

# CARDELL

## CHARTERED ACCOUNTANTS

newsletter

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## Tax Agent Services Act (TASA) Changes from 1 July 2025: How it affects you

From 1 July 2025, new professional standards from the Tax Practitioners Board (TPB) will take effect under the Tax Agent Services Act (TASA).

At Cardell Chartered Accountants, we already follow high professional standards, so most changes will be minor. However, you may notice more individual engagement letters, clearer communication about your services and additional documentation requests for compliance.

These updates aim to improve transparency and protect your rights as a client. We'll let you know if any action is needed on your part.

Here's what to expect:

#### Engagement Letters

Starting 1 July 2025, under new TASA rules, taxpayers must sign their own engagement letter — even if they're part of a family group or business we've worked with before.

This change ensures:

- Clear outline of the services we're providing to you personally
- Defined responsibilities for each client
- Formal consent for us to act on your behalf

As a result, you may receive a separate engagement letter to sign, even if someone else in your group has already accepted theirs.

#### More Structured Communication

Under the new standards, we're now required to formally notify you if something arises that could significantly impact the scope of our services.

While we've always kept clients informed, these changes establish a clearer and more consistent communication process to ensure you're always up to date.

#### Stronger Documentation Requirements

You'll see clearer language in our engagement letters, outlining what's included, what's not, your rights, and how to raise concerns. We may also request more detailed documentation to support certain claims or deductions, as we're now required to keep more evidence on file.

These steps help meet stricter compliance standards and protect you in the event of an ATO review — while maintaining the same trusted support.

#### Your Rights and Access to Information

Under the new standards, you have the right to raise concerns or make complaints about our services. We are committed to transparency and accessibility.

Key information about our registration and responsibilities is available on our website for you to review anytime.

#### Tax Agent Registration

Cardell Chartered Accountants (TAN 17404006) is registered with the Tax Practitioners Board to provide tax agent services. You can verify our registration via the public register at [www.tpb.gov.au/public-register](http://www.tpb.gov.au/public-register)

#### Complaints Process

If you are dissatisfied with any aspect of our service, we encourage you to contact us directly:

[contact@cardell.com.au](mailto:contact@cardell.com.au)  
(03) 5672 3722

If your concerns remain unresolved, you are entitled to lodge a formal complaint with the Tax Practitioners Board. Further information is available at [www.tpb.gov.au/complaints](http://www.tpb.gov.au/complaints)

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## Tax Agent Services Act (TASA) Changes from 1 July 2025 (Continued)

### New Rules on Client Conduct

We are now formally required to stop acting for clients who knowingly provide false or misleading information or refuse to comply with tax laws. This reinforces our ethical standards and is an explicit requirement under the updated Code of Professional Conduct.

### More Information

You can read more about the changes introduced by the TPB here: [https://www.tpb.gov.au/sites/default/files/2025-03/Information%20for%20clients%20factsheet%202025\\_0.pdf](https://www.tpb.gov.au/sites/default/files/2025-03/Information%20for%20clients%20factsheet%202025_0.pdf)

If you have any questions or want to discuss these updates further, please don't hesitate to reach out ☐

## Super Guarantee Changes

The super guarantee is set to increase from 1 July 2025 from 11.5 % to 12%.

The 12% rate must be applied to all salaries and wages paid to eligible workers on or after 1 July, regardless of whether any part of the pay period falls before that date.

The late payment of superannuation including interest and administrative penalties will continue to be non-deductible for income tax purposes ☐

## \$3m Super Member Balance Tax (Division 296 Tax)

The government proposes to introduce new Division 296 tax, on superannuation earnings for those with superannuation balances greater than \$3,000,000 at the end of the relevant financial year.

This proposed tax is expected to apply from the 2025-2026 financial year onwards. The \$3 million threshold is an individual limit and is not on a per fund or per couple limit

There has been no other proposals for changes to be made to current taxing arrangements applicable to superannuation funds. This tax is proposed to apply in addition to the current taxing arrangements.

When it has been determined that an individual is liable to pay Division 296 tax, the rate of this new tax will be 15%. This is in addition to the current taxing arrangement of 15%. However, Division 296 tax rate will only be applied to the proportion of an individual's superannuation earnings attributable to their balance above \$3 million.

The new Division 296 tax is proposed to result in a personal tax liability rather than a tax liability in the superfund. However, individuals subject to the division 296 tax will have the opportunity to pay the liability from their superannuation fund under a release authority arrangement ☐

## ATO Interest

The Government announced they will be amending tax law to no longer allow deductions for ATO interest charges from 1 July 2025.

This change means that taxpayers will no longer be able to claim a deduction for General Interest Charges (GIC) and Shortfall Interest Charges (SIC) incurred on or after 1 July 2025.

As a result of deductions for GIC and SIC being denied, any GIC or SIC that are later remitted will no longer need to be included as assessable income

Any GIC or SIC already incurred prior to 1 July 2025 remains deductible for the 2024-25 and earlier income years ☐

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TAXATION SPECIALISTS

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Australian Government



# INFORMATION FOR CLIENTS

## YOUR OBLIGATIONS TO THE ATO AND YOUR TAX PRACTITIONER'S OBLIGATIONS TO YOU, THE TPB AND ATO

### Your obligations are important

As a taxpayer, it is important you:

- are aware of your obligations to the Australian Taxation Office (ATO)
- understand your tax practitioner has obligations to you, the ATO and the Tax Practitioners Board (TPB).

### Your obligations as a client

It's your responsibility as a taxpayer to:

- be truthful with the information you provide your tax practitioner
- keep the required records and provide them to your tax practitioner on a timely basis, as required
- be co-operative with your tax practitioner's requests and meet their due date
- comply with the tax laws.

### You must meet your obligations

If you do not meet your obligations:

- the ATO may impose administrative penalties (fines)
- interest charges may be applied
- in some cases, criminal prosecutions may be sought
- the ATO may initiate debt recovery.

### What's required of your tax practitioner

Your tax practitioner's obligations require them to:

- act honestly and with integrity
- uphold and promote the ethical standards of the tax profession
- act lawfully in your best interests
- manage any conflicts of interest
- take reasonable care to ascertain your state of affairs and apply tax laws correctly
- keep your information confidential unless there is a legal duty to disclose
- provide services competently
- not knowingly obstruct the administration of the tax laws
- advise you of your rights and obligations under the tax laws
- account to you for money or other property on trust
- not make false or misleading statements to the TPB or ATO, and in some cases withdraw their engagement with you and notify the TPB or ATO of certain matters
- keep proper records
- keep you informed of certain matters so you can make informed decisions (see page 2)
- address any false or misleading statements they are responsible for
- engage with clients to address other false or misleading statements, exploring options to correct.

### When your tax practitioner doesn't meet their obligations

If your tax practitioner fails to meet their obligations:

- their registration can be suspended or terminated, meaning they can't practice
- they could receive a caution or orders from the TPB – for example, undertaking education or working under the supervision of another registered tax practitioner
- fines may be imposed on them by the Federal Court
- your tax and superannuation matters may not be accurate
- you may be subject to enquiries or audits
- any tax shortfalls may attract penalties and interest
- you may have litigation options to review decisions and to recover debts
- in the case of fraud or criminality, penalties may lead to prosecutions.

#### Further information

For further information, see [tpb.gov.au](https://tpb.gov.au) and [ato.gov.au](https://ato.gov.au)

## Your tax practitioner must keep you informed of certain matters

### 1. Information about the TPB Register

To support you to make the right decisions about any tax practitioner, the TPB maintains a [public register](#). You can identify registered BAS agents and tax agents, as well as those who are in your locality. The register also provides important information about higher risk cases, where the TPB has imposed serious sanctions on a tax practitioner.

You can find more information about the register at [tpb.gov.au/help-using-tpb-register](https://tpb.gov.au/help-using-tpb-register).

### 2. How to make a complaint to the TPB

The TPB welcomes all feedback which helps improve services and the regulatory system and provides critical intelligence and data. You can provide information or make a complaint about a tax practitioner to the TPB using a simple online form, [myprofile.tpb.gov.au/complaints/](https://myprofile.tpb.gov.au/complaints/).

Complaints can also be made about unregistered preparers who are not complying with the law. All complaints and referrals are assessed by the TPB.

For more information about the complaints process see [tpb.gov.au/complaints](https://tpb.gov.au/complaints).

### 3. General information about rights, responsibilities and obligations

Your tax practitioner must advise you of their rights, responsibilities and obligations as a tax practitioner, including to you, and the obligations you have to them. These rights, responsibilities and obligations may arise under the tax law or because of the services they provide to you.

For a summary of key obligations relating to you and your tax practitioner see page 1. Your tax practitioner will provide you with additional information about these matters.

### 4. Prescribed events within the last 5 years

If certain prescribed events have occurred involving the tax practitioner within the last 5 years, they must advise you of this at the time you make enquiries to engage or re-engage them to provide tax agent services. Otherwise, the tax practitioner must notify you within 30 days of them becoming aware of the matter. Prescribed events include if the tax practitioner was:

- suspended or terminated by the TPB
- an undischarged bankrupt or went into external administration
- convicted of a serious taxation offence or an offence involving fraud or dishonesty
- serving or sentenced to a term of imprisonment in Australia for 6 months or more.

This disclosure obligation extends to prospective clients – for example, a taxpayer enquiring to engage a tax practitioner for the provision of tax agent services.

Tax practitioners are not required to disclose events that occurred before 1 July 2022.

### 5. Registration subject to conditions

Your tax practitioner must advise you if their registration is subject to conditions (for example, they can only provide tax services related to research and development or tax [financial] advice services).

The tax practitioner must notify you of this at the time you are making inquiries to engage or re-engage them to provide you with tax services. Otherwise, the tax practitioner must notify you within 30 days of them becoming aware of the matter.

## What you should expect from your tax practitioner



They will ask you questions to better understand your situation.



They may ask you to provide evidence of any claims you make.



They will act honestly and not illegally.



They will advise you of your obligations under the tax laws.