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Committee Secretary  
Senate Finance and Public Administration Committees  
PO Box 6100  
Parliament House  
Canberra ACT 2600

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Dear Committee Secretary

### **Public Governance, Performance and Accountability Amendment (Ban Unethical Contractors) Bill 2025**

The Tax Practitioners Board (**TPB**) welcomes the opportunity to make a submission to the Senate Finance and Public Administration Committee (**Committee**) in relation to the inquiry into the Public Governance, Performance and Accountability Amendment (Ban Unethical Contractors) Bill 2025 (**Bill**).

#### **Background**

The TPB is an independent statutory body that administers the *Tax Agent Services Act 2009* (**TASA**) and the *Tax Agent Services Regulations 2022* (**TASR**). The TPB is responsible for registering and regulating entities providing tax agent services and business activity statement (**BAS**) services in Australia.

The object of the TASA is to support public trust and confidence in the integrity of tax profession and of the tax system by ensuring that tax agent services are provided to the community in accordance with appropriate standards of professional and ethical conduct.

As at 5 December 2025, there were 63,998 registered tax practitioners with the TPB, comprising of 46,994 tax agents and 17,004 BAS agents. In some cases, contractors to Government may also be registered tax practitioners.

#### **Obligations of registered tax practitioners**

The Bill seeks to amend the *Public Governance, Performance and Accountability Act 2013* (**Act**) to require that government procurement contracts cannot be entered into with potential suppliers or tenderers who have engaged in unethical conduct.

In some instances, potential suppliers or tenderers will be registered tax practitioners. In those cases, those suppliers and tenders will be subject to a number of obligations under the TASA aimed at ensuring that tax agent services are provided in accordance with appropriate standards of professional and ethical conduct. Key obligations include:

- To be registered, and remain registered as a tax practitioner, every partnership or company must have a sufficient number of registered tax practitioners to ensure that services are being provided competently and that there is appropriate supervision
- Every individual partner or director of a company or partnership is fit and proper
- Being subject to a legislated Code of Professional Conduct (**Code**) that regulates the personal and professional conduct of registered tax practitioners and relevantly includes the following items:
  - Code item 1 – registered tax practitioners must act with honesty and integrity
  - Code item 4 – registered tax practitioners must act lawfully in the best interests of their client
  - Code item 5 – registered tax practitioners must have adequate arrangements for the management of conflicts of interest in relation to the tax services provided
  - Section 10 of the *Tax Agent Services (Code of Professional Conduct) Determination 2024* (**Determination**) – registered tax practitioners must uphold and promote the ethical standards of the tax profession
  - Section 20 of the Determination – registered tax practitioners must identify, disclose and manage conflicts of interest in activities undertaken for government
  - Section 25 of the Determination – registered tax practitioners must maintain confidentiality in dealings with government.

#### TPB view

The TPB notes the proposed amendments to the Act recognising that some suppliers and tenderers to Government will be registered tax practitioners and will therefore be subject to the obligations under both the Act and the TASA. However, our analysis of the proposed amendments to the Act indicates that there is strong alignment with the existing requirements for registered tax practitioners under the TASA, as set in Table 1 below.

**Table 1: Comparison of proposed amendments to the Act and existing obligations of registered tax practitioners under the TASA**

Requirement	Proposed amendments to the Act	Requirement under TASA
<b>Mandatory exclusion period</b>	<p>The Bill proposes a mandatory exclusion period of up to 5 years of potential suppliers or tenderers who have engaged in unethical conduct from entering into procurement contracts with the Commonwealth.</p> <p>Further, unethical conduct engaged in by related entities of potential suppliers or tenderers, and directors, senior officers, and employees of potential suppliers or tenderers, must be considered during any procurement process.</p>	<p>If the Board terminates a registered tax practitioner's registration, the Board may also determine a period, of not more than 5 years, during which they may not apply for registration (see section 40-25 of the TASA). It is noted that following a 2025 Budget announcement by Government, this exclusion period will be extended to 10 years.</p> <p>Further, a registered tax practitioner must be approved to employ, or use the services of, a disqualified entity to provide tax agent services on the registered tax practitioner's behalf (see section 30-10(15) of the TASA).</p> <p>An entity is a disqualified entity if, among other things, the entity is subject to</p>

Requirement	Proposed amendments to the Act	Requirement under TASA
		<p>sanctions under the TASA or has been convicted of certain offences.</p> <p>A disqualified entity must give notice to a registered tax practitioner in relation to being a disqualified entity:</p> <p>(a) when seeking to provide, or providing, tax agent services on the registered tax practitioner's behalf; or</p> <p>(b) if the entity is seeking to enter an arrangement, or has an arrangement, with the registered tax practitioner in connection with the provision of tax agent services by the registered tax practitioner (see Part 4A of the TASA).</p>
<b>Review process for excluded suppliers</b>	The Bill proposes a review process in relation to a decision to prevent a potential supplier or tenderer from entering into a procurement contact with the Commonwealth.	A decision under section 40-25 of the TASA to determine a period during which an application for registration may not be made is reviewable by application to the Administrative Review Tribunal (see section 70-10(h) of the TASA).
<b>Public register of excluded suppliers</b>	The Bill proposes the Finance Minister establish a public register of excluded entities to be published on the Department of Finance's website.	The Board maintains a public register which details, among other things, tax practitioners that have had their registration terminated and any exclusion period that may have been applied.

Yours sincerely

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Tax Practitioners Board