

RIGHTS & OBLIGATIONS UNDER THE TAX AGENT SERVICES REGIME

We act on your behalf in our dealings with the Australian Taxation Office (ATO), as your “Tax Agent”.

The relationship between a tax agent and their client is regulated by the *Tax Agents Services Act 2009*. Under this Act we are required to advise you in writing of your rights and obligations under the legislation where we are acting for you on taxation matters

YOUR RIGHTS AND OBLIGATIONS

Provision of Information

The legislation imposes an obligation on you to provide us with all information and documents relevant to the proper performance of our work at the outset of the engagement of our services (the engagement) and during the engagement so that we can take this information into account when applying the taxation laws. This includes you promptly advising us of anything that occurs subsequently that may render information already provided misleading or incomplete or advising us of any change in your circumstances relevant to the work.

There are safe harbour provisions in relation to ATO administrative penalties which are only available if you have met these obligations, however, you may not be able to access the safe harbour provisions if you have not provided all information.

Conflicts of Interest

You must advise us if you become aware of any conflict of interest or potential conflict of interest which may impair our ability to carry out our work, or there is a change of circumstances which may result in a conflict.

Events which may give rise to a conflict of interest or potential conflict include events affecting you such as deaths, divorce, separation or matrimonial disputes. This also includes litigation (threatened or actual) or changes in the nature or structure of your business or your business relationships.

Self Assessment and Record keeping

You are subject to the self-assessment system in relation to the lodgement of various types of returns and documents with the ATO in relation to taxation returns. The Commissioner of Taxation is entitled to rely on any statement made in tax returns or other documents lodged with the ATO. Where those statements are later found to be incorrect, he may amend the return in question and, in addition to any tax assessed, may impose penalties and interest charges and in extreme cases may resort to prosecution.

It is necessary for you to keep proper records that will substantiate the taxation returns and other documents prepared. These should satisfy the substantiation requirements of the Income Tax Assessment Act and other Federal taxation legislation (e.g. GST and FBT legislation). The implications of not keeping such records are reductions, exemptions or claims being disallowed, additional tax being imposed, and the imposition of penalty or general interest charges.

You are responsible for the accuracy and completeness of the particulars and information required to comply with the various taxation laws. We will use this information supplied in the preparation of your returns.

Taxpayer Rights

Your rights as a taxpayer include:

- The right to seek a private ruling from the ATO.
- The right to object to an assessment by the Commissioner of Taxation.
- The right to appeal against an adverse decision by the Commissioner of Taxation.

Certain time limitations may exist for you to exercise these rights. Should you wish to exercise these rights at any time you should contact us so that we can provide you with the relevant time frames and to discuss any additional requirements which may exist.

TAX AGENT'S OBLIGATIONS

Set out below is a brief outline of our obligations to you under the *Tax Agent Services Act* and the new *Code of Professional Conduct*.

Documented Engagement Proposal

It is our responsibility to advise you in writing (i.e. proposal letter) of the nature, scope and timing of the work undertaken on your behalf. This proposal letter will be sent to you for your signature and return to us.

From time to time you may request that we undertake additional work other than what is described in the original proposal letter. This will represent a separate engagement for which we will issue you with a separate proposal letter.

Our Duty to Comply with Taxation Laws

We will act in your best interests but we must comply with the law, even where that may be contrary to your interests. For example, we must comply with certain statutory notices from the ATO which may require the production of documents or information.

Confidentiality

We will treat as confidential, and maintain the confidentiality of, all information and records that you provide to us. This information will only be disclosed to a third party where you provide specific authority for us to provide this information, or where we are subject to a legal duty to disclose the information.

Conclusion

We understand that this is a complex and onerous area. Please do not hesitate to contact us should you require any clarification or wish to discuss the above.