



IPA NEWS

Technical Advantage: 2025 Federal Budget issue

Check out our special issue of Technical Advantage for the 2025 Federal Budget.

2025-26 Australian Federal Budget Media Release: ‘Please don’t ignore the red flags’

The IPA has published a media release regarding the 2025-26 Australian Federal Budget titled *‘Please don’t ignore the red flags, complacency is our enemy’*.

2025-26 Australian Federal Budget Media Release: ‘The decline of small business’

The IPA has published a media release regarding the 2025-25 Australian Federal Budget titled *‘The decline of small business is a silent tax on Australia’s future’*.

Request for Member input

The IPA will be making a submission in relation to the *ANAO Performance Audit on ASIC Regulation of Registered Company Auditors (RCA) Effectiveness*.

Recent IPA Submissions

The IPA has made submissions in relation to *AASB ED 334 Limiting the Ability of Not-for-Profit Entities to Prepare Special Purpose Financial Statements* and *AASB ED 335 General Purpose Financial Statements - Not-for-Profit Private Sector Tier 3 Entities*.

TAXATION

New small business benchmarks for 100 industries: ATO

The ATO has released a new set of updated financial benchmarks to help small business to compare their performance against other businesses in the same industry.

31 March lodgment deadline for NFPs: ATO reminder

The ATO has issued a reminder to NFPs with an active ABN that their annual self-review, to notify of their eligibility to self-assess as income tax exempt, is due 31 March.

Tax Practitioners Board appointments announced

The Government has announced reappointments and appointments of part-time members of the Tax Practitioners Board (TPB).



Community charity trusts and corporations: instrument registered

The Instrument specifies a group of individual community charity trusts for the purposes of Div 226 in Sch 1 to the TAA 1953.

Social security and aged care rates and thresholds 20 March 2025

Indexation of various social security rates and thresholds, including the aged pension, will come into effect from 20 March 2025.

Private health insurance rebate up to 31 March 2026 released

The Department of Health and Aged Care has released the private health insurance percentages and relevant income tiers for 1 April 2025–31 March 2026.

Legal profession under the ATO spotlight

The ATO is focusing on the legal profession and what lawyers must do to meet their tax obligations after recent reviews highlighted issues with compliance.

SUPERANNUATION

ASIC announces action against 17 SMSF auditors

ASIC has taken action against the registration of 17 approved SMSF auditors after finding breaches across a number of areas including professional obligations.

Active Super ordered to pay \$10.5m penalty for greenwashing

The Federal Court has imposed a penalty of \$10.5m against Active Super for greenwashing conduct.

Annual market valuation of assets and the role of SMSF auditors

The ATO has reminded SMSF trustees that they must annually value the assets of their SMSF at market value when preparing financial statements and accounts.

FINANCIAL SERVICES

Minor changes to reporting standards: APRA

APRA has made minor changes to several reporting standards in order to align to the APRA Connect taxonomy and clarify reporting requirements.



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.

IPA NEWS

Technical Advantage: 2025 Federal Budget issue

Click [here](#) to check out our 2025 Federal Budget issue of Technical Advantage.

2025-26 Australian Federal Budget Media Release: 'Please don't ignore the red flags'

"“Australia is sleepwalking into an economic wasteland, and successive governments have been ignoring the red flags,” says Institute of Public Accountants (IPA) CEO Professor Andrew Conway.

“Global organisations have been warning Australia about the state of our economy and the lack of attention to productivity boosting reforms and initiatives,” says Professor Conway.”

Click [here](#) to read the IPA's full Federal Budget media release titled *'Please don't ignore the red flags, complacency is our enemy'*.

2025-26 Australian Federal Budget Media Release: 'The decline of small business'

"The 2025-26 Federal Budget has failed a critical test: reversing the alarming slide of Australia's small business sector.

Small businesses are confronted with unprecedented challenges. Data reveals a disturbing trend: their contribution to GDP has plummeted from 40 per cent in 2006 to just 33 per cent today, while their share of private sector employment has fallen from 53 per cent to 42 per cent*."

Click [here](#) to read the IPA's full Federal Budget media release titled *'The decline of small business is a silent tax on Australia's future'*.



Request for Member input

ANAO Performance Audit: ASIC Regulation of Registered Company Auditors Effectiveness

The ANAO is conducting a performance audit on the effectiveness of the Australian Securities and Investments Commission's (ASIC) regulation of registered company auditors (RCA).

The ANAO proposes to examine:

- Are ASIC's governance arrangements and the design of regulatory activities for RCA fit for purpose?
- Has ASIC appropriately implemented regulatory activities for RCA?

ANAO's performance audits involve the independent and objective assessment of the administration of an entity or body's programs, policies, projects or activities. They also examine how well administrative support systems operate. The ANAO values information that deals with significant matters or insights into the administration of the subject of this audit. In particular, comments on the efficient and effective implementation of government programs, including the achievement of their intended benefits.

IPA will be providing comments to the ANAO on the above audit. To ensure that IPA represents members' views, we are seeking your comment. Please forward your comments to ipaadvocacy@publicaccountants.org.au by **Thursday 17 April 2025**.

Recent IPA Submissions

See [here](#) for the IPA's submission on *AASB ED 334 Limiting the Ability of Not-for-Profit Entities to Prepare Special Purpose Financial Statements*.

See [here](#) for the IPA's submission on *AASB ED 335 General Purpose Financial Statements - Not-for-Profit Private Sector Tier 3 Entities*.

TAXATION

New small business benchmarks for 100 industries: ATO

The ATO has [released](#) a new set of [updated financial benchmarks](#) for small businesses to

compare their performance including average expenses against other businesses in the same industry. The benchmarks are useful as a financial health check and businesses that remain within industry benchmarks are generally less likely to attract the ATO's attention.

The Performance benchmarks include:

- tax return benchmark ranges (eg cost of sales to turnover, total expenses to turnover, labour to turnover, etc) - from information provided by businesses on their tax returns; and

- activity statement benchmark ranges (non-capital purchases to total sales, GST-free sales to total sales) - from information provided by businesses using complete financial year activity statement data.

The benchmarks cover 100 industries and over 2 million small businesses in Australia.

31 March lodgment deadline for NFPs: ATO reminder

The ATO has issued a [release](#) reminding non-charitable not-for-profits (NFPs) with an active ABN that they are now required to lodge an annual self-review return to notify of their eligibility to self-assess as income tax exempt.

Introduced in the 2021-22 Federal Budget, the ATO has extended the new requirement due date for the 2023-24 income year self-review return until 31 March 2025, to help NFPs lodge their first return. Future self-review returns will be due by 31 October annually.

Charitable NFPs registered with the Australian Charities and Not-for-profits Commission (ACNC) are not required to lodge the self-review return.

The ATO indicates that it expects some NFPs, when completing their self-assessment, to realise that they instead need to register with the ACNC as a charitable NFP to access the income tax exemption. Others may come to the conclusion that they have incorrectly assumed that they were entitled to a tax exemption.

The ATO also provided reassurance that NFPs that have mistakenly assessed as income tax exempt in the past can contact its dedicated team for assistance. In addition, NFPs that discover that they should instead be registered with the ACNC as a charitable NFP can still lodge the NFP self-review return and the ATO will help with the next steps.

The ATO's [NFP self-review return flowchart](#) provides a step-by-step guide on how to access and lodge the return online. Contact information is also provided for further assistance.

Tax Practitioners Board appointments announced

The Government has [announced](#) the following reappointments and appointments of part-time members of the Tax Practitioners Board (TPB):

- Mr Steven Dobson - reappointed for a one-year period
- Ms Debra Anderson - reappointed for a two-year period
- Ms Joanna Bird, Ms Amanda Gascoigne and Ms Merran Kelsall - each appointed for a three-year period.

Mr Dobson, a member of the TPB since 30 March 2022, works in an associated industry to tax practitioners where he has operated a financial advisory business for over 20 years. He has experience on various Western Australian Government boards.

Ms Anderson, a member of the TPB since 18 February 2019, is an experienced tax agent and former BAS agent who has operated a tax advisory business for approximately 20 years.

Ms Bird is a self-employed consultant providing advice on financial market and services regulation. She is also an Adjunct Professor in law at the University of New South Wales and Monash University. She was a senior executive at ASIC for 10 years.

Ms Gascoigne founded and operated a regional accounting firm for 18 years, providing tax and advisory services to small businesses.

Ms Kelsall was the Chair and CEO of the Auditing and Assurance Standards Board; a member of the International Auditing and Assurance Standards Board; a partner at BDO; and Professor of Practice at the University of New South Wales Business School. She is currently on various boards.

Community charity trusts and corporations: instrument registered

The Government has registered the [Taxation Administration \(Community Charity Trusts and Corporations\) Declaration 2025](#) (the "Declaration"). The Declaration specifies an initial group of individual community charity trusts for the purposes of Div 426 in Sch 1 to the TAA 1953.

The entities specified must meet the other requirements for deductible gift recipient endorsement under the TAA 1953, including being registered as a charity by the Australian Charities and Not-for-profit Commission, and complying with the Taxation Administration (Community Charity) Guidelines 2025.

Date of effect: 20 March 2025.

Social security and aged care rates and thresholds 20 March 2025

Indexation of various [social security rates and thresholds](#) will come into effect from 20 March 2025 including:

- Age Pension: \$29,874pa for singles and \$22,518.60pa for each member of a couple;
- Age Pension income test cut-off limits: \$65,260pa for singles and \$99,746.40pa for couples combined; and
- Age Pension asset cut-off limits: \$697,000 for single homeowners and \$1.0475m for couple homeowners (combined).

[Fees and charges for residential and home care](#) and [Aged care subsidies and supplements](#) will also increase from 20 March 2025.

Private health insurance rebate up to 31 March 2026 released

The Department of Health and Aged Care has [released](#) the private health insurance rebate percentages for the relevant income tier for 1 April 2025 to 31 March 2026:

Age group	Base Tier	Tier 1	Tier 2	Tier 3
Under 65	24.288%	16.192%	8.095%	0.000%
65 - 69	28.337%	20.240%	12.143%	0.000%
70+	32.385%	24.288%	16.192%	0.000%



Legal profession under the ATO spotlight

The ATO has issued a [bulletin](#) highlighting its concern where recent work with the legal profession has revealed some lawyers are failing to lodge returns, are making errors, or not paying their taxes on time.

According to the ATO, 85% of its review of over 250 lawyers show they didn't lodge returns, including some with multiple years overdue. The ATO also said that commonly, lawyers incorrectly report distributions from partnerships and associated service trusts. Redirection of legal firm income to an associated entity comes under the ATO's attention as high risk. [Online resources](#) are available for lawyers to self-assess their risk of inappropriate alienation of income and understand the ATO's compliance action.

The release includes examples of compliance actions against lawyers as well as resources to help the legal profession fulfil their tax obligations.

SUPERANNUATION

ASIC announces action against 17 SMSF auditors

Between 1 July 2024 and 31 December 2024, ASIC [took action](#) against the registration of 17 approved self-managed superannuation fund (SMSF) auditors. ASIC:

- disqualified 4 SMSF auditors;
- imposed additional conditions on 2 SMSF auditors; and
- cancelled the registration of 11 SMSF auditors.

This is in addition to the [announcement](#) that ASIC suspended 3 high-volume auditors in October 2024.

ASIC took this action because it found breaches across the following areas:

- professional obligations of approved SMSF auditors, such as complying with auditing and assurance standards, the auditor independence requirements, continuing professional development requirements or holding a current policy of professional indemnity insurance;
- annual statement non-compliance; or
- SMSF auditors ceased to have the practical experience necessary for carrying out SMSF audits.

The current status of a registered SMSF auditor can be checked on ASIC's Professional Registers Search.

Active Super ordered to pay \$10.5m penalty for greenwashing

The Federal Court has imposed a penalty of \$10.5m against Active Super for greenwashing misconduct. The [judgment](#) is available on the ASIC website.

In June 2024, the Federal Court found that Active Super contravened the law when it invested in various securities that it had claimed were eliminated or restricted by its environmental, social and governance (ESG) investment screens.

ASIC Deputy Chair Sarah Court said, “This is a significant penalty that sends a strong message to companies making sustainable investment claims that those claims need to reflect the true position.”

Annual market valuation of assets and the role of SMSF auditors

The ATO has [reminded](#) SMSF trustees that every year, they must value the assets of their SMSF at market value when preparing financial statements and accounts. The ATO's [Valuation guidelines for self-managed super funds](#) provides advice to trustees when valuing assets.

Auditors play an important role in [verifying the market value of fund assets](#). They must obtain evidence to support the valuations as part of their audit. If the evidence doesn't support that the valuation is at market value, the auditor should consider modifying their opinion in the independent auditor's report and lodge an Auditor contravention report, if the reporting criteria are met.

Trustees and auditors have continued to rely on incorrect and outdated practices, such as only obtaining a valuation every 3 years or not obtaining objective data related to the underlying assets of an unlisted unit trust. This is a breach of their obligations and can result in penalties for trustees and compliance action for auditors.

FINANCIAL SERVICES

Minor changes to reporting standards: APRA

APRA has issued a [release](#) stating that it has made minor changes to the following reporting standards in order to align to the APRA Connect taxonomy and clarify reporting requirements:

- SRS 101.0 Definitions for Superannuation Data Collections;
- SRS 553.0 Investment Exposure Concentrations and Valuations; and
- SRS 606.0 RSE Profile to align to the APRA Connect taxonomy and clarify reporting requirements.

REGULATOR NEWS

ASIC News

ASIC has released the following updates in its Newsroom section:

- [20 March 2025 – MEDIA RELEASE – Charges discontinued against David Burke](#) – The Commonwealth Director of Public Prosecutions has dropped charges against David Burke, founder and Managing Director of Ingenius Communications Pty Ltd. He had

previously been charged with giving false or misleading information to ASIC about to G8 Education Ltd's takeover bid of Affinity Education Group Ltd.

- [20 March 2025 – MEDIA RELEASE – Charges discontinued against former director of G8 Education Limited](#) – The Commonwealth Director of Public Prosecutions has dropped charges against Jennifer Hutson, former Director of G8 Education Ltd.
- [20 March 2025 – NEWS ITEM – ASIC Chair Joe Longo spoke with AICD Managing Director and CEO Mark Rigotti at the recent Australian Governance Summit](#) – After Joe Longo's keynote speech at the recent Australian Governance Summit, he and the host had a Q&A session.
- [20 March 2025 – NEWS ITEM – ASIC updates Markets Disciplinary Panel regulatory guidance](#) – The Markets Disciplinary Panel considers whether infringement notices should be issued for alleged contraventions of integrity rules by market participants. ASIC has published a revised version of Regulatory Guide 216 *Markets Disciplinary Panel*, which sets the disciplinary framework for the market integrity rules, the MDP's function and policies. The revisions provide for virtual hearings of the Panel and reflect recent decisions on penalties.
- [19 March 2025 – NEWS ITEM – Scam Alert: Beware scammers impersonating ASIC requesting payments to release funds or assets](#) – ASIC is warning consumers to beware of email or text messages from scammers purporting to be from ASIC demanding a payment to enable the release of funds or assets. ASIC does not require or accept payments in digital or crypto assets and does not collect payments to facilitate the release of funds. Consumers who believe they have been scammed should block the scammer, stop sending money, report the transaction to their financial institution and advise ASIC's Scamwatch.
- [19 March 2025 – NEWS ITEM – ASIC puts car finance under the microscope including outcomes for regional and First Nations consumers](#) – ASIC will conduct a review of finance in the motor vehicle finance sector improve consumer outcomes, particularly in regional and remote locations, including First Nations communities. ASIC will examine the compliance of lenders, brokers and other intermediaries, and review their treatment of defaults, hardship practices and dispute resolution. ASIC will take enforcement action as required.
- [18 March 2025 – MEDIA RELEASE – Federal Court freezes assets of Rashid Alshakshir in connection with ASIC's investigations into Shield and First Guardian](#) – ASIC has obtained freezing orders for the assets of Rashid Alshakshir, director of Lion & Horn Pty Ltd (in liq), Nohap Pty Ltd (in liq) and Indigo Group Pty Ltd (in liq) in the Federal Court. ASIC is investigating him and associated entities regarding marketing services and the payment for them, relating to its investigations of the Shield Master Fund and the First Guardian Master Fund.
- [18 March 2025 – MEDIA RELEASE – Active Super ordered to pay \\$10.5 million penalty in ASIC's third greenwashing court action](#) – In June 2024, the Federal Court found that Active Super had engaged in misleading and deceptive conduct regarding its claims that its environmental, social and governance investment screens filtered out investments that posed ESG risks. The Federal Court has now fined Active Super \$10.5 million. The [judgment](#) of O'Callaghan J is available.
- [17 March 2025 – MEDIA RELEASE – Update for investors in the First Guardian Master Fund](#) – ASIC has instituted proceedings in the Federal Court to have liquidators appointed to Falcon Capital Ltd, the responsible entity for the First Guardian Master Fund, and for winding up orders against First Guardian. ASIC also seeks to have a receiver and manager appointed over the personal property of a Falcon director, David Anderson. ASIC is concerned about First Guardian management and operation and the

risks for investors.

- [17 March 2025 – MEDIA RELEASE – ASIC announces action against 17 SMSF auditors](#) – Between 1 July and 31 December 2024, ASIC moved against 17 self-managed superannuation fund auditors because of their breaches of professional obligations, annual statement non-compliance or shortfalls in their practical experience. Four were disqualified, two had additional conditions added to their registrations. A further 11 registrations were cancelled by ASIC after a joint operation with the Australian Taxation Office pinpointed auditors without the adequate level of professional experience.

APRA news

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

- [21 March 2025 – SPEECHES – APRA Executive Director of General Insurance and Banking Jane Magill speech to Future of Insurance 2025](#) – Jane Magill presented to the Future of Insurance event in Sydney, noting that Cyclone Alfred highlighted the importance of insurance. She went on to provide detail about the Financial Accountability Regime, which comes into effect this month, to bolster the governance, accountability and resilience of the insurance sector. In July 2025, APRA's Prudential Standard CPS 230 Operational Risk Management takes effect to assist organisations to spot, assess and manage risks. She referred to industry experience from 2022 regarding the processing of claims from floods and applications to recent events.
- [19 March 2025 – MEDIA RELEASES – APRA makes minor changes to reporting standards](#) – APRA has amended reporting standard SRS 101.0 Definitions for Superannuation Data Collections, reporting standard SRS 553.0 Investment Exposure Concentrations and Valuations and reporting standard SRS 606.0 RSE Profile.
- [18 March 2025 – SPEECHES – APRA Chair John Lonsdale's speech to AFR Banking Summit](#) – John Lonsdale, the Chair of APRA, presented to the AFR Banking Summit in Sydney, highlighting the uncertainty brought by a trade war and other international instability. In the time since the global financial crisis in 2008, the resilience of the international financial system has been boosted. APRA is reluctant to loosen regulation in Australia, particularly against a backdrop of growing international risk. He also discussed APRA's consultation on governance arrangements for regulated entities.