statements.

REGULATOR NEWS

ASIC News

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

APRA news

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



Proposed legislative amendments, Government announcements and consultations

Updates from the government including legislation.

Anti-Money Laundering and Counter-Terrorism Financing Amendment Bill 2024

The *Anti-Money Laundering and Counter-Terrorism Financing Amendment Bill 2024* received Royal Assent on the 10th of December 2024. With the passing of the bill comes the requirement for providers of certain designated professional services to be subject to the Anti-Money Laundering (AML) / Counter-Terrorism Financing (CTF) regime.

TAXATION

TPB finalises practical guidance for new Code items

The TPB has [announced](#) the finalisation of a range of practical guidance explaining how the 8 new Code items, contained in the [Tax Agent Services \(Code of Professional Conduct\) Determination 2024](#) ("Determination"), apply.

The finalised practical guidance are as follows:

- [TPB\(I\) 43/2024 Breach reporting under the Tax Agent Services Act 2009](#);
- [TPB\(I\) 45/2024 False or misleading statements](#);
- [TPB\(I\) 46/2024 Managing conflicts of interest when undertaking activities for government and maintaining confidentiality in dealings with government](#);
- [TPB\(I\) 47/2024 Obligation to keep proper client records of tax agent services provided](#);
- [TPB\(I\) 49/2024 Keeping your clients informed](#);
- [TPB\(I\) 44/2024 Upholding and promoting the ethical standards of the tax profession](#);
- and
- [TPB\(I\) 48/2024 Supervision, competency and quality management under the Tax Agent Services Act 2009](#).

Compliance with the Determination begins from 1 January 2025 for firms with more than 100 employees and from 1 July 2025 for all other smaller tax practitioners.

Legal professional privilege review: discussion paper released

Treasury and the Attorney-General's Department have released a [discussion paper](#) on the Departments' joint review into the use of legal professional privilege in Commonwealth investigations. The review was announced in August 2023 as part of the tax adviser misconduct reforms.

There has been ongoing discussion and other engagement with 100 "stakeholders" since then.

The purpose of the discussion paper is to present and also test the key issues identified by Treasury and the A-G as a result of this engagement. The paper provides an overview of LPP and highlights situations where concerns about its overuse and misuse have arisen.

Closing date for comments is 28 February 2025.

Members are encouraged to send any comments or feedback to ipaadvocacy@publicaccountants.org.au by **21 February 2025**

Build-to-Rent Determination: meaning of “affordable dwelling”

The [Income Tax Assessment \(Build to Rent Developments\) Determination 2024](#) sets out the requirements for a dwelling to be an affordable dwelling for the purposes of the BTR development receiving the related tax concession.

By way of reminder, to be an active BTR development and be eligible for the associated tax concessions, the number of dwellings in the BTR development that are affordable dwellings must be greater than or equal to 10% of the number of total dwellings in that development: s 43-153(1)(d)(i) of the ITAA 1997 Act.

The Instrument sets how to determine if a dwelling is an affordable dwelling, namely:

- the rent payable under the lease for the dwelling must be 74.9% or less of the market value of the right to occupy the dwelling under that lease (ie the rent otherwise payable for that dwelling in an open market); and
- the dwelling must be tenanted, or made available to be tenanted, only to a tenant or prospective tenant that satisfies the applicable income threshold. The method to calculate this threshold is also contained in the Determination.

Rules to implement OECD Two-Pillar Solution released

Treasury has issued the final rules which implement key aspects of the OECD/G20 Two-Pillar Solution. The [Taxation \(Multinational – Global and Domestic Minimum Tax\) Rules 2024](#) were issued in draft form in March 2024.

The Rules were issued following the passage of the Taxation (Multinational – Global and Domestic Minimum Tax) Act 2024. The intention is to set a 15% global minimum tax and domestic minimum tax for all multinational enterprise groups with an annual global revenue of at least EUR 750 million. Broadly speaking, the global minimum tax will enable Australia to apply top-up tax on a resident multinational parent or subsidiary company where the group's income is taxed below 15% overseas.

While the Assessment Act establishes the framework to apply top-up tax, the Rules include the detailed calculations required to arrive at a liability to top-up tax. They include details on:

- computing and allocating GloBE Income or Loss;
- computing and allocating Adjusted Covered Taxes;
- application to investment and Tax Transparent Entities;
- safe harbour provisions; and
- transitional provisions for MNE Groups.

The Domestic top-up tax and the Income Inclusion Rule ("IIR") tax-up tax apply for fiscal years beginning after 1 January 2024. The Undertaxed Profits Rules ("UTPR") top-up tax applies for fiscal years beginning after 1 January 2025.

Rental bond data-matching program: ATO notice

The ATO has registered a data-matching program [notice](#) that it will acquire rental bond data from State and Territory rental bond regulators bi-annually for the 2023-24 through to the 2025-26 financial years.

The data items include:

- (i) individual client details - landlord and tenant;
- (ii) managing agent identification details; and
- (iii) rental bond transaction details.

The program looks to ensure compliance for capital gains tax obligations and rental income and deductions. The ATO expects to collect data on approximately 2.2 million individuals each financial year.

FINANCIAL SERVICES

New RSE reporting standards registered: APRA

APRA has registered the following determinations:

- [Financial Sector \(Collection of Data\) \(reporting standard\) determination No. 1 of 2025](#) - repeals and replaces a new Reporting Standard SRS 332.0 Expenses and Investment and Transaction Fees and Costs. SRS 332.0 sets out the requirements to report information to APRA relating to expense reporting and investment and transaction fees and costs disclosure of each registrable superannuation entity ("RSE"), defined benefit RSE and pooled superannuation trust. The updated reporting standard collects additional data on investment expenses and addresses a key gap in APRA's superannuation data collection.
- [Financial Sector \(Collection of Data\) \(reporting standard\) determination No. 2 of 2025](#) - determines a new Reporting Standard SRS 340.0 RSE Licensee Financial Statements. SRS 340.0 sets out requirements for the provision of information to APRA relating to the audited financial statements and reports of an RSE licensee.

Due dates for each determination are set out in its specified Reporting Tables.

REGULATOR NEWS

ASIC News

ASIC has released the following updates in its Newsroom section:

- [24 December 2024 – MEDIA RELEASE – Perth property developer disqualified from managing corporations for four years](#) – ASIC has disqualified Allen Bruce Caratti of Perth from managing corporations for four years, as a result of his involvement in three failed developers between 2005 and 2017. ASIC found that there were governance failures in each company including failing to lodge tax returns, failing to register for an ABN or business activity statements, providing the Australian Taxation Office with contradictory information and unsupported claims for deductions.
- [23 December 2024 – MEDIA RELEASE – Sanlam admits to inadequate oversight of authorised representatives](#) – ASIC's investigation of Sanlam Private Wealth Pty Ltd has found that it had failed to meet its obligations under the *Corporations Act 2001* (Cth) including by inadequately supervising its representatives. Sanlam has entered into undertakings to set out a plan to remedy its shortcomings, to have its compliance processes reviewed by an independent expert who will report to ASIC about its compliance efforts.
- [23 December 2024 – MEDIA RELEASE – Perth accountant charged over alleged insider trading in Genesis Minerals shares](#) – Vittorio Letizia, of Cottesloe, WA has been charged with five counts of insider trading relating to purchases of Genesis Minerals Ltd shares in 2021. The matter is scheduled to return to the Perth Magistrates' Court on 31 January 2025.
- [23 December 2024 – MEDIA RELEASE – Third person sentenced for Courtenay House misconduct](#) – David Sipina of Prairiewood NSW, a former contractor and promoter of Courtenay House investments, has been sentenced to three years' imprisonment, for his role in the unlicensed Courtenay House financial services business. He pleaded guilty to two charges, one of aiding and abetting Tony Iervasi to operate an unlicensed financial services business and one of dealing with the proceeds of crime. Mr Sipina's role had been to recruit investors and market the scheme in a period spanning 2015 and 2017.
- [20 December 2024 – MEDIA RELEASE – Federal Court finds CFD issuers engaged in systemic unconscionable conduct with customer losses totalling over \\$83 million](#) – The Federal Court has found that, Union Standard International Group Pty Ltd, a former issuer of contracts for difference and two of its former authorised representatives, engaged in systemic unconscionable conduct plus many other contraventions between 2018 and 2020. The Court also found that USG failed to ensure that the financial services covered by its licence were provided "efficiently, honestly and fairly" in compliance with Part 7.6 of the *Corporations Act 2001* (Cth), where the products were being offered to customers in China. The judgment of Wigley J is available.
- [20 December 2024 – MEDIA RELEASE – ASIC suspends AFS Licence of Equitise Pty Ltd](#) – ASIC has suspended the Australian financial services licence of Equitise Pty Ltd until 10 February 2025 because the company is under external administration. It has held the licence since 2018.
- [19 December 2024 – MEDIA RELEASE – ASIC takes action against Swoosh alleging responsible lending failures and DDO breaches](#) – ASIC has commenced proceedings in the Federal Court against Ausfinancial Pty Ltd, trading as Swoosh Finance. ASIC

alleges that Swoosh breached its responsible lending obligations in issuing credit contracts to consumers and continued to do so, despite increasing complaints. In addition, ASIC also alleges that Swoosh breached the design and distribution obligations in Part 7.8A of the *Corporations Act 2001* (Cth) by failing to review its target market determinations.

- [18 December 2024 – MEDIA RELEASE – ASIC successfully defends Receivers' application for indemnity](#) – The Federal Court has dismissed an application by the receivers of A One Multi Services Pty Ltd for indemnity against ASIC to cover a shortfall in the remaining assets of the company to cover their remuneration and disbursements, although it did grant their application for remuneration and ordered that they be recovered from the company's property. The Court held that there is no implied obligation for a person seeking to appoint a receiver to assets of a third party to indemnify the receiver for their costs. The [judgment](#) of Derrington J is available.
- [18 December 2024 – MEDIA RELEASE – ASIC sues crypto company Binance Australia Derivatives for consumer protection failures](#) – ASIC has commenced proceedings in the Federal Court against Oztures Trading Pty Ltd, trading as Binance Australia Derivatives, alleging that the overwhelming majority of its clients were wrongly treated as wholesale clients rather than retail clients in a period spanning 2022 and 2023. As a result, over 500 Australian retail investors were denied access to consumer protections including a product disclosure statement, target market determination and a dispute resolution scheme.
- [17 December 2024 – MEDIA RELEASE – Former Victorian director charged with making false statements to ASIC](#) – Benjamin Thomas Molloy of Point Cook, Victoria has been convicted of making false statements to ASIC, contrary to s 1308(1) and (2) of the *Corporations Act 2001* (Cth). ASIC received a referral from the liquidator of Consultel Cloud Pty Ltd; Mr Molloy was the CEO and a director of the company. The Office of the Director of Public Prosecutions prosecuted the matter after ASIC's referral.
- [17 December 2024 – MEDIA RELEASE – Former registered liquidator Peter Amos sentenced to prison for dishonest use of position as external administrator](#) – Former registered liquidator and external administrator Peter Andrew Amos has been sentenced to four years' imprisonment for a total of six charges of dishonestly using his position to gain an advantage for his business and himself contrary to s 184(2)(a) of the *Corporations Act 2001* (Cth). Between 2016 and 2024, he transferred over \$3 million to himself and his business, Amos Insolvency Pty Ltd, from the accounts of five businesses for which he was the administrator or liquidator.
- [16 December 2024 – NEWS ITEM – ASIC industry funding: 2023-24 dashboard of regulatory costs and summary of variances have been released](#) – ASIC has published its annual dashboard outlining regulatory costs as required under s 138 of the *Australian Securities and Investments Commission Act 2001* (Cth). These costs reflect ASIC's actual costs of regulating each sector it oversees under the industry finding model.
- [16 December 2024 – MEDIA RELEASE – ASIC sues HSBC Australia alleging failures to adequately protect customers from scams](#) – ASIC has instituted proceedings in the Federal Court against HSBC Bank Australia Ltd, alleging that it failed to have systems in place to prevent its customers from incurring unauthorised transactions and to investigate reports of those transaction in a timely manner. In doing so, ASIC alleges that HSBC contravened s 912A(1)(a) of the *Corporations Act 2001* (Cth) and which requires financial services to provided efficiently, honestly and fairly and s 47(1)(a) of the *National Consumer Credit Protection Act 2009* (Cth) which requires the same for credit activities.



APRA news

APRA has released the following updates in its News and publications section:

- [2 January 2025 – MEDIA RELEASES – APRA releases Monthly Authorised Deposit-taking Institution Statistics for November 2024](#)
- [17 December 2024 - MEDIA RELEASES – APRA review highlights the need for improved valuation and liquidity risk governance in superannuation](#) – APRA has issued the results of its review of superannuation trustees' progress in implementing enhanced valuation governance and liquidity risk management requirements. The review indicated that many RSE licensees need to significantly improve either their valuation governance or liquidity risk management frameworks or both to meet the requirements of *Prudential Standard SPS 530 Investment Governance*. APRA will be in touch with trustees of entities where shortcomings were identified and expects them to form remediation plans.
- [16 December 2024 – MEDIA RELEASES – APRA releases updates to its APRA Connect taxonomy artefacts page](#)

Proposed legislative amendments, Government announcements and consultations

- [19 December 2024 – PUBLICATION – Regulatory Initiatives Grid – December 2024](#) – The Treasury has released a Regulatory Initiatives Grid, setting out regulatory reform that will affect the financial sector over the next two years.

Anti-Money Laundering and Counter-Terrorism Financing Amendment Bill 2024

During the calendar year 2025, IPA members in practice will need to consider whether they will become a 'reporting entity' based on the provision of one or more of the designated services and if so, they will need to register with AUSTRAC and comply with an AML/CTF program. The IPA is working closely with the other accounting bodies and AUSTRAC on the development of the Rules but also on guidance and practical support for our members to comply with the extended regime.

AUSTRAC have released information on the AML / CTF regime including:

- seeking your feedback on [new draft Anti-Money Laundering and Counter-Terrorism Financing \(AML/CTF\) Rules](#)
- can use [our 'am I regulated?' checker](#) and read [our Reform website page](#) to see if they may be affected.

More information

View the [AML/CTF Reform page](#) for details about the reforms and links to more information. Members are encouraged to send any comments or feedback to ipaadvocacy@publicaccountants.org.au by **7 February 2025**.