



Key outcomes

OFFICIAL External

Title:	Strategic Working Group meeting		
Issue date:	9 April 2021		
Venue:	Webex		
Event date:	18 March 2021	Start: 11:00am	Finish: 3:15pm

Chair:	Mark Stockwell Chris Howard	Facilitator:	Mark Stockwell
Contact	Danielle Miller	Contact phone:	02 47257189

Attendees: names/section	ATO: Mark Stockwell - Co-chair- AC (A/g), Digital Partnerships, Planning & Governance Anita Chaganti – AC(A/g), Digital Wholesale Integration Services Larissa Evans – AC, Engagement & Support – Fund Services Damien Hobbin – AC, ABRS Director ID Jason Lucchese – AC, Superannuation & Employer Obligations Kerry O’Loughlin – AC, Individuals & Intermediaries Natalie Ross – AC, ABR Platforms Andrew Watson – AC, Small Business Experience Jodie Davy – Director, Enterprise Data & Analytics Paul Dwyer – Director, Digital Wholesale Integration Services Lisa Eggins - Director, Single Touch Payroll Kylie Johnston – Director, Digital Partnership Office Michael Karavas – Director, Single Touch Payroll Perry Liolios – Director, e-invoicing Mark St Hill – Director, Strategy, Architecture & Design Elias Allaoui – Law Design & Practice Danielle Miller – Digital Partnership Office Catherine Pantano – Digital Wholesale Integration Services Industry: Simon Foster - Co-chair- ABSIA Mike Behling - MYOB Max Ciereszko - FastTrack
-----------------------------	---

Mike Denniss – Class Limited
Tim Covark – Cashflow Manager
Simone Dixon – Elmo Software
Simeon Duncan - Intuit
Ian Gibson - ABSIA
Joy Hooper – Oracle Corporation Australia
Matthew Prouse - Xero
Michael Roberts - TaxLab
Simon Smart - eTax
Shaun Wilkinson – Arrow Research
Michael Wright – Sage
Danna Zhang – CCH Collaborative Solutions

Guest:
Bonnie Denness – Policy Analyst, Corporate & International Revenue Group, Treasury
Luke Dorahy - Policy Analyst, Corporate & International Revenue Group, Treasury
Victoria Henry – Senior Advisor, Corporate and International Tax Division, Treasury

Apologies:
name/section

Ben Foster- AC, Digital Communication & Identity Services
Claudio de Paiva – Director, Policy, Analysis & Legislation
Helena Bone - MessageXchange

Next meeting **15 June 2021**

Agenda item: 1 – Welcome and introduction

Mark Stockwell welcomed the new members and introduced Simon Foster as the ABSIA president and co-chair.

Agenda item: 2 – DPO Update

Introducing Digital Partnerships, Planning & Governance

Mark introduced the newly formed Digital Partnerships Planning & Governance branch. The new branch will allow for better alignment and efficacies, working together to support delivery in a more cohesive way. This new structure will not impact the way the DPO interacts with industry.

Operational Framework (OPF) Review

Consultation is still underway; the original planned completion date of December 2020 has been extended to June 2021 to allow for more time between working groups.

Once the focus groups have been completed in coming weeks, the full working group will be reconvened to go through the outcomes and the draft requirements document. These will

then be published as a draft for all DSP feedback and finalised by 30 June 2021.

Changes will be required by DSPs' next annual review with allowance for any DSP scheduled for their annual review within six months.

Action item:	Due date:	Responsibility:
20200930_01	Thursday 18 March 2021	Kylie Johnston
Q: <i>Are there plans to standardise/internationalise the Operational Framework accreditation process into a standard of sorts?</i> Kylie Johnston will progress internally and provide a response at the next meeting (2021).		
Update 18 March: We're not in the position to create an industry standard, however we won't rule it out. We do appreciate the thought is out there that we have created a strong security framework.		

Strategic Initiatives

Mark Stockwell provided an overview of the strategic initiatives and the potential for DSP involvement. A description of the initiatives is included in the *presentation pack*.

Roadmap

The DPO welcomed feedback on the draft DSP roadmap which provides line of sight and transparency of major projects and future work. The draft roadmap will be updated to incorporate additional details from the strategic initiative roadmaps as they become available.

Once the draft is ready for publishing, links to the collaboration space will be provided.

The group provided positive feedback on the draft and suggested expanding the roadmap to include:

- Consultation groups involved
- Commencement/status of retail solutions aligned to wholesale
- Further detail on length of hold/delay
- Anticipated effort level/impact in the form of a heatmap
- Expansion/explanation of acronyms
- Updates to placeholder for whole of government initiatives
- A count showing total number of initiatives and number road mapped

Agenda item: 3 – MBR/Director ID update

An update on the MBR program of work and Director ID was provided.

Director ID – Tranche 1

Director identification numbers (director ID) will be the first new service delivered under the MBR program. Director ID is being introduced to help combat illegal phoenix activity. It will help prevent the use of fictitious director identities and improve the integrity of the system.

A person must apply for their own director ID using the ATO retail channel as they need to verify their identity when they apply.

A policy position on whether director IDs will be publicly searchable on the new registry system is being considered by government.

The MBR program is currently working with representatives of the Design Working Group to determine what APIs may be available to support the introduction of director ID. An indicative timeline and roadmap for APIs can be found in the presentation pack.

There was some discussion around what channels director ID would impact and the potential changes required. The channel management strategy will be shared as it evolves.

Companies - Tranche 2

Tranche two will bring together harmonised data by the transfer of four company registers and current ASIC and ABR services. There are challenges in harmonising the data and managing the transition if there is conflicting data - details can be found in the *presentation pack*.

There is a significant workload to merge these items and there will be consultation opportunities for DSP involvement around the design.

Action item:	Due date:	Responsibility:
20210318_01	Tuesday 15 June 2021	Natalie Ross
<p>Q: <i>Currently in ABN Lookup there is information about Not-for-profit entity status for FBT (i.e. exempt, rebatable, or N/A) - is it planned to have this information available in the new register?</i></p> <p>Update 7 April: We can confirm that tax concession status of company ABN (and all ABN) entities will continue to be available via ABR and ABN Lookup during transition. This information will also be made available through the new register, but the timing of when that will be is still being worked through during the transition period.</p>		

Agenda item: 4 – Your Future Your Super

A high-level overview was provided on the Your Future Your Super reforms which were included in the Budget measures announced in October 2020. The legislation is before parliament and would need to be passed in the budget sitting in May or mid June to make the proposed start date of 1 July 2021.

One of the four elements within the reform introduces the need for employers to seek information from the ATO for existing super fund account details (known as a “stapled fund account”) where the employee has not exercised choice of fund. When an employee does not provide a choice of super fund account on commencement with a new employer and does not have a stapled fund account, the ATO will advise that the employer’s default super fund can be used.

Industry consultation on the wholesale solution will occur once the measure is passed. The policy announcement included July 2022 as the date when a wholesale/integrated service would be available.

Further information on the [factsheet](#), and ATO will be provide more information as it becomes available.

Agenda item: 5 – Single Touch Payroll – Phase 2

The ATO has registered the legislative instrument which confirms a 1 January 2022 start date for STP Phase 2. The ATO understands that despite their best efforts, some DSPs and employers may not be able to meet the new date for a variety of reasons.

In recognition of this, a deferral framework will be published in the coming weeks.

The focus will now move toward providing guidance to support employers, with livestreams targeted at agents, employers and bookkeepers to provide awareness, followed by a series of webinar events to go into further detail.

A new approach has been implemented for testing for Phase 2. Extended Conformance Testing (ECT) has been introduced to replace PVT for this service. This provides an opportunity to test in EVTE and rectify any software issues, enabling DSPs and the ATO to confirm readiness for production. *Refer to presentation for further details.*

As STP Phase 2 moves from the design phase to implementation, the Payroll Working Group will be replaced by an STP Phase 2 Transition Working Group. This offers an opportunity for DSPs to work with the ATO to ready themselves and transition their clients.

Agenda item: 6 – Sharing Economy

A high level, in-confidence overview on the current status of the proposed Sharing Economy Regime which was announced as part of the 2019-20 Mid-Year Economic Outlook was provided.

Industry consultation occurred late last year across many sectors. It is expected to be a light touch service which interacts with existing services.

The reporting frequency of the data is yet to be determined, however implementation is planned for two phases:

- 1 July 2022 - Ride sharing and accommodation
- 1 July 2023 - Other sectors

Discussion was held around giving users the ability to correct pre-filled reportable data where it may have been included elsewhere.

DSPs also questioned the return on investment in developing a wholesale solution for this regime. They highlighted similarities to Foreign Account Tax Compliance Act (FACTA) software and the possibility of it being reproduced for this regime.

Further information will be issued as it becomes available.

Any feedback from the group on this measure or the discussion is welcomed – please submit your feedback via a [ticket](#) in OS4Ds.

Agenda item: 7 – e-invoicing

An update on e-invoicing and the adoption plan was provided– see *presentation pack*.

The current focus is on driving adoption amongst government at all levels and beginning research in preparation for the small and large business sectors coming on board.

The decision to drive Federal government adoption as the first approach was made as it not only demonstrates the government commitment to the Peppol standard, but leading the way with government has also proven effective in driving adoption by other countries.

Feedback received from government agencies to date is that e-invoicing is faster, cheaper, and easier than initially thought.

There was conversation around the possibility of separating e-invoicing communications and website from the ATO to remove the perception that e-invoicing is for tax compliance and gain greater trust of the network. The Australian Small Business and Family Enterprise Ombudsman and business.gov were suggested as advocates for consideration.

Agenda item: 8 – ATO Digital Services Modernisation Program

Anita Chaganti provided an update on the Digital Services Gateway (DSG), the intent for light weight, easy to consume services meeting the minimum standard:

- 5 seconds to find
- 5 minutes to understand
- 5 Days to consume

The roadmap showing the current status of the program and future work required was shared with the group.

The ATO is seeking industry feedback on designing DSG services and the Service Catalogue. Questions will be sent out to the group via OS4Ds shortly.

Further details are available in the presentation pack.

Agenda item: 9 – Wrap up and close

Placeholders for the next meetings will be issued shortly.