

## AAT News

### Welcome to the April 2018 edition of the AAT Australia's eNews and views. In this addition you will find out all about:

- Your client is doing the wrong thing, what are your responsibilities?
- Small Business Superannuation Clearing House – an update from the ATO
- Be the STP expert for small business
- ATO Digital Online Services for tax professionals are coming
- ATO want to know your irritants
- EOFY workshop is fast approaching and nearly sold out at some venues
- The AAT Australia Facebook Group

### Your client is doing the wrong thing, what are your responsibilities?

Members often enquire as to where they stand when their clients are not doing the right thing. One specific circumstance that recently came across our support lines related to a recalcitrant business owner with unpaid superannuation dating back up to 18 months. The BAS agent had advised the client the correct process for paying these amounts was *not* to pay to the superannuation fund of the employee, but rather to complete the Superannuation Guarantee Charge Statement and then pay the superannuation liability, superannuation guarantee charge, administration fee and interest to the ATO who then forward the monies to the fund of the individual. The business owner has ignored this advice and instructed the BAS agent to pay directly to the fund and not to provide the SG Charge Statement to the ATO.

Mr Ian Taylor, Chairman of the Tax Practitioners Board (TPB), stated that in these circumstances the BAS agent needs to ensure that the business owner had been informed of their tax obligations succinctly, in writing, and where the business owner refuses to follow the lawful process the BAS agent should refuse to provide services related to reporting and paying the overdue superannuation payments incorrectly, as this would be in breach of their legal obligations as a registered BAS agent under the *Tax Agent Services Act 2009*.

“BAS agents must ensure that they meet the obligations under the Code of Professional Conduct. This includes Items 1, 4, 7, 10 and 11 which relate to honesty and integrity, acting lawfully, competence, taking reasonable care to apply tax laws correctly and not

obstructing the proper administration of taxation laws”, Mr Taylor said.

“In these circumstances, the BAS agent may continue to lodge the BAS for this client as the information about overdue superannuation is not included on the BAS. However, the TPB strongly encourages BAS agents to consider the relevance of recalcitrant business owners to their practices and the associated risks this brings, such as their obligations under the Code of Professional Conduct which includes an obligation to act honestly and with integrity. BAS agents should work toward educating their clients and then withdrawing their services if the client refuses to comply with the law”.

## Small Business Superannuation Clearing House (SBSCH) – update from the ATO

The backlog of unprocessed payments sitting in the ATO’s SBSCH has now been cleared back to 16 April 2018, with the exception of a limited number of payments requiring manual intervention, which is standard process. The ATO provided a statement of reassurance that employers who have held funds available to pay their Superannuation Guarantee obligations and took reasonable steps to pay their liabilities would not be required to lodge SG Charge statements for any payments that did not meet the 28 April deadline as a result of the issues with the new SBSCH platform. You can provide your clients with access to the statement of reassurance [here](#).

There are several ongoing irritants with the new service that the ATO has acknowledged and are committed to working toward rectifying the problems and assist in improving the workflow within the new service. For assistance with troubleshooting known problems and for progress updates, you can check these out on the ATO website [here](#).

The ATO has committed to a working group including tax professionals and professional association representatives to invite feedback and ensure the quality of the service is at least equivalent to the former Department of Human Services (DHS) functionality. Please feed any issues you have for consideration by this working group to [memberships@aat.org.au](mailto:memberships@aat.org.au)

## Be the STP expert for small businesses

On 1 July 2018, the Single Touch Payroll (STP) obligation for large employers (those with >19 employees) becomes live, and smaller employers are likely to be required to follow the new reporting regime 12 months later.

The change to the more rigorous and frequent reporting regime requires reasonably significant change for many employers. Some considerations are:

- Preparing for STP using the AAT Australia STP Readiness Checklist
- Ensuring all employee details are complete and correct – without clean data, the reporting records will reject
- Ensuring the payroll or accounting software is STP compliant and set up correctly

- Ensuring accuracy of input of payroll data to the software when processing each pay event

Just as “The New Tax System (Goods and Services Tax) Act 1999” created significant opportunities for contract bookkeepers in 2000 and beyond, it is very likely that the same opportunity will exist around STP compliance. It is often a compliance change that prompts a business owner to review their processes and systems to make sure they are sharing the correct information with the government authorities when they report. That has to date, been on the monthly or quarterly Activity Statement, confirmed by the annual PAYG payment summary to the ATO and individual employees. It is now going to be a requirement to report every pay event, so, weekly, fortnightly or monthly.

AAT recommends that you work with the software providers and your association to become the STP expert and create great opportunities for your practice whilst providing the much needed expertise and advice to small business owners. The AAT EOFY workshop is a great place to start with much of the agenda related to STP updates and set-up as well as processing with the software.

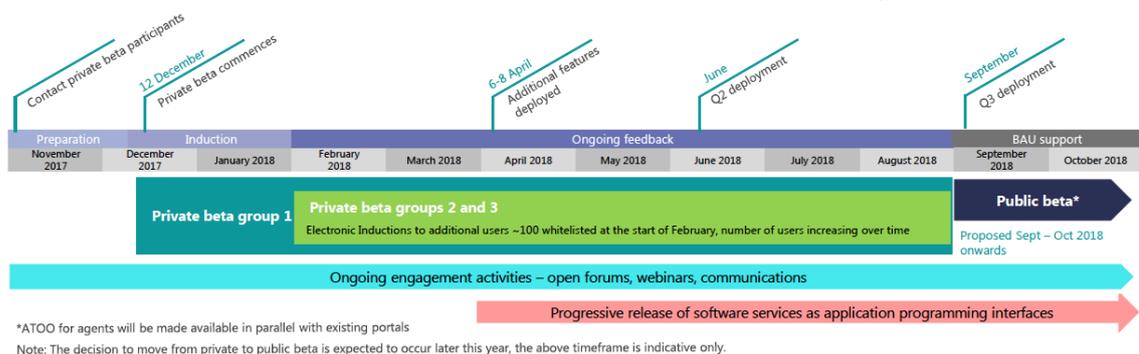
## NEW ATO digital online services are coming

The ATO is improving the way it delivers online services for tax professionals having identified that the current portal is aged technology with a large number of known irritants that are not user friendly; nor can it be used on a mobile device.

The ATO is committed to providing more stable and contemporary services enabling tax professionals to better support their clients.

Given the issues experienced by members with the current portal and the recent change of hosting for the SBSCH with the ATO, AAT Australia have sought assurances that the new digital services will deliver on the project outcomes defined by the ATO. AAT nominated tax professionals will be taking part in beta testing of the services to provide feedback and assist in ensuring the service is everything it needs to be in supporting members' workflow.

The ATO have committed that the new digital service will not go live without meeting minimum standards and the current planned date for deployment is September 2018. The ATO have further committed that the BAS and tax agent portals that currently exist will not be decommissioned until some-time in the future to ensure tax professionals have ample opportunity to transition their practices. The initial beta testing programs have commenced and a guidance timeline has been provided for the project:



## Join our Facebook Discussion Group

Feedback from members indicates that community is very important to accounting technicians. In response the AAT Team has established a Facebook group especially for AAT members to join in an online community and discuss your successes and your not-so-successes, ask questions, give support to your colleagues and enjoy networking with your peers. We will be posting articles, information pieces, event details plus more. Click through here to join in today:

[AAT Facebook Group](#)

## Continuing Professional Development

[AAT Australia EOFY Roadshow Business Software Challenge](#)

## Feedback

AAT welcomes your feedback. Please share your thoughts and ideas, let us know what your concerns are as well as the support and CPD that you need, so that we can deliver the best possible outcome for all of our AAT community. [Contact us](#)



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