

Attention: Mr Alan Raine, Committee Secretary
Economics Legislation Committee
The Senate
Parliament House
CANBERRA ACT 2600

1 May 2023

Dear Mr Raine,

RESPONSE TO QUESTIONS ON NOTICE

The Tax Practitioners Board (TPB) is responding to the Questions on Notice received from the Senate Economics Legislation Committee, from Senator Deborah O'Neill and Senator Nick McKim (questions are reproduced and contained in **Appendix A** to this letter).

The TPB respects the role of the Senate Economics Legislation Committee and we seek to be transparent, responsive and accountable to the Committee and Parliament.

In providing our response, the TPB has balanced our legal responsibility to produce the requested documents and information with our public policy obligations to preserve the secrecy of taxpayer information and the privacy of individuals who were not the direct subject of TPB compliance action.

The TPB relies upon information provided by the public and registered tax practitioners, and works collaboratively with co-regulators to undertake its compliance function. Its ability to run effective investigations going forward may be negatively impacted if information, that would otherwise be protected by the secrecy provision under section 70-35 of the *Tax Agent Services Act 2009* (TASA) and/or the *Privacy Act 1988*, was to be generally disclosed.

If there are further questions, please do not hesitate to contact _____ on _____ or at _____

Yours sincerely,

Ian Klug AM
Chair
Tax Practitioners Board

Questions from Senator Deborah O'Neill

- Question 1: Please table the submission to the Tax Practitioners Board Conduct Committee in relation to Peter John Collins and PwC matters.*
- Question 2: Please table any additional internal PwC emails that relate to the sharing of the confidential information that are not in the submission to submission to the Tax Practitioners Board Conduct Committee in relation to Collins and PwC matters?*
- Question 3: Mr Peter John Collins was found to have breached multiple confidentiality agreements with Treasury, which had provisions where a breach of it was reportable under the Crimes Act. When was the determination made to report such a breach of an agreement to the Tax Practitioners Board instead of the Australian Federal Police? Was such a determination made, if so, what was the basis for such a determination? If the referral was made, what was the result of that investigation?*
- Question 4: Who are the members of the Tax Practitioners Board Conduct Committee? Are any former employers of PwC? Did any declare a conflict of interest in this matter? Do any members of the Tax Practitioners Board or the Tax Practitioners Board Conduct Committee receive any continuing payments from PwC?*
- Question 5: Please provide a summary timetable of the investigation of Mr Peter John Collins and PwC, including but not limited to, dates that the allegation was made and the date that the allegation was referred to the Tax Practitioners Board.*

Questions from Senator Nick McKim

- Question 1: How many unauthorised disclosures did Mr Collins make?*
- Question 2: What were the terms of the confidentiality agreement(s) between Treasury and Mr Collins? Can this be provided in full?*
- a. Was there more than one confidentiality agreement?*
 - b. Which terms of the confidentiality agreement(s) did Mr Collins breach?*
 - c. Were any potential sanctions for breaches detailed in the confidentiality agreement? What were these sanctions?*
 - d. Did this agreement extend any obligations to PwC, including to other partners and staff at PwC?*
 - e. Did this agreement make reference to any potential penalties for breach of this agreement?*
- Question 3: When did the TPB first become aware of these unauthorised disclosures by Mr Collins?*
- a. How did the TPB become aware of these unauthorised disclosures by Mr Collins?*
 - b. Has the TPB compiled a timeline of this investigation, including when the unauthorised disclosures occurred, when investigations commenced, etc? Can this be provided in full?*

The TPB gave evidence that 20 or 30 partners and staff “were involved” in the unauthorised disclosures of confidential tax law reform information by Peter-John Collins to partners and staff of PwC.

Question 4: What is meant by “were involved”?

- a. Were these 20 or 30 partners aware of the contents of the confidential consultations?
- b. How many of these 20 or 30 people did Mr Collins inform directly?

Question 5: How many of these people are or were partners at PwC?

- a. Is the TPB aware of the identity of those partners involved?
- b. How many of these partners were registered tax practitioners in Australia?
- c. What steps has the TPB taken to determine if any of these partners are in breach of their obligations as registered tax practitioners?

Question 6: How many of these people are or were staff at PwC?

- a. Is the TPB aware of the identity of those staff involved?
- b. How many of these staff were registered tax practitioners in Australia?
- c. What steps has the TPB taken to determine if any of these staff are in breach of their obligations as registered tax practitioners?

Question 7: Has the TPB considered seeking civil penalties against Mr Collins or any other partners or staff at PwC in relation to the authorised disclosures?

- a. Has the TPB sought legal advice on seeking civil penalties?

TPB member Judy Sullivan was a tax partner at PwC at the time that Peter-John Collins made these unauthorised disclosures.

Question 8: Has the TPB established if Ms Sullivan was “involved” in these unauthorised disclosures?

- a. Has the TPB established if Ms Sullivan was aware that Peter-John Collins made these unauthorised disclosures at the time she was at PwC?
Was Ms Sullivan aware of the contents of these unauthorised disclosures at the time she was at PwC?

Question 9: Was Ms Sullivan involved in the TPB’s deliberations regarding these unauthorised disclosures?

- a. Did Ms Sullivan make any declarations of any conflicts of interest relating to the TPB’s deliberations regarding these unauthorised disclosures?

TPB members Judy Sullivan and Peter Hogan are both former partners at PwC.

Question 10: Has the TPB established if either Ms Sullivan or Mr Hogan are in receipt of any ongoing payments from PwC, including as part of any retirement plans with PwC?

- a. Has the TPB established if these ongoing payments are tied to the financial performance of PwC?

Question 11: Has the TPB established if any members who are former partners of accounting, legal or any other firms are in receipt of any ongoing payments from their former association with these firms, including as part of any retirement plans?

- a. Has the TPB established if these ongoing payments are tied to the financial performance of the business?