

10 March 2021

Email: tpbsubmissions@tpb.gov.au

Tax Practitioners Board
GPO Box 1620
SYDNEY NSW 2001

Dear Sir/Madam

EXPOSURE DRAFT EXPLANATORY PAPER: CONTINUING PROFESSIONAL EDUCATION POLICY REQUIREMENTS FOR REGISTERED TAX (FINANCIAL ADVISERS)

The Stockbrokers and Financial Advisers Association (SAFAA) is the professional body for the stockbroking and investment advice industry. Our members are Market Participants and Advisory firms which provide securities and investment advice, execution services and equity capital-raising for Australian investors, both retail and wholesale, and for businesses. Practitioner Members are suitably qualified professionals who are employed in the securities and derivatives industry.

SAFAA welcomes the opportunity to provide feedback on the Exposure Draft Explanatory Paper: *Continuing professional education policy requirements for registered tax (financial) advisers*.

We note that SAFAA provided feedback to Discussion Paper: TPB(DP) D1/2020 and we are pleased that the points we made in that submission have been adopted in the Exposure Draft Explanatory Paper.

In particular, SAFAA:

- is in agreement with TPB's current approach to the purpose of CPE
- is strongly of the view that 40 hours per annum per tax practitioner is an appropriate CPD requirement
- considers that allowing tax (financial) advisers to complete a minimum of 120 hours of CPE over a three year period allows for an appropriate level of flexibility
- welcomes the TPB's recognition of CPD/CPE undertaken to satisfy requirement of other bodies, including TPB recognised professional associations and FASEA
- supports the TPB proposal that completion of additional study to satisfy the new FASEA education standard may count toward the TPB's CPE requirements, if it is relevant to the tax financial advice services being provided
- agrees with the TPB maintaining the 25% reading allowance
- is pleased that the TPB does not intend to be prescriptive regarding particular topics for CPE activities which should be completed, relying instead on registered tax (financial) advisers exercising their professional judgment.

We note that TPB will require confirmation of CPE completed upon renewal of registration as a tax (financial) adviser. TPB proposes that this verification may be in the form of registered tax (financial) advisers having to provide a record of their CPE activities (such as a CPE log) with their renewal application form, or such other form of verification (that is, declaration) that the TPB considers appropriate.

We consider that requiring provision of a CPE log upon renewal of registration may be unwieldy and impractical, particularly where renewals take place online.

Our members are encouraged to maintain a log of their CPD through the SAFAA website (in our CRM) but may have records in different locations. Additionally, the compliance departments of our principle member firms also retain CPD records of their staff. If TPB requires verification of CPE upon renewal, SAFAA recommends that it adopts a declaration as part of the renewal process.

Please don't hesitate to contact us if you have any questions concerning our submission.

Yours sincerely

A handwritten signature in black ink, appearing to read 'J Fox', with a stylized flourish above the 'x'.

Judith Fox
Chief Executive Officer