



## Key Outcomes

OFFICIAL External

<b>Title:</b>	PLS working group – Key outcomes		
<b>Issue date:</b>	2 March 2022		
<b>Venue:</b>	WEBEX		
<b>Event date:</b>	1 March 2022	<b>Start:</b> 1:00pm	<b>Finish:</b> 1:50pm

<b>Chair:</b>	Bernadette Basha	<b>Facilitator:</b>	Bernadette Basha
<b>Contact</b>	Janette Zafiroopoulos	<b>Contact phone:</b>	02 8894 9263

<b>Attendees: names/section</b>	<p>ATO – Bernadette Basha, Danny Figueiredo, Felicity Stokes, David Baker, Nicole Cheung, Anupama Duggirala, Maree Caulfield, Ben Woolfe, Justin Heineman, Larry Costa, Neil Stromberg, Rebecca El Assaad.</p> <p>Industry –Michael Wright (Access Group), Jack Wee (Catsoft), Ron Drost (Digital Disruption Solutions), Mike Behling, Scott Reid, Eli Gomez, Michael Tong, Christine Savva (MYOB), Albert Lillie (One Click), Steven Ivanopoulos, Kevin Johnson (Reckon), Karl Farrand (TaxLab), Shifa Akbar, Nikunj Simariya, Linda Kerhoulas (Thomson Reuters), Mark Walmsley (Walmsley Family Trust), Sue Zhao (Wolters Kluwer), Andrew Sprankling (Xero)</p>
<b>Apologies: name/section</b>	<p>Sangitha Sivayogaraj, Darin Carter, Saiful Larry (Access Group), Paul Salcombe (Business Automation Works), Misha Ali, Trajan Goldsworthy (eTax), Sandeep Gopalan (GovReports), Lex Edmonds (MicroTax), Andrew Smith, Andreas Robertson (MYOB), Nathan Kerr (One Click), Andrew Noble (Noble Accounting), Chardutta More (Sparken), James Barillaro, Alex Jacklin, Shane Paxton, Ankit Rawat (Thomson Reuters), Krunal Patel, Farah Shaikh, Patrick Bogle, Danna Zheng (Wolters Kluwer), Kelvin Newton (Xero).</p>

## Agenda item: 1 – Welcome

Bernadette opened the meeting and welcomed the members.

## Agenda item: 2 – Action item updates

Updates were provided for outstanding action items. ([see action items](#))

## Agenda item: 3 – Tax time related documentation

Four updated [change advices](#) have been published since the last meeting:

CA2021-017 JobMaker Plan – temporary full expensing to support investment and jobs

CA2022-002 Removing the \$450 per month threshold for superannuation guarantee eligibility

CA2022 - 004 Flexible super - Repealing the work test for voluntary contributions

CA2022-006 Flexible Super – reducing the eligibility age for downsizer contributions

## Agenda item: 4 – Superannuation Change advices

CA2022-004: Legislation for the Repeal of work test is expected to commence 1 July 2022. Royal assent is anticipated by early March. An updated change advice will be provided after this time. The legislation will mean members aged 67 to 74 can make contributions to their superannuation without having to meet the work test, where in the past they could not if they were not working. The work test is still required if they wish to claim a deduction for personal super contributions.

CA2022-002: Royal assent for the removal of the \$450 threshold was received on 27 February. From 1 July 2022, all employees will receive super guarantee, except those under 18 years of age who are not eligible.

## Agenda item: 5 – Temporary full expensing Change advice

CA2021-017: The temporary full expensing measure has been extended for 2023 and has now received royal assent. There are changes to the alternative income test criteria that apply to the CTR, and all the TR instructions are currently being updated (CTR, PTR, TTR, ITR).

Backing business investment (BBI) ends on 30 June 2021 and SAP entities can continue to use the 2021 tax return to report any BBI opt out.

## Agenda item: 6 – Update on general matters and Tax time delivery

DSPs will need to log a request to access EVTE for FBT 2022. Although no PVT will be required, DSPs will still also need to log a request to be whitelisted before 1 April 2022.

The new 2022 IITRPRFL service will be activated on 1 July 2022 and the current service will be deprecated. The Service Registry will be updated to reflect details of the updated service.

The DPO will be sending a reminder via the newsletter to all DSPs currently consuming the TPAR service in SBR1 that the service is being deactivated on 1 July 2022. DSPs are asked to transition to the SBR2 service and request EVTE. PVT requirements are minimal. No PVT will be required for existing developers in SBR2.

Business implementation guides for 2022:

- IITR and prefill IITR are expected to be published in late March and further updated in April.
- CTR and SMSFAR documents are under review.
- Currently working on the IITR profile with no date of publication as yet.
- TRT and other non-individual services are in progress with business owners.

### Agenda item: 7 – Loss Carry Back update

Early balancer lodgments for 2022 - resolution of these issues is targeted for EVTE 3rd March and Production 5th March in SBR2. The troubleshooting page has been updated.

Early balancer lodgments for 2023 - the legislation for the LCB extension to the 2023 income year has now received royal assent. An update was provided in relation to our plan for early SAPs for 2023 using the 2022 service. We will not be enabling 2023 losses to be carried back as advised at our earlier forums, the fields are available to enable 2022 or earlier year losses to be carried back on the form. Due to the nature of the LCB validations however, to enable 2022 or earlier year losses to be carried back, there are a number (possibly up to 15) validations that will be required to be built to enable a 2023 lodger to claim the offset. The group was asked if they are interested in supporting the investment in the build, noting that only 2022 or earlier year losses would be able to be carried back, with the alternative being that taxpayers would need to lodge via paper to carry back 2022 or earlier year losses.

No further comments provided by other members.

The redundant rules are being reviewed to determine which ones can be removed. This should be finalised this week.

Business will work with the DPO to provide additional clarity around fields and labels and will communicate which redundant rules will be removed.

### Agenda item: 8 – Delivery update

Changes going into the March release are as per the release on a page (ROAP). At this stage, the April release will include cyclical changes and any outstanding issues with conformance suites and validation rules which arise from the March release.

There will be no additional services transitioning from XBRL to XML this financial year.

An updated version of the ROAP is expected by the end of the month.

The IITR Profile 2022 service will be available in EVTE in March. When this service goes live in June, we will be deactivating the 2021 version at the same time. The service

registry will be updated soon to reflect the decommission of the 2021 IITR Profile service (this is already included in the release on a page).

### Agenda item: 9 – Platform update

Platforms are currently operating as expected with no issues to report.

SBR2 experienced some degradation on 15 February which impacted CHIRRP services. There was some BBRP degradation which was related to underlying factors impacting the database but the system self-recovered. Stuck messages have been replayed and should now be available.

### Agenda item: 10 – Agent online environment update

A brief outage was experienced on 16 February that stemmed from maintenance work. We are currently working with the business on how to better manage these issues in the future and potentially provide prior warning. An ANAO review is underway in relation to the agent experience – we hope to provide a report by the 29 March meeting.

### Agenda item: 11 – DSP communications update

The DSP newsletter was sent 2 March, acknowledging the flood crisis.

### Agenda item: 12 – DSP feedback

There was discussion in the group on how they were finding the transition of the FITR to XML given that the losses schedule is still in XBRL. There was agreement that although the size of the task was larger than expected, DSPs thus far have found that development is progressing without complications in its initial stages.

#### NUMCHAR - increase in field length

The field length increase has been implemented for two parent returns and two schedules only.

#### **Parent return:**

Fund Income Tax return (FITR) – 1 label

Trust Tax Return for Attribution Managed Investments (TRTAMI) – 4 labels

#### **Schedules (child):**

International Dealings Schedule (IDS) – 57 labels

Trust Attribution Managed Investments Schedule (TRTAMIS) – 2 labels

The IDS can be submitted with CTR, PTR, TRT and TRTAMI. The TRTAMIS can be submitted with TRTAMI and TRT. No crossform impacts are foreseen due to the length increase of certain labels in the schedules/parent forms.

No change to CTR or other non-individual income tax returns/schedules.