4 April 2019

Mr Nick Westernick

By email: TPBreview@treasury.gov.au

Dear Sir

**SUBMISSION FOR REVIEW OF THE TAX PRACIATTIONERS BOARD**

It is axiomatic that financial advice to clients cannot be complete without referencing that advice to the tax regime. This has always been the case and will always be the case.

The Government has taken a view that there needs to be regulatory oversight of financial planners in relation to any tax (financial) advice that they provide. This regulatory oversight through the TPB is separate to the burden of meeting other regulatory/legislative requirements to practice as an adviser including but not limited to undertaking an industry exam, meeting certain education thresholds in the past and increased educational thresholds in the future and ongoing education through proscribed CPD hours; and AFSL and ASIC oversight etc.

Given that you cannot effectively separate financial advice without taking into account tax considerations, a further regulatory/legislative overlay by a body such as the TPD creates a separation in theory only. While the Government may take a view that this enhances expertise/professionalism, the reality is that there is an effective mechanism for achieving the same with the existing compliance etc bodies with an increased scope.

The licencing costs (financial and compliance) of the TPB, separate to the other adviser costs, adds an unnecessary layer of compliance complexity and real cost of management and adviser time to ensure that obligations are met. We have recently reviewed our cost structures and are significantly increasing our fees to our clients to reflect the increased compliance obligations on the business. Unfortunately, this will increasingly price out our less well-off clients who probably would benefit the most from quality advice. And that is a shame.

Yours sincerely

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