

7 November 2022

Director
Tax and Compliance Unit
Retirement, Advice and Investment Division
Treasury
Langton Cres
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Via email: superannuation@treasury.gov.au

Submission on: *Superannuation Auditor Registration Imposition Regulations 2022*

Chartered Accountants Australia and New Zealand (CA ANZ), CPA Australia and the Institute of Public Accountants (IPA) ("**the Joint Accounting Bodies**") welcome the opportunity to provide comments on the Exposure Draft ("**ED**") of the *Superannuation Auditor Registration Imposition Regulations 2022* ("**the Regulations**") which remake the *Superannuation Auditor Registration Imposition Regulations 2012* ("**2012 Regulations**").

The Joint Accounting Bodies represent over 300,000 professional accountants who work in diverse roles across public practice, commerce, industry, government and academia throughout Australia and internationally. Specifically, over 90 per cent of registered self-managed superannuation funds (SMSF) auditors are members of at least one of the three Joint Accounting Bodies.

We support the reduction in the fees, from \$899 to \$193, when applying for registration to be cancelled as an approved SMSF auditor.

We also support the SMSF competency exam sitting fee remaining at \$107. Given there is minimal changes in the processing and monitoring of the SMSF competency exam, we believe that holding the fee at \$107 is reasonable.

We also support the proposed fee reduction, from \$1,028 to \$678, for the fee charged to the SMSF auditor when applying for conditions imposed on registration as an approved SMSF auditor to be varied or revoked under section 128D of the *Superannuation Industry (Supervision) Act 1993*.

The increase of the fee for registration as an approved SMSF auditor from \$1,927 to \$2,191 appears to be nominal and reasonable. However, we continue to **not** support the imposition of a fee for registration as an approved SMSF auditor, and so do not support the proposed increase. We are concerned that the quantum of the fee could discourage new SMSF auditor applications. It is unclear why the SMSF auditor registration fee would be more than five times higher than the Registered Company Auditor (RCA) registration fee. Treasury's clarification of this apparent anomaly would be appreciated.

Also, the ATO charges an annual SMSF supervisory levy of \$259 per fund which is to cover the ATO's supervisory activities, including referrals of SMSF auditor breaches to ASIC. It would therefore be inappropriate if the SMSF auditor registration fee included any amounts in relation to this ATO supervisory work. If the fee for registration as an approved SMSF auditor does genuinely reflect the processing costs of these applications, then we consider that a fundamental review of the application process is warranted.



Should you have any questions about the matters raised in this submission or wish to discuss them further, please contact either Amir Ghandar (CA ANZ) at amir.ghandar@charteredaccountantsanz.com, Ram Subramanian (CPA Australia) at ram.subramanian@cpaaustralia.com.au or Irwin Bushnell (IPA) at irwin.bushnell@publicaccountants.org.au.

Yours sincerely

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