

5 August 2020

The Hon Daniel Andrews MP  
Premier of Victoria

Office of the Premier  
1 Treasury Place  
Melbourne, Victoria  
Australia, 3002

cc:

The Hon Josh Frydenberg MP, Treasurer, Commonwealth of Australia  
Chris Jordan AO, Commissioner of Taxation, ATO  
Neville Power, Chairman, National COVID-19 Commission  
The Hon Gladys Berejiklian MP, Premier of New South Wales

Dear Daniel

#### **Stage 4 Restrictions for tax practitioners and impacts on the tax and superannuation systems**

CPA Australia, Chartered Accountants Australia and New Zealand, Corporate Tax Association, Institute of Public Accountants, Law Council of Australia, The Tax Institute, The Institute of Certified Bookkeepers, Tax & Super Australia, National Tax and Accountants' Association Ltd, Australian Bookkeepers Association and Association of Accounting Technicians are the external professional association members of the ATO National Tax Liaison Group and Tax Practitioner Stewardship Group, together, the Joint Bodies. We write to you as the peak professional accounting, tax practitioner and bookkeeping bodies in Australia representing the tax profession at this critical time.

The Joint Bodies recognise and understand the critical need for the Stage 4 Restrictions. We also note the restrictions on commerce and movement have generated significant uncertainty and concern across the tax profession. As highlighted in our [letter](#) to you on 17 July, accountants, tax practitioners, professional advisers and bookkeepers (i.e. tax practitioners) are critical to maintaining and supporting business and individuals (i.e. taxpayers) through the COVID-19 crisis. There are significant risks to the economy, the business operating environment, and the tax and superannuation systems if they are unable to operate.

In addition to August being a peak income tax return lodgement period – with many Victorians depending on tax refunds for their ongoing financial sustainability – the following Federal tax obligations fall due during and shortly after the Stage 4 Restrictions period:

<b>August</b>	
14	PAYG withholding payment summary annual report for: <ul style="list-style-type: none"><li>• large withholders, or</li><li>• payers with no tax or BAS agent involved in preparing the report</li></ul>
14	JobKeeper claims for fortnights 7 and 8

<b>August</b>	
21	Monthly BAS for July 2020
25	Quarterly June BAS for tax/BAS agent lodgment
28	Superannuation Guarantee Charge statement – fourth quarter 2019-20
28	Taxable Payments Annual Report
<b>September</b>	
7	Superannuation Guarantee Amnesty disclosures
14	JobKeeper claims for fortnights 9, 10 and 11
21	Monthly BAS for August 2020
28	JobKeeper extension – reassessing eligibility for the 28 Sep 2020 – 3 Jan 2021 period
30	PAYG withholding payment summary annual report if prepared by tax or BAS agent
30	Annual Tax File Number Withholding Report 2020
30	Single Touch Payroll finalisation due date for closely held payees for employers with 20 or more employees

We previously informed you that while many tax-related services have been shifted to a digital environment, there remain certain activities that require tax professionals to access their business premises or engage with their clients directly, sometimes on the clients' premises.

Accountants and bookkeepers will be critical to the government and business sector over the coming weeks to ensure the delivery of economic support and to assess business viability. Businesses are far more likely to turn to their accountant than any other source to guide them through this current crisis and beyond. Accountants specialising in insolvency may also need to take physical control of business assets in going about their work as receivers or liquidators and Stage 4 restrictions hamper their ability to go about this important work.

We believe it is important to recognise the valuable frontline role tax practitioners play in ensuring the collection of revenue and disbursement of government payments in a timely and orderly manner, in addition to the advisory services they are providing to businesses in financial distress as a result of the Stage 4 Restrictions.

The six-week closure of business premises and movement restrictions mean that tax practitioners may not be able to:

- access files, working papers and documents required:
  - o to prepare and lodge tax returns, business activity statements and other ATO forms
  - o to obtain the information necessary to prepare client applications for other forms of Federal and State government assistance
  - o in respect of tax litigation (or disputes, audits or reviews), unless the matter has been determined by the head of jurisdiction of the relevant court or tribunal as urgent or priority work
- collect client files and mail from their offices (including ATO correspondence, client documents and commercial mail), and

- transfer documents between staff and clients (e.g. via a filing box so that physical documents can be shared) or access office equipment to scan and send time-critical information to staff and clients.

With around 12,300 registered tax agents and 4,200 BAS agents in Victoria (not including their employees or tax advisory and legal services), this introduces significant barriers to the effective operation of the tax and superannuation systems during the Stage 4 Restrictions period.

For some tax practitioners and their clients, these restrictions will result in an inability to access time-critical tax advice, lodge obligations on time (e.g. payment summaries) or make payments on time (e.g. payment notices such as notices of assessment for clients could go unopened for 6 weeks, extending beyond the due date of the payment). Also, some may miss out on stimulus payments (e.g. not claiming JobKeeper on time) and suffer significant penalties (e.g. where they are unable to access the Superannuation Guarantee Amnesty).

It is important that accountants, tax practitioners and related professionals can continue to support taxpayers during this very difficult time.

Therefore, we request that urgent consideration be given to:

1. Permitted Worker Scheme status for designated personnel to visit their business premises to collect and transfer physical documents including mail, files and working papers
2. Permitted Worker Scheme status for accountants specialising in insolvency carrying out duties which require them to take possession of business assets and premises
3. Permitted Worker Scheme status for accountants, tax practitioners and related professionals to attend client business premises where that business is a permitted activity
4. Permitted Worker Scheme status for accountants, tax practitioners and related professionals to attend business premises to appear in courts, tribunals or remotely for tax-related legal proceedings
5. The ability to issue movement permits to employees for the above purposes with restrictions on the number of movements if required, and
6. Clarification that accountants, tax practitioners and related professionals who operate as sole practitioners can qualify as “sole traders” and confirmation of their ability as sole traders to complete a valid movement permit for the above purposes.

As the situation in Victoria evolves, we will continue to inform and work with the Federal Government, the Treasury and the Australian Taxation Office to address the impacts of the Stage 4 Restrictions on the operation of the tax and superannuation systems. We also make ourselves available to you to discuss these issues and test potential solutions.

We look forward to your response.

Should you wish to contact us in relation to the above, please contact Elinor Kasapidis, Tax Policy Adviser, CPA Australia on 03 9606 9666 or at [elinor.kasapidis@cpaaustralia.com.au](mailto:elinor.kasapidis@cpaaustralia.com.au) in the first instance.

Yours sincerely,



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Executive General Manager, Policy & Advocacy  
CPA Australia



**Michael Croker**  
Tax Leader Australia  
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**Peter Godber**  
President  
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