



Friday, 17 April 2026

Dr Sean Turner  
Committee Secretary  
The Senate Economics Legislation Committee  
PO Box 6100  
Parliament House  
Canberra ACT 2600

By email: [economics.sen@aph.gov.au](mailto:economics.sen@aph.gov.au)

Dear Committee Secretary,

### **Treasury Laws Amendment (Delivering an Efficient and Trusted Tax System) Bill 2026**

Thank you for your invitation to provide a submission regarding the Treasury Laws Amendment (Delivering an Efficient and Trusted Tax System) Bill 2026 (the Bill). Chartered Accountants Australia and New Zealand (CA ANZ) appreciate the opportunity to contribute to the Senate's consideration of these legislative changes. This submission address:

- the removal of the \$2 threshold for deductions for gifts,
- modernising tax administration systems for closely held trusts, and
- technical amendments to the *Superannuation Industry (Supervision) Act 1993* regarding Public Trustees and Self Managed Superannuation Funds.

### **Removal of the \$2 Threshold for Deductions for Gifts or Contributions**

CA ANZ and CPA Australia in a joint [submission](#) to the Productivity Commission support this recommendation in principle but note that whether it will make a practical difference to the amount of giving will depend on the compliance approach towards substantiating this expense.

In this digital age, there is no longer a need for a minimum level of donation and so we support in principle this recommendation. Whether such a recommendation will make a practical difference will depend upon the impact of substantiation and anti-avoidance requirements. While we note the small expenses rule where receipts are not required for individual items costing less than \$10 provided that they do not total more than \$200 and a record detailing various details of the expense is made.

### **Modernising Tax Administration Systems for Closely Held Trusts**

CA ANZ supports modernisation of trust and beneficiary reporting, including compulsory TFN reporting for closely held trusts.

These amendments are an opportunity to update legislation and reduce red tape by consolidating TFN reporting requirements. Currently, closely held trusts need to report certain information on trust distributions made to beneficiaries that are trustees under Division 6D of

the *Income Tax Assessment Act 1936*. This reporting includes the TFN of the trustee beneficiary and is included in the existing trust tax return.

The bill currently avoids duplication of reporting by excluding reporting made under Division 6D. To further reduce red tape, it would be useful for the bill to repeal Division 6D and include **all** reporting of TFNs associated with distributions in the current proposal. This will reduce confusion as to which provisions apply and allow reporting processes within both government and the private sector to be streamlined.

It is noted that the boxes associated with beneficiary distributions in the trust tax return are substantial and additional boxes for tax preferred amounts and untaxed part of share of net income would have minimal impact on compliance costs compared to having separate reporting regimes.

CA ANZ acknowledges that Division 6D was introduced as an important integrity measure to address avoidance and deferral risks arising from trustee to trustee distributions within closely held trust structures. However, Division 6D was designed for a paper based tax administration environment that no longer exists. Since its introduction, reporting frameworks have evolved significantly, including the expanded Trust Income Schedule, compulsory TFN reporting and sophisticated data matching capabilities.

As a result, the integrity outcomes historically delivered by Division 6D are now achieved through broader, contemporary reporting systems. Repealing or consolidating Division 6D into a single, modernised reporting framework would not create new opportunities for avoidance or deferral, nor would it reduce the Commissioner's visibility of trust distributions. Instead, it would remove duplicative obligations and an outdated penalty based disclosure regime, improving clarity and compliance without weakening the tax system's integrity. CA ANZ is therefore of the view that consolidation would support, rather than undermine, confidence and trust in the administration of the law.

### **Minor and Technical Amendments to the *Superannuation Industry (Supervision) Act 1993 (SIS Act)***

Part 2 of Schedule 3 proposes to amend the SIS Act, to "allow a Public Trustee that is acting for a client who has an SMSF to approve a person to be the trustee or the director of the trustee company of the client's SMSF. The amendments also authorise that person to be remunerated for their services." (par 3.11, explanatory memorandum to the Bill)

CA ANZ supports the proposed amendments. However, we believe they should be amended to provide greater flexibility. There are occasions when solicitors agree to act as a client's attorney under an enduring or general power of attorney or to act as a client's executor for their deceased estate. In some cases, solicitors may agree to take on both these roles. When acting as a client's attorney or executor it is possible for solicitors to be appointed as a trustee of the client's Self Managed Superannuation Fund.

Under the current wording of Sec 17B of the SIS Act the solicitors in question cannot charge for their trustee duties. (Depending on the solicitor it may be possible for a fund to be charged for a solicitor to provide non-trustee services.)

In the same way that these amendments would permit a person authorised by a Public Trustee to be remunerated for their services, CA ANZ recommends that this ability should be extended to solicitors in the cases we have outlined above.

Appendix A contains more information about CA ANZ. Should you have any queries about the matters in this submission, or wish to discuss them in further detail, please contact me at

[REDACTED]

Yours faithfully,

[REDACTED]

**Susan Franks**

Australian Leader – Tax, Superannuation and Financial Services

# Appendix A

## About Chartered Accountants Australia and New Zealand

Chartered Accountants Australia and New Zealand (CA ANZ) represents more than 140,000 financial professionals, supporting them to build value and make a difference to the businesses, organisations and communities in which they work and live.

Around the world, Chartered Accountants are known for their integrity, financial skills, adaptability and the rigour of their professional education and training.

CA ANZ promotes the Chartered Accountant (CA) designation and high ethical standards, delivers world-class services and life-long education to members and advocates for the public good. We protect the reputation of the designation by ensuring members continue to comply with a code of ethics, backed by a robust discipline process. We also monitor Chartered Accountants who offer services directly to the public.

Our flagship CA Program, the pathway to becoming a Chartered Accountant, combines rigorous education with practical experience. Ongoing professional development helps members shape business decisions and remain relevant in a changing world.

We actively engage with governments, regulators and standard-setters on behalf of members and the profession to advocate in the public interest. Our thought leadership promotes prosperity in Australia and New Zealand.

Our support of the profession extends to affiliations with international accounting organisations.

We are a member of the International Federation of Accountants and are connected globally through Chartered Accountants Worldwide and the Global Accounting Alliance. Chartered Accountants Worldwide brings together members of 13 chartered accounting institutes to create a community of more than 1.8 million Chartered Accountants and students in more than 190 countries. CA ANZ is a founding member of the Global Accounting Alliance which is made up of 10 leading accounting bodies that together promote quality services, share information and collaborate on important international issues.

We also have a strategic alliance with the Association of Chartered Certified Accountants. The alliance represents more than 870,000 current and next generation accounting professionals across 179 countries and is one of the largest accounting alliances in the world providing the full range of accounting qualifications.