

23 February 2023

Mr Alan Raine
Committee Secretary
Senate Standing Committee on Economics
Parliament House
CANBERRA ACT

Dear Mr Raine

Estimates Hearing 15 February 2023, Economics Legislation Committee, Department of the Treasury - Proof Committee Hansard, Page 96

To avoid any ambiguity, I write to clarify an issue discussed between Senator McKim and myself at the Estimates hearing on Wednesday 15 February 2023.

Senator McKim: Mr Klug, are any members of the Tax Practitioners Board receiving any remunerating from PwC? Haven't you got a couple of former partners on the board?

Mr Klug: Yes, we do have two former partners on the Board.

Senator McKim: Are they receiving remuneration from PwC?

Mr Klug: I don't believe so, no.

Senator McKim: You don't believe so? You must know, surely. Surely they would have declared it if they had been.

Mr Klug: They would have declared it had they been receiving it, and I don't believe that they are.

Senator McKim: So have there been any declarations of conflict of interest at the board level on this matter?

Mr Klug: no, and we have a declaration of conflict of interest at the beginning of every board meeting.

I **am writing to** provide an amended response to the Committee in relation to this matter. Noting that there are two former PwC partners who are members of the Tax Practitioners Board (TPB), I can confirm,

- they have made declarations of interest to the TPB about their connection to PwC
- they recused themselves from any relevant matters, decisions and discussions to address any actual or perceived conflicts of interest, including issues related to our investigation of PwC and Mr Peter Collins, and

- that apart from their entitlements under the PwC Partnership Agreement, as former partners, both have confirmed they are not in receipt of remuneration from PwC.

Regards

Ian Klug AM
Chair
Tax Practitioners Board