**TPB Advice on the Use and Disclosure of a Client’s TFN in Emails**

The Tax Practitioners Board has issued practice note [TPB(PN) 4/2021](https://www.tpb.gov.au/tpb-practice-note-tpbpn-42021-use-and-disclosure-clients-tfn-and-tfn-information-email) on the use of tax file number information in email communications to provide practical guidance about safely using TFN information in emails.

Tax practitioners must always maintain the confidentiality of clients' information under the Code of Professional Conduct.

Australian privacy law requires that TFN information only be used or disclosed for a purpose authorised by taxation, personal assistance or superannuation law and to give an individual any TFN information that the TFN recipient holds about that individual.

BAS agent recipients of TFN information must take reasonable steps:

* To protect TFN information from unauthorised access or disclosure of that information;
* to ensure that access to TFN information is restricted to individuals who need the information for taxation, personal assistance or superannuation law purposes;
* to securely destroy or permanently de-identify TFN information when it is no longer required by law to be retained for legal purposes;
* and to ensure that all staff are aware of the privacy requirements when handling TFN information.

The Notifiable Data Breaches Scheme requires that any organisation covered by the *Privacy Act 1988* notifies the Office of the Australian Information Commissioner when a breach may affect an individual's privacy. Breaches of information that disclose TFN information are notifiable.

**Accounting Technician Steps to TFN Security**

These guidelines apply to all personal information, including TFN, name, address, bank accounts, photos, or any other sensitive information that could identify an individual.

If you regularly email TFN and other sensitive information to clients, then you need to check and possibly update or change your systems to meet confidentiality and privacy requirements set out in the new guidelines by the TPB.

* Only collect information necessary to your engagement and the tasks required of you.
* Assess the security of your file-sharing and email systems.
* Ensure your collection and storage systems meet privacy requirements – use systems that are ‘privacy by design’ default.
* Only release information to authorised users of the TFN information.
* Train staff on the importance of maintaining confidentiality; set out your security systems clearly in policies and procedures for staff to follow.
* Act on a potential data breach or report on an actual breach as soon as you know about it.
* Make two-factor authentication mandatory for all users of accounting and payroll software.
* Keep all technology and add-ons updated to current versions.
* Have a secure backup system in place for all your client-related files.
* Destroy or de-identify personal and TFN information once it is no longer required.
* Perform at least an annual check on personal data you hold about clients and their employees. Destroy personal information still retained for previous clients.
* Use a high-security password manager.
* Set an auto-expiration date for shared files to limit access to a reasonable and relevant time frame.
* Only share or use TFN information when authorised to do so.

The TPB states that "the inclusion of a client's TFN in an email by a registered tax practitioner does not, on its own…necessarily give rise to a breach of a law regulating the use and disclosure of TFNs". Therefore, you must consider what is 'reasonable' and practical in the circumstances. However, given the increasing frequency with which emails are hacked, it is best not to use email to exchange TFN information if you can avoid it or unless you have additional security measures linked to your email program.

The TPB practice note provides detailed information about ensuring safety and privacy when using TFN information, including all relevant links to the TPB Code of Professional Conduct, Notifiable Data Breaches Scheme, ATO online security tips, digital record keeping and Australian Privacy Principles Guidelines.

[TPB(PN) 4/2021](https://www.tpb.gov.au/tpb-practice-note-tpbpn-42021-use-and-disclosure-clients-tfn-and-tfn-information-email) Use and disclosure of a client’s TFN and TFN information in email communications

[OAIC Guide to securing personal information](https://www.oaic.gov.au/privacy/guidance-and-advice/guide-to-securing-personal-information/)