



IPA NEWS

Tax Deductibility Documents

The IPA has jointly developed the *Tax Deductibility of Financial Advice Fees: A Practical Guide to Implementation* and the *Quick Reference Guide: Tax Deductibility of Financial Advice Fees* in collaboration with the FAAA, CAANZ and CPA Australia.

Recent IPA Submissions

The IPA has made submissions in relation to the *IGTO 2026 Draft Workplan for Systemic Reviews*.

IGTO review of ATO registered agent phone line

Following the IPA's [submission](#) to the IGTO in relation to its 'Systemic Review of the Effectiveness of the ATO's Registered Agent Phone Line', we have participated in follow-up consultation.

TAXATION

New Code obligations from 1 July 2025: TPB reminder

The TPB has issued a reminder to small tax practitioners that the new Code obligations will commence on 1 July 2025.

Tax agent ban for dishonest conduct

The TPB has terminated the registration and banned a tax agent from seeking registration with the TPB for 5 years.

Systems are secure and have not been compromised: ATO media release

In response to media reporting that the ATO has been "hacked", the ATO has clarified those reports as incorrect and its systems are secure.

Proposed Parliamentary sittings 2025 released

The Department of the Prime Minister and Cabinet has issued proposed Parliamentary sitting dates.



Discretionary spending limit for special disability trusts 2025-26

The new Determination increases the discretionary spending limit (indexed annually to CPI) for special disability trusts for 2025-26.

Car parking threshold for the 2025-26 FBT year

The ATO has advised that the car parking threshold is \$11.03 for the FBT year ending 31 March 2026 (\$10.77 for the year ending 31 March 2025).

Additional ATO support for new small businesses

The ATO has announced it is providing additional support for new small business owners to ensure they understand and comply with their tax, superannuation and registry obligations from the start.

Updated guidance for succession planning

The ATO has released its refreshed guidance in relation to succession planning.

Private wealth – ATO areas of focus

The ATO has released its key focus areas for the privately owned wealthy groups population for 2024-25.

FINANCIAL SERVICES

ASIC outlines financial reporting and audit priorities for 2025-26

ASIC has announced its financial reporting and audit focus areas for the 2025-26 financial year.

SUPERANNUATION

New PSS determinations for 2025-26

New PSS determinations for 2025-26 have been registered, setting out new maximum benefits and productivity contribution rates for the PSS for the year starting 1 July 2025.

ATO SMSF quarterly statistical report March 2025

The ATO has released its quarterly statistical report on the self-managed super fund sector for March 2025.



Longer life expectancies for Australian retirees

The Australian Life Tables 2020-22, released by the Australian Government Actuary, reveal that life expectancies of 65 year olds have increased since the previous 2015-17 Life Tables were released.

APRA benchmark representative admin fees and expenses - March 2025

APRA has released the benchmark representative administration fees and expenses for the 12 months to March 2025.

Superannuation industry implementation of the Financial Accountability Regime

ASIC and APRA have released notes from 2 Superannuation CEO Roundtables held in April 2025, focusing on the implementation of the FAR for super funds.

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

Tax Deductibility Documents

TD 2024/7 sets out the ATO's revised guidance in relation to the deductibility of financial advice fees incurred by individuals. The Practical Guide to Implementation and the Quick Reference Guide have been jointly developed by the IPA with the FAAA, CAANZ and CPA Australia to assist tax practitioners and financial advisors in understanding and implementing the ATO's updated guidance. The guide contains plain language explanations, practical examples, suggested apportionment methodologies and sample invoices.

Please visit our [website](#) to access these documents.

Recent IPA Submissions

See [here](#) for the IPA's submission on the *IGTO 2026 Draft Workplan for Systemic Reviews*.



TAXATION

New Code obligations from 1 July 2025: TPB reminder

The Tax Practitioners Board (TPB) has issued a [reminder](#) to small tax practitioners (with 100 or less employees) that the 8 new Code of Professional Conduct (Code) obligations will commence on 1 July 2025.

The new Code obligations were introduced by the Government under the Tax Agent Services (Code of Professional Conduct) Determination 2024 and have already commenced for large tax practitioners (with over 100 employees) from 1 January 2025.

As part of the reminder, the TPB includes links to materials available on its website to help tax practitioners understand and comply with the new obligations. It also includes information about an upcoming webinar which will take place on 12 June on the new Code obligations.

Tax agent ban for dishonest conduct

The Tax Practitioners Board (TPB) has issued a [compliance case study](#) where the Board Conduct Committee (BCC) found an individual tax agent and their company of which they were the sole director had breached multiple Code items.

The breaches included the tax agent failing to:

- act honestly and with integrity (Code item 1) by: (i) making false and misleading statements in their registration renewals regarding overdue taxation obligations; (ii) lodging a false BAS for the company for the purpose of receiving a refund that the ATO determined it was not entitled to; (iii) amending and/or lodging BAS statements for 2 clients without their knowledge or consent; and (iv) misappropriating substantial amounts of client's refunds.
- comply with the taxation laws in the conduct of their own and their related entities' affairs (Code item 2), including the: (i) non-lodgement of a significant number of income tax returns and BAS statements; (ii) failure to pay outstanding tax debts by their due dates; (iii) failure to comply with a notice issued by the TPB; and (iv) failure to notify the TPB within 30 days that the company had entered into external administration.
- account to their clients for a substantial sum of money received on trust into 2 separate bank accounts they controlled (Code item 3).
- ensure tax agent services were provided competently (Code item 7) by preparing and lodging BAS on behalf of its clients which were subsequently subject to ATO amendments, resulting in substantial shortfalls in tax payable.
- maintain the required professional indemnity (PI) insurance (Code item 13).
- respond to TPB requests for information during its investigation (Code item 14).

The BCC decided both the individual tax agent and the company should have their registration terminated with a 5 year ban from re-applying for registration.

In a separate [media release](#), the TPB has also brought attention to a tax agent whose registration was terminated for misconduct and banned from seeking registration with the TPB for 5 years.

The tax agent, the sole director of an associated company that also had its tax agent registration terminated with the maximum 5-year ban being applied, was found by the TPB to have conducted multiple breaches of the Tax Agent Services Act 2009 and the Code of Professional Conduct, including:

- devising tax minimisation schemes for clients;
- personal tax evasion in relation to his professional fees;
- false statements to the ATO asserting that professional fees were gifts;
- failure to register and pay GST liabilities of \$205,000;
- failure to lodge activity statements and income tax returns; and
- failure to pay a tax debt of \$2 million.

Systems are secure and have not been compromised: ATO media release

The ATO has issued a [media release](#) confirming that its systems are secure, resilient and have not been compromised. This is in response to media reporting that the ATO has been “hacked”, to which the ATO has clarified to be incorrect.

Should an individual see unusual activities on their ATO account, it may be related to identity theft. While identity information can be compromised in a variety of ways, the ATO said that when it suspects that a taxpayer’s identity may be compromised, the ATO activates stringent security measures to protect the taxpayer.

Where an individual is found to be a victim of third-party fraud, the ATO said that it will work with them to fix their client account and remediate it to its true and genuine position. The ATO will then work to recover the monies.

To-date, the ATO has introduced a range of measures to better protect client identity and accounts and will soon be deploying additional security features in the ATO app. Individuals are encouraged to use myID when interacting with the ATO’s online services and to set up to the highest identity strength where possible to make it harder for fraudsters to exploit their identities.

Proposed Parliamentary sittings 2025 released

The Department of the Prime Minister and Cabinet has issued the [2025 Proposed Parliamentary sittings](#).

Both Houses are due to sit again on Tuesday 22 July for 3 days. Both Houses will sit again for 4 days in the next week (ie from 28 July to 31 July).

Discretionary spending limit for special disability trusts 2025-26

The [Social Security \(Special Disability Trust - Discretionary Spending\) Determination 2025](#) ("the Determination") was registered on 22 May 2025, effective 1 July 2025. The Determination increases the discretionary spending limit (which is indexed annually to CPI) for special disability trusts from \$14,500 (2024-25) to \$14,750 for 2025-26.



Additional ATO support for new small businesses

The ATO has announced it is providing additional support for new small business owners to ensure they understand and comply with their tax, superannuation and registry obligations from the start.

Through the 'ready for business' campaign, ABN holders will receive a series of emails from the ATO which include tips on ABN obligations, business structures, registering for GST and understanding employer responsibilities.

More information can be found [here](#).

Updated guidance for succession planning

The ATO has released its refreshed guidance in relation to succession planning.

The information lists key things to be done, including putting a succession plan in place, checking the plan regularly, considering the tax consequences and seeking advice.

The refreshed guidance can be accessed [here](#).

Private wealth – ATO areas of focus

The ATO has released its key focus areas for the privately owned wealthy groups population for 2024-25.

Key risk areas include:

- Registration, lodgment and payment
- Incorrect reporting
- Tax advisers and professional firms — including non-compliance issues and inappropriate allocation of professional firm profits
- Division 7A
- CGT — including small business concessions and calculation of discount
- Property and construction.

The full list is available [here](#).

FINANCIAL SERVICES

ASIC outlines financial reporting and audit priorities for 2025-26

ASIC has [announced](#) its financial reporting and audit focus areas for the 2025-26 financial year, outlining key areas of surveillance and regulatory oversight across various sectors.

The regulator's financial reporting focus continues to concentrate on areas requiring significant judgement, including:

- revenue recognition;
- asset valuation; and
- provision estimation.

For 2025-26, ASIC will review an increased number of audit files. As part of its integrated approach, audit files will continue to be selected where a change has been made to financial information or the financial report, or where ASIC has concerns that a financial report may have a risk of material misstatement. In some instances, ASIC will select audit files based on other internal or externally available data.

ASIC's focus areas for RSE financial reports include:

- the measurement and disclosure of investment portfolios, and
- disclosure of marketing and advertising expenses.

A significant development is the mandatory sustainability reporting requirements under AASB S2 Climate-related disclosures for eligible Group 1 entities. ASIC will review December 2025 sustainability reports and has committed to a proportionate enforcement approach during the implementation phase.

The regulator is conducting a large-scale surveillance of auditor independence and conflicts of interest compliance, with approximately 50 auditors under detailed review. Additionally, ASIC has updated [Information Sheet 284](#) to clarify tax residency disclosure requirements for public companies.

SUPERANNUATION

New PSS determinations for 2025-26

The following determinations have been registered and are effective 1 July 2025:

- [Superannuation \(PSS\) Maximum Benefits \(2025-2026\) Determination 2025](#); and
- [Superannuation \(PSS\) Productivity Contribution \(2025-2026\) Determination 2025](#).

The purpose of the determinations is to set new maximum benefits and productivity contribution rates for the Public Sector Superannuation (PSS) scheme for the financial year starting on 1 July 2025.

The PSS Rules contain specific rules specifying maximum benefits for scheme members and employees of the Australian Federal Police (AFP).

For the financial year starting on 1 July 2025, the maximum lump sum benefits are:

Average salary	Maximum benefit
Less than \$93,000	\$930,000
\$93,000 and over	10 times average salary

For the financial year starting on 1 July 2025, the maximum AFP lump sums are:



Average salary	Maximum benefit
Less than \$93,000	\$930,000
\$93,000 and over	10 times average salary

For the financial year starting on 1 July 2025, the maximum benefits for AFP pensions are:

Final average salary	Preliminary Maximum Benefit
Less than \$93,000	\$1,302,000
\$93,000 and over	14 times average salary

For the financial year starting on 1 July 2025, the productivity contributions for PSS are:

Fortnightly rate of salary	Fortnightly productivity contribution
Less than \$2,961.33	\$88.84
\$2,961.33 or more but less than \$4,771.33	The amount that is 3% of the employee's fortnightly rate of salary
\$4,771.33 or more but less than \$7,157.00	\$143.14
\$7,157.00 or more	The amount that is 2% of the employee's fortnightly rate of salary

ATO SMSF quarterly statistical report March 2025

The ATO's [March 2025 quarterly statistical report](#) on the self-managed super fund (SMSF) sector has been released.

Highlights from the report include:

- 646,168 SMSFs;
- 1,197,293 members;
- \$1.01 trillion total estimated assets;
- 26% of total estimated SMSF assets invested in listed shares;
- 16% of total estimated SMSF assets invested in cash and term deposits;
- 53% of SMSF members are male and 47% are female; and
- 85% of SMSF members are 45 years or older.

Longer life expectancies for Australian retirees

The [Australian Life Tables 2020-22](#) were released by the Australian Government Actuary on 12 December 2024. Life tables are released every 5 years, based on 3 years' information centred on each Census year.

The life expectancy of a 65 year old male or female have both increased since the previous 2015-17 Life Tables were released on 5 December 2019. The life expectancy of a 65 year old male is now 20.30 (up from 19.86) and the life expectancy of a 65 year old female is now 22.90 (up from 22.47).

The 2020-22 Australian Life Tables apply to income streams that were commenced on or after 1 January 2025.

Among other things, the Life Tables are used in certain calculations for lifetime income streams including the social security assets test value of asset-tested income streams (lifetime) purchased on or after 1 July 2019.

Following the updates to the Life Tables:

- the [Social Security \(Value of Asset-tested Income Streams \(Lifetime\)\) \(Number of Expected Years\) Instrument 2025](#) was registered on 25 February 2025 (effective 1 January 2025) to amend the threshold day from 84 to 85. The “threshold day” (s 1120AB(9) Social Security Act 1991) is the day the social security assessable amount of a lifetime income stream drops from 60% of the purchase price to 30% of the purchase price. The new threshold day of age 85 only applies to lifetime income streams with an assessment day on or after 1 January 2025. The assessment day (s 1120AB(6)) is generally the purchase date of the income stream; and
- [amendments](#) to the Social Security (Value of Asset-tested Income Streams (Lifetime)) Determination 2019 (the [Principal Determination](#)) were also made to ensure that the latest Australian Life Tables published by the Australian Government Actuary are used from 1 January 2025, when determining the surrender value and death benefit value of a person's asset-tested income stream (lifetime). The Determination does not affect any calculations undertaken prior to 1 January 2025.

There is more information about the assets test treatment of asset-tested income streams (lifetime) available in [part 4.9.3.35 of the Social Security Guide](#), on the Department of Social Services' website.

APRA benchmark representative admin fees and expenses - March 2025

APRA has released the benchmark representative administration fees and expenses ("BRAFE") for the 12 months to March 2025 in question 15 of the [Your Future, Your Super Frequently Asked Questions](#).

The BRAFE are the median administration fees and expenses (as charged on a \$50,000 balance) for each category of superannuation product that is used in APRA's annual performance test: SIS reg 9AB.16.

Benchmark representative administration fees and expenses (BRAFE)

Product category	12 months to June 2024	12 Months to June 2025
MySuper products	0.2715%	0.24932%
Non-Platform Trustee Directed Products	0.26326%	0.2468%
Platform Trustee Directed Products	0.5699%	0.590%

Superannuation industry implementation of the Financial Accountability Regime

ASIC and APRA have released [notes](#) from 2 Superannuation CEO Roundtables held in April 2025, focusing on the implementation of the Financial Accountability Regime (FAR) for superannuation funds from 15 March 2025. The roundtables, attended by 15 superannuation CEOs, demonstrated the industry's preparedness for the regulatory framework designed to enhance accountability and governance in Australia's financial services sector.

REGULATOR NEWS

ASIC News

ASIC has released the following updates in its Newsroom section:

- [23 May 2025 – NEWS – ASIC and APRA host Superannuation CEO Roundtables to discuss the FAR](#) – ASIC and APRA have published notes from the latest Superannuation CEO Roundtables held on 1 April 2025 and 10 April 2025. The theme of the roundtables were key issues related to the Financial Accountability Regime (FAR).
- [23 May 2025 – MEDIA RELEASE – ASIC acts on concerns Kalkine Pty Limited offered unlicensed advice](#) – ASIC has imposed new conditions on Kalkine Pty Limited's AFS licence to ensure compliance with its obligations. Kalkine is required to engage a consultant to review, assess and report to ASIC whether Kalkine's customer interactions are compliant and its supervision mechanisms are adequate. The conditions have been imposed to address ASIC's concerns that Kalkine's customer service representatives were giving unlicensed advice. Kalkine has agreed to the new licence conditions being imposed.
- [22 May 2025 – MEDIA RELEASE – ASIC sues online consumer goods supplier Snaffle alleging inflated prices and overcharging on credit contracts](#) – ASIC has instituted proceedings against Walker Stores Pty Ltd (the operator of Snaffle) alleging it inflated the cost of household goods and electronics, and applied unlawful interest charges under credit contracts. ASIC alleges Snaffle's pricing structure circumvented a ceiling on costs that can be imposed under credit contracts, allegedly inflating interest payments for customers. ASIC seeks declarations against Walker Stores for breaches of the National Credit Code, pecuniary penalties, injunctions and adverse publicity orders.
- [22 May 2025 – NEWS ITEM – Consumer lease industry on notice for potential compliance failures following reforms](#) – ASIC has released the results of its survey of consumer leases, which found that recent legislative reforms have resulted in many providers leaving the sector but many others still at risk of contravening the law. The review found that some providers stopped offering consumer leases and started to offer alternative regulated credit products. There also appear to inconsistent approaches by market participants to fees charged to the contract and review of bank statements and assessments of suitability.
- [21 May 2025 – MEDIA RELEASE – Former financial services director Mark McCabe sentenced for fraud offences](#) – Mark Francis McCabe of Roseville, NSW was sentenced in the Downing Centre District Court at Sydney on 16 May 2025 to four years and three months' imprisonment with a non-parole period of two years and six

months for three fraud offences. Mr McCabe pleaded guilty to making dishonest and deceptive representations to investors including that he would provide — and had provided — investors with access to foreign exchange trading accounts on a platform provided by a third party, but no actual trading took place. Instead, he misappropriated over \$940,000 in investors' funds.

- [21 May 2025 – MEDIA RELEASE – ASIC seeks leave from High Court to appeal Block Earner decision](#) – ASIC has applied for special leave from the High Court to appeal the Full Federal Court decision which found that a product issued by Block Earner, which allowed consumers to earn fixed yield returns from lending specified crypto-assets, was not a financial product. ASIC seeking to clarify the definition of financial product and when interest-earning products and products involving a conversion of assets from one form into another are regulated. This clarification would apply to all financial products and services, regardless of whether they involve crypto-assets.
- [21 May 2025 – MEDIA RELEASE – ASIC sues home loan manager Resimac alleging failures to customers facing financial hardship](#) – ASIC has instituted proceedings in the Federal Court against Resimac Ltd alleging that it failed to act efficiently, fairly and honestly from 2022 and 2024 contrary to its obligations under the *National Consumer Credit Protection Act 2009* (Cth). ASIC alleges that Resimac did not provide appropriate care when responding to hardship applications as required by its credit licence and imposed a “one size fits all” approach to applications.
- [20 May 2025 – MEDIA RELEASE – ASIC cancels licence of Calait Capital Partners Pty Ltd](#) – ASIC has cancelled the Australian financial services licence of Calait Capital Partners Pty Ltd following a payment of compensation by the Compensation Scheme of Last Resort. On 8 July 2024 and 31 October 2024, AFCA made determinations against Calait which it failed to pay. The Compensation Scheme, which has been in operation since April 2024, paid compensation totalling \$267,235 on 2 April 2025. Where AFCA makes a determination against a licence-holder and the CSLR compensates a complainant, ASIC must cancel the licence; it did this on 5 May 2025.
- [19 May 2025 – MEDIA RELEASE – ASIC announces financial reporting and audit focus areas for FY 2025-26](#) – ASIC has released its areas of focus for financial reporting and audit for the 2025-26 financial year. For financial reports, these will include revenue recognition, asset valuation, and estimation of provisions. For auditing, it will look to files where a change has been made to financial information or the financial report, or where there are concerns that a financial report may have a risk of material misstatement. ASIC also summarised the progress of its ongoing financial reporting and audit surveillance programs.
- [16 May 2025 – MEDIA RELEASE – Former Sydney financial adviser sentenced for dishonest conduct](#) – Former financial adviser David Valvo has been sentenced for engaging in dishonest conduct in the course of carrying on a financial services business, contrary to s 1041G of the *Corporations Act 2001* (Cth). Between July 2019 and January 2020, he dishonestly obtained \$110,000 from client superannuation accounts. Mr Valvo was convicted and sentenced to three years' imprisonment, suspended conditionally upon him maintaining good behaviour for five years, paying a penalty of \$20,000 and repaying the trustee of clients' fund for reimbursing clients' losses.
- [16 May 2025 – MEDIA RELEASE – Zurich pays two infringement notices for trauma insurance claims handling failure](#) – ASIC has issued two infringement notices totalling \$37,560 to Zurich Australia Ltd for allegedly making false or misleading statements to two policyholders about their entitlement to benefit payments. Zurich wrongly declined two trauma insurance claims because particular medical conditions were excluded. Zurich found the errors during a quality assurance review and subsequently remediated

the policyholders paying the benefit entitlements with interest. Zurich also reported the error to ASIC.

- [16 May 2025 – MEDIA RELEASE – Darryl Mapleson pleads guilty in Beacon Minerals insider trading case](#) – A former supplier of services to Beacon Minerals Ltd, Darryl Mapleson, has pleaded to insider trading in the Supreme Court of Western Australia. At the time of the offence, it was Mr Mapleson's role to make announcements to ASX about drilling results. He possessed inside information that was not yet public or announced to the market by ASX.

APRA news

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

- [23 May 2025 – MEDIA RELEASES – APRA and ASIC release notes on Superannuation CEO Roundtables - April 2025](#) – APRA and ASIC are releasing public notes on the latest Superannuation CEO Roundtables held on 1 April 2025 and 10 April 2025.
- [22 May 2025 – MEDIA RELEASES – APRA publishes a new FAQ on the Your Future, Your Super performance test](#) – APRA has issued a new FAQ to provide further guidance on the administration of the Government's Your Future, Your Super performance test. It provides benchmark representative administration fees and expenses for the 12 months to March 2025.