

3 September 2024

Tax Practitioners Board
GPO Box 1620
Sydney NSW 2001

Via email: tpbsubmissions@tpb.gov.au.

Re: Draft Guidance on New TPB Code Obligations

To Whom It May Concern:

The Association of Digital Service Providers Australia New Zealand (DSPANZ) welcomes the opportunity to submit this on behalf of our members and the business software industry.

About DSPANZ

Digital Service Providers Australia New Zealand is the gateway for the government into the dynamic, world-class business software sector in Australia and Aotearoa New Zealand. Our members range from large, well-established companies to new and nimble innovators working at the cutting edge of business software and app development on both sides of the Tasman.

DSPANZ is concerned that the new Tax Practitioners Board (TPB) Code obligations may have unintended consequences for Digital Service Providers (DSPs) who offer tax, accounting or payroll software products.

The new Code obligations may result in DSPs taking steps to ensure they are not providing tax agent or BAS services, and therefore do not need to register with the TPB or outsource tax practitioner services, to avoid these new obligations. This action may negatively impact tax practitioners and taxpayers utilising software to meet their tax and payroll obligations.

DSPANZ recommends that the new obligations be redrafted to explicitly exclude DSPs, their products, and their services from the Code's scope. It is doubtful that the Code can be applied universally to the wide range of products and capabilities provided by DSPs, nor can it be reasonably argued that DSPs are privy to the decisions end users make when entering data into software products.

The current ambiguity in the guidance surrounding false or misleading statements to the TPB or Commissioner could result in registered DSPs being required to do in their customers. For example:

- DSPs may be required to report their customers if they notice incorrect or misleading information on Single Touch Payroll (STP) reports, as they are considered to be statements made to the Commissioner.
- DSPs that offer help desks that can provide tax-related advice may be required to report customers if they become aware that the customer may have intentionally or unintentionally provided false or misleading information in statements to the Commissioner.

DSPANZ believes the new Code obligations are not intended to impact DSPs to the extent we have suggested. We recommend that they be redrafted to explicitly exclude DSPs to avoid these unintended consequences.

We ask that the TPB be much more explicit in its guidance about false or misleading statements, their associated examples, and who they apply to. DSPs would also appreciate clear guidance on the timeframes for correcting false, incorrect, or misleading statements.

DSPANZ welcomes the opportunity to provide further feedback on our submission. Please contact Maggie Leese for more information.

Yours faithfully,

Matthew Prouse,
President & Director
DSPANZ.

