

EXPLANATORY STATEMENT

Issued by authority of the Minister for Revenue and Financial Services

Taxation Administration Act 1953, Tax Agent Services Act 2009, Income Tax Assessment Act 1997

Treasury Laws Amendment (2018 Measures No. 1) Regulations 2018

The *Taxation Administration Act 1953* (the TAA 1953) sets out the administrative framework for the tax law. This includes rules for the collection and recovery of income tax and other liabilities, objection, review and appeal processes, charges and penalties, rulings and other tax administration matters, including rules relating to the protection of taxpayer information.

The *Tax Agent Services Act 2009* (the TASA 2009) establishes a system of regulation for the provision of tax agent services (broadly, services that assist entities in managing their tax affairs) to ensure they are provided in accordance with appropriate professional and ethical standards. As part of this system, entities that wish to provide tax agent services for a fee or other reward must generally be registered with the national Tax Practitioners Board (TPB). Subsection 20-20(2) of the TASA 2009 provides that an application to be registered or to renew registration must be accompanied by, among other things, the prescribed application fee.

The *Income Tax Assessment Act 1997* (ITAA 1997) provides the main body of rules for the calculation of tax payable by entities in relation to a financial year. Division 995 of the ITAA 1997 contains the definitions that support those calculations. Approved stock exchange is defined in section 995-1 of the ITAA 1997 as a stock exchange named in the relevant regulations. This definition is used in numerous places throughout various tax laws.

Sections 18 of the TAA 1953, 70-55 of the TASA 2009 and 909-1 of the ITAA 1997 provide that the Governor-General may make regulations prescribing matters required or permitted by the relevant Act to be prescribed, or necessary or convenient to be prescribed for carrying out or giving effect to the relevant Act.

In addition to the power to make this instrument under section 18 of the TAA 1953 section 70-55 of the TASA 2009 and section 909-1 of the ITAA 1997, subsection 33(3) of the *Acts Interpretation Act 1901* provides that where an Act confers a power to make, grant or issue any instrument of a legislative or administrative character (including rules, regulations or by-laws), the power shall be construed as including a power exercisable in the like manner and subject to the like conditions (if any) to repeal, rescind, revoke, amend, or vary any such instrument.

The purpose of Schedule 1 to the *Treasury Laws Amendment (2018 Measures No. 1) Regulations 2018* (the Regulations) is to amend the *Taxation Administration Regulations 2017* (the TAR 2017) to allow taxation officers to disclose protected

information to a taskforce officer of the Black Economy Standing Taskforce or the Illicit Tobacco Taskforce.

Under the TAA 1953, it is an offence for a taxation officer to record or disclose protected information that they acquired in their role as a taxation officer.

There are various exceptions to this offence, including disclosure for law enforcement and related purposes. In particular, taxation officers can share protected information with a taskforce officer of a prescribed taskforce if the record or disclosure is for or in connection with a purpose of the prescribed taskforce. A major purpose of the taskforce must be protecting the public finances of Australia. The TAR 2017 prescribes taskforces for the purposes of this exception.

Schedule 1 to the Regulations amends the TAR 2017 to add the Black Economy Standing Taskforce and the Illicit Tobacco Taskforce to the list of prescribed taskforces. This allows taxation officers to disclose relevant protected information to taskforce officers in these taskforces.

A major purpose of each taskforce is protecting the public finances of Australia by addressing tax avoidance or evasion.

Specifically, the Black Economy Standing Taskforce was established for the purpose of protecting Australia's public finances by co-ordinating cross agency action and information sharing to combat the black economy (broadly, unreported and untaxed economic activity).

Equally, a major purpose of the Illicit Tobacco Taskforce is combatting the trade in illicit tobacco. Illicit tobacco is tobacco that has been manufactured or imported without being subject to excise or excise-equivalent customs duty where this applies or is otherwise dealt with in a manner contrary to the regulatory regime established to facilitate the collection of this duty. Therefore, combatting this trade is directly linked to enforcement of laws for the collection and protection of tax revenues from tobacco excise and excise equivalent customs duty.

The purpose of Schedule 2 to the Regulations is to amend the application fees set out in the *Tax Agent Services Regulations 2009* (the TASR 2009) so that they better reflect the costs of the TPB.

Prior to changes made by the Regulations, the TPB had been dependent on ongoing support from the Australian Taxation Office (ATO) to supplement its fee revenue to perform its functions. Schedule 2 to the Regulations increases the fees that apply from 1 July 2018 by 35 per cent. Further Schedule 2 abolishes the lower rate that applied for certain entities not carrying on a business. This ensures that, consistent with Commonwealth cost recovery principles, the fees now better reflect the costs currently faced by the TPB.

Schedule 2 to the Regulations also amends the TASR 2009 so that the application fees will increase on each subsequent 1 July in line with annual changes in the Consumer Price Index. This ensures that the fees better reflect the costs faced by the TPB in the future.

The purpose of Schedule 3 to the Regulations is to update the list of approved stock exchanges in the *Income Tax Assessment Regulations 1997*. The Regulations delete references to stock exchanges that no longer exist and update the names of stock exchanges that have merged with other stock exchanges or changed names. These amendments effectively update the definition of approved stock exchange in the ITAA 1997.

Further details of these amendments are set out in **Attachment A**.

A full assessment of the fee increase in light of Commonwealth cost recovery principles will be made available on the website of the TPB – tpb.gov.au.

The amendments made by Schedule 1 to the Regulations apply to disclosures made on or after commencement. The amendments made by Schedule 2 to the Regulations apply to applications (including applications to renew existing registrations) made on or after 1 July 2018. Annual indexation applies on 1 July 2019 and each later 1 July.

The amendments made by Schedule 3 to the Regulations apply to update the list of approved stock exchanges with application from the day after registration of the Regulations on the Federal Register of Legislation.

The amendments made by Schedule 1 to the Regulations are estimated to have no impact on revenue or compliance costs – they affect the internal operations of Government agencies. The amendments made by Schedule 2 to the Regulations are estimated to result in an increase in revenue of \$20.1 million over the forward estimates period, all of which will be used to meet the costs of the TPB. The measure does not have any impact on compliance costs as it merely increases existing fees.

Consultation on Schedule 1 to the Regulations was undertaken with the lead agencies for the taskforces (the Australian Taxation Office and the Department of Home Affairs). No public consultation took place on the amendments made by Schedule 1 as they are minor and machinery in nature, relating to the internal processes of Government.

Consultation on the amendments made by Schedule 2 to the Regulations was undertaken with the TPB and ATO. No public consultation was considered necessary as the amendments are machinery in nature – they implement the decision made by the Government in the 2018-19 Budget to increase fees. The fee increase is machinery in nature as, consistent with cost-recovery principles and the original policy behind the imposition of fees, it solely ensures the fees charged reflect the costs of the TPB.

Consultation on Schedule 3 to the Regulations was undertaken with the ATO, as the amendments are of a minor machinery and technical nature.

The Regulations commenced on the day after they were registered on the Federal Register of Legislation.

Details of the *Treasury Laws Amendment (2018 Measures No. 1) Regulations 2018*

Section 1 – Name of Regulations

This section provides that the title of the Regulations is the *Treasury Laws Amendment (2018 Measures No. 1) Regulations 2018* (the Regulations).

Section 2 – Commencement

This section provides that the Regulations commenced on the day after they are registered.

Section 3 – Authority

This section provides that the Regulations are made under the *Taxation Administration Act 1953* (TAA 1953), the *Tax Agent Services Act 2009* (the TASA 2009) and the *Income Tax Assessment Act 1997* (ITAA 1997).

Section 4 – Schedules

This section provides that each instrument that is specified in a Schedule to the Regulations is amended or repealed as set out in the applicable items in the Schedule concerned, and any other items in a Schedule to the Regulations have effect according to their terms.

Schedule 1 – Prescribed taskforces and taxpayer information

Schedule 1 to the Regulations amends the *Taxation Administration Regulations 2017* (the TAR 2017) to allow taxation officers to disclose protected information to taskforce officers in the Black Economy Standing Taskforce and the Illicit Tobacco Taskforce (the taskforces).

Section 355-25 in Schedule 1 to the TAA 1953 provides that it is an offence for an Australian Taxation Office employee, Commissioner or Second Commissioner (a taxation officer) to record or disclose protected information (information obtained under a taxation law that relates to an entity and could be used to identify that entity) that the taxation officer acquired in their role as a taxation officer.

Section 355-70 in Schedule 1 to the TAA 1953 provides exceptions to this offence for records or disclosures made for law enforcement and related purposes. This includes, under item 4 of the table in subsection 355-70(1) in Schedule 1 to the TAA 1953, records made or disclosures to a taskforce officer of a prescribed taskforce that is for or in connection with a purpose of the prescribed taskforce.

A taskforce officer is an entity who holds an office in, is employed in, or is performing services for, an agency in the prescribed taskforce (subsection 355-70(11) in Schedule 1 to the TAA 1953).

Subsection 355-70(12) in Schedule 1 to the TAA 1953 provides that the regulations may prescribe a taskforce for the purposes of item 4 of the table in subsection 355-70(1) in Schedule 1 to the TAA 1953. A major purpose of the taskforce must be protecting the public finances of Australia.

Regulation 67 of the TAR 2017 contains a list of prescribed taskforces for the purposes of subsection 355-70(12) in Schedule 1 to the TAA 1953.

Schedule 1 to the Regulations amends the TAR 2017 to include the taskforces in this list. This allows taxation officers to share protected information with taskforce officers of each of the taskforces where the record or disclosure is for or in connection with a purpose of the relevant taskforce.

Consistent with the requirements of the TAA 1953, a major purpose of each taskforce is protecting the public finances of Australia by addressing tax avoidance or evasion.

Specifically, the Black Economy Standing Taskforce was established for the purpose of protecting the public finances of Australia by co-ordinating cross agency action and information sharing to combat the black economy (broadly, unreported and untaxed economic activity).

Equally, a major purpose of the Illicit Tobacco Taskforce is combatting the trade in illicit tobacco. Illicit tobacco is tobacco that has been manufactured or imported without being subject to excise or excise-equivalent customs duty and contrary to the regulatory regime established to facilitate the collection of this duty. Therefore, combatting this trade is directly linked to enforcement of laws for the collection and protection of tax revenues from tobacco excise and excise equivalent customs duty.

These amendments apply to disclosures made on or after the commencement of the amendments, regardless of the time relevant taxpayer information was received.

Schedule 2 – Tax practitioner application fees

Under the regulatory framework for tax agent services established by the TASA 2009, entities that wish to provide tax agent services for a fee or other reward must generally be registered with the national Tax Practitioners Board (TPB).

Subsection 20-20(2) of the TASA 2009 provides that an application for registration, including an application to renew an existing regulation, must be accompanied by, among other things, the prescribed fee.

Prior to these amendments, the TPB was dependent on ongoing support from the Australian Taxation Office to supplement its fee revenue to perform its functions.

The amendments to the *Tax Agent Services Regulations 2009* (TASR 2009) made by Schedule 2 to the Regulations address this concern by increasing all application fees by 35 per cent. This increase ensures that the application fees now better reflect the costs faced by the TPB, consistent with Commonwealth cost recovery principles.

Schedule 2 to the Regulations also removes the reduced fees that applied to applications for registration by entities not carrying on a business. In practice, the costs faced by the TPB do not differ based on whether or not applicants are in business.

The following table sets out the fees for applications made on or after 1 July 2018.

Registration type	Fee
Tax agent	\$675
BAS agent	\$135
Tax (financial) adviser	\$540

Schedule 2 to the Regulations also amends the TASR 2009 so that the application fees will increase on 1 July 2019 and each subsequent 1 July for applications made after that time in line with the annual increase in the Consumer Price Index (CPI). This ensures that the fees continue to reflect the costs faced by the TPB.

The annual increase in CPI is determined by dividing the sum of the All Groups Consumer Price Index numbers first published by the Australian Statistician for each quarter in the year ending on the most recent 31 March by the sum of the All Groups Consumer Price Index numbers first published by the Australian Statistician for each quarter in the year ending on the preceding 31 March. This number is then rounded to three decimal places. If indexation does not result in an increase, the fees remain the same. This is consistent with the formula generally used to determine the increase in CPI for the purposes of the income tax law.

The amount of the indexed fee is rounded to the nearest dollar.

These amendments address the immediate funding concerns faced by the TPB. In the 2018-19 Budget, the Government also undertook to carry out a review of the operations of the TPB. Among other things, this review may consider funding arrangements for the TPB in the longer term.

The amendments made by Schedule 2 to the Regulations apply in relation to applications (including applications to renew existing registrations) made on or after 1 July 2018 and annual indexation applies on 1 July 2019 and each later 1 July. Applications made prior to this time would remain subject to the fees that applied at the time the application was made.

Schedule 3 – Approved Stock Exchange

Schedule 3 to the Regulations repeals and replaces Schedule 5 to the *Income Taxation Assessment Regulations 1997* (the ITAR 1997). Schedule 5 to the ITAR 1997 lists approved stock exchanges for the purposes of the definition in the ITAA 1997. The list has been updated to remove references to stock exchanges that no longer exist. The stock exchanges added to the list are those produced from mergers or the renaming of stock exchanges that were previously listed.

The following table outlines the changes to the list of approved stock exchanges.

Deletions from the list of approved stock exchanges	Additions to the list of approved stock exchanges	Approved Stock Exchanges
Argentina Cordoba stock exchange La Plata stock exchange Mendoza stock exchange Rosario stock exchange		Argentina Buenos Aires Stock Exchange
Australia Asia Pacific Exchange Limited	Australia ASX, also known as Australian Securities	Australia ASX, also known as Australian Securities

Deletions from the list of approved stock exchanges	Additions to the list of approved stock exchanges	Approved Stock Exchanges
ASX Limited Chi-X Australia Pty Ltd SIM Venture Securities Exchange Ltd	Exchange Chi-X IR Plus Securities Exchange SSX, also known as Sydney Stock Exchange	Exchange Chi-X IR Plus Securities Exchange National Stock Exchange of Australia SSX, also known as Sydney Stock Exchange
		Austria Vienna Stock Exchange
Belgium Antwerp stock exchange Brussels stock exchange Liege stock exchange	Belgium Euronext Brussels	Belgium Euronext Brussels
		Bermuda Bermuda Stock Exchange
Brazil Belo Horizonte stock exchange Curitiba stock exchange Fortaleza stock exchange Porto Alegre stock exchange Recife stock exchange Rio de Janeiro stock exchange Salvador stock exchange Santos stock exchange Sao Paulo stock exchange	Brazil B3, also known as BM&F Bovespa	Brazil B3, also known as BM&F Bovespa
Canada Calgary stock exchange	Canada TSX Venture Exchange	Canada Montréal Stock Exchange

Deletions from the list of approved stock exchanges	Additions to the list of approved stock exchanges	Approved Stock Exchanges
Vancouver stock exchange Winnipeg stock exchange		Toronto Stock Exchange TSX Venture Exchange
		Chile Santiago Stock Exchange Valparaiso Stock Exchange
		China Shanghai Stock Exchange Shenzhen Stock Exchange
Columbia Bogota stock exchange	Colombia Colombia Stock Exchange	Colombia Colombia Stock Exchange
Denmark Copenhagen stock exchange	Denmark Nasdaq Copenhagen	Denmark Nasdaq Copenhagen
Finland Helsinki stock exchange	Finland Nasdaq Helsinki	Finland Nasdaq Helsinki
France Bordeaux stock exchange Lille stock exchange Lyon stock exchange Marseille stock exchange Paris stock exchange	France Euronext Paris	France Euronext Paris
		Germany Berlin Stock Exchange Dusseldorf Stock Exchange Frankfurt Stock Exchange Hamburg Stock Exchange Hannover Stock Exchange Munich Stock Exchange Stuttgart Stock Exchange

Deletions from the list of approved stock exchanges	Additions to the list of approved stock exchanges	Approved Stock Exchanges
Greece Athens stock exchange	Greece ATHEX, also known as Athens Exchange	Greece ATHEX, also known as Athens Exchange
		Hong Kong Hong Kong Stock Exchange
		Hungary Budapest Stock Exchange
India Delhi stock exchange Madras stock exchange		India Bombay Stock Exchange Calcutta Stock Exchange
Indonesia Jakarta stock exchange Surabaya stock exchange	Indonesia Indonesia Stock Exchange	Indonesia Indonesia Stock Exchange
Ireland Dublin stock exchange	Ireland Euronext Dublin	Ireland Euronext Dublin
		Israel Tel Aviv Stock Exchange
Italy Bologna stock exchange Florence stock exchange Genoa stock exchange Milan stock exchange Naples stock exchange Palermo stock exchange Rome stock exchange Trieste stock exchange Turin stock exchange Venice stock exchange	Italy Borsa Italiana, also known as Italian Stock Exchange	Italy Borsa Italiana, also known as Italian Stock Exchange

Deletions from the list of approved stock exchanges	Additions to the list of approved stock exchanges	Approved Stock Exchanges
		Jamaica Jamaica Stock Exchange
Japan Hiroshima stock exchange Kyoto stock exchange Niigata stock exchange		Japan Nagoya Stock Exchange Osaka Securities Exchange Fukuoka Stock Exchange Sapporo Securities Exchange Tokyo Stock Exchange
Korea, Republic of Seoul stock exchange	Korea, Republic of Korea Stock Exchange	Korea, Republic of Korea Stock Exchange
		Luxembourg Luxembourg Stock Exchange
Malaysia Kuala Lumpur stock exchange	Malaysia Bursa Malaysia	Malaysia Bursa Malaysia
		Mexico Mexican Stock Exchange
Netherlands Amsterdam stock exchange	Netherlands Euronext Amsterdam	Netherlands Euronext Amsterdam
New Zealand New Zealand stock exchange	New Zealand NZX, also known as New Zealand's Exchange	New Zealand NZX, also known as New Zealand's Exchange
		Nigeria Nigerian Stock Exchange
		Norway Oslo Stock Exchange

Deletions from the list of approved stock exchanges	Additions to the list of approved stock exchanges	Approved Stock Exchanges
Pakistan Karachi stock exchange	Pakistan PSX, also known as Pakistan Stock Exchange	Pakistan PSX, also known as Pakistan Stock Exchange
		Peru Lima Stock Exchange
Philippines Makati stock exchange Manila stock exchange	Philippines Philippine Stock Exchange	Philippines Philippine Stock Exchange
		Poland Warsaw Stock Exchange
Portugal Lisbon stock exchange Oporto stock exchange	Portugal Euronext Lisbon	Portugal Euronext Lisbon
Yugoslavia, Federal Republic of Belgrade stock exchange	Serbia Belgrade Stock Exchange	Serbia Belgrade Stock Exchange
Singapore Singapore stock exchange	Singapore Singapore Exchange	Singapore Singapore Exchange
		Slovakia Bratislava Stock Exchange
		Slovenia Ljubljana Stock Exchange
		South Africa Johannesburg Stock Exchange
		Spain Barcelona Stock Exchange Bilbao Stock Exchange Madrid Stock Exchange

Deletions from the list of approved stock exchanges	Additions to the list of approved stock exchanges	Approved Stock Exchanges
		Valencia Stock Exchange
		Sri Lanka Colombo Stock Exchange
Sweden Stockholm stock exchange	Sweden Nasdaq Stockholm	Sweden Nasdaq Stockholm
Switzerland Basel stock exchange Geneva stock exchange Zurich stock exchange	Switzerland SIX Swiss Exchange	Switzerland SIX Swiss Exchange
		Taiwan Taiwan Stock Exchange
Thailand Thailand stock exchange	Thailand Stock Exchange of Thailand	Thailand Stock Exchange of Thailand
		Trinidad and Tobago Trinidad and Tobago Stock Exchange
Turkey Istanbul stock exchange	Turkey Borsa Istanbul, also known as Istanbul Stock Exchange	Turkey Borsa Istanbul, also known as Istanbul Stock Exchange
		United Kingdom London Stock Exchange
United States American stock exchange Boston stock exchange Cincinnati stock exchange Midwest stock exchange New York stock exchange Pacific stock exchange	United States Chicago Stock Exchange NASDAQ OMX BX NASDAQ PHLX NYSE, also known as New York Stock Exchange	United States Chicago Stock Exchange NASDAQ OMX BX NASDAQ PHLX NASDAQ Stock Exchange NYSE, also known as New York Stock Exchange

Deletions from the list of approved stock exchanges	Additions to the list of approved stock exchanges	Approved Stock Exchanges
Philadelphia stock exchange	NYSE American NYSE American Options NYSE ARCA equities NYSE ARCA options NYSE National	NYSE American NYSE American Options NYSE ARCA equities NYSE ARCA options NYSE National
		Uruguay Montevideo Stock Exchange
Venezuela Maracaibo stock exchange		Venezuela Caracas Stock Exchange
		Zimbabwe Zimbabwe Stock Exchange

The amendments in Schedule 3 to the Regulations apply to update the list of approved stock exchanges, and affect the definition of approved stock exchange in the ITAA 1997 from the day after the Regulations are registered on the Federal Register of Legislation.

Statement of Compatibility with Human Rights

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

Schedule 1 to the Treasury Laws Amendment (2018 Measures No. 1) Regulations 2018

Schedule 1 to this Legislative Instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

Overview of the Legislative Instrument

Section 355-25 in Schedule 1 to the *Taxation Administration Act 1953* (the Act) provides that it is an offence for a taxation officer (an Australian Taxation Office employee, Commissioner or Second Commissioner) to record or disclose protected information (information obtained under a taxation law that relates to an entity and could be used to identify that entity) that the taxation officer acquired in their role as a taxation officer.

Section 355-70 in Schedule 1 to the Act provides exceptions to this offence for records or disclosures made for law enforcement and related purposes. This includes, under item 4 of the table in subsection 355-70(1) in Schedule 1 to the Act, records made or disclosures to a taskforce officer of a prescribed taskforce that is for or in connection with a purpose of the prescribed taskforce.

A taskforce officer is an entity who holds an office in, is employed in, or is performing services for, an agency in the prescribed taskforce (subsection 355-70(11) in Schedule 1 to the Act).

Subsection 355-70(12) in Schedule 1 to the Act provides that the regulations may prescribe a taskforce for the purposes of item 4 of the table in subsection 355-70(1) in Schedule 1 to the Act. A major purpose of the taskforce must be protecting the public finances of Australia.

Regulation 67 of the *Taxation Administration Regulations 2017* contains a list of prescribed taskforces for the purposes of subsection 355-70(12) in Schedule 1 to the Act.

Schedule 1 to the *Treasury Laws Amendment (2018 Measures No. 1) Regulations 2018* (the Regulations) amends this table to include the Black Economy Standing Taskforce and the Illicit Tobacco Taskforce (the taskforces). This allows taxation officers to share protected information with taskforce officers of the taskforces where the record or disclosure is for or in connection with a purpose of the relevant taskforce.

Human rights implications

Schedule 1 to the Regulations engages, and is compatible with, the prohibition on interference with privacy and attacks on reputation. Article 17 of the International Covenant on Civil and Political Rights prohibits unlawful or arbitrary interferences with a person's privacy, family, home and correspondence.

The amendment made by these Regulations is not arbitrary, and is in pursuit of a legitimate objective. The amendment allows law enforcement agencies to effectively combat tax avoidance and related criminal activity. The records or disclosures of information made to a taskforce officer of either of the taskforces under the exception in subsection 355-70(1) in Schedule 1 to the Act must be for or in connection with a purpose of the relevant taskforce.

Recipients of records or disclosures made in accordance with one of these exceptions are also subject to strict rules governing any further disclosure of the information received. It is an offence for a recipient to record or disclose the information received (section 355-155 of Schedule 1 to the Act), although there are exceptions. For example, one exception allows a recipient to make further records or disclosures of the information received if those records or disclosures are made for the same purpose as the original record or disclosure (section 355-175 of Schedule 1 to the Act).

This provides a limited, reasonable and lawful basis for recording or disclosing of protected information to taskforce officers of the taskforces, in pursuit of the legitimate objective of addressing tax avoidance and related criminal activity in relation to the black economy or illicit tobacco.

Conclusion

Schedule 1 to this Legislative Instrument is compatible with human rights.

Statement of Compatibility with Human Rights

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

Schedule 2 to the Treasury Laws Amendment (2018 Measures No. 1) Regulations 2018

Schedule 2 to this Legislative Instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

Overview of the Legislative Instrument

Schedule 2 to the *Treasury Laws Amendment (2018 Measures No. 1) Regulations 2018* (the Regulations) amends the *Tax Agent Services Regulations 2009* (TASR 2009) to increase the fees that apply to applications for registration as a tax agent, BAS agent or tax (financial) adviser, including an application to renew an existing regulation, by 35 per cent from 1 July 2018. Further, the Regulations abolish the lower rate that applied for certain entities not carrying on a business. This ensures that, consistent with Commonwealth cost recovery principles, the fees now better reflect the costs currently faced by the national Tax Practitioners Board (TPB).

The Regulations also amend the TASR 2009 so that the application fees will increase on 1 July 2019 and each subsequent 1 July in line with the change in the Consumer Price Index over the prior 12 months. This ensures that the fees will also reflect the costs faced by the TPB in the future.

Human rights implications

Schedule 2 to the Regulations does not engage any of the applicable rights or freedoms.

Conclusion

Schedule 2 to this Legislative Instrument is compatible with human rights as it does not raise any human rights issues.

Statement of Compatibility with Human Rights

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

Schedule 3 to the Treasury Laws Amendment (2018 Measures No. 1) Regulations 2018

This Legislative Instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

Overview of the Legislative Instrument

The Regulations update the list of approved stock exchanges in the *Income Tax Assessment Regulations 1997* for the purposes of for the purposes of the definition of approved stock exchange in the subsection 995-1 of the *Income Tax Assessment Act 1997*.

Human rights implications

This Legislative Instrument does not engage any of the applicable rights or freedoms.

Conclusion

This Legislative Instrument is compatible with human rights as it does not raise any human rights issues.