



Australian Government

Department of Education, Employment and Workplace Relations

BSBSMB305A Comply with regulatory, taxation and insurance requirements for the micro business

Release: 1

BSBSMB305A Comply with regulatory, taxation and insurance requirements for the micro business

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	This unit describes the performance outcomes, skills and knowledge required to outline the regulatory, taxation and insurance compliance requirements of a micro business; and to source advice and specialist services to assist business owners/managers in satisfying these requirements and needs. Specific legal requirements apply to the management of a micro business.
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Application of the Unit

Application of the unit	This work will be undertaken by individuals who are establishing or operating a micro business providing for self employment.
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Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Prerequisite units		

Employability Skills Information

Employability skills	This unit contains employability skills.
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Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.	Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.
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Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Identify the regulatory, taxation and insurance requirements of the business	<p>1.1. Identify <i>regulatory, taxation and insurance requirements</i> that might be relevant to the operation of the business</p> <p>1.2. Gather <i>information</i> that assists in interpreting and explaining the regulatory, taxation and insurance requirements</p> <p>1.3. Investigate the relationships between legislation, regulations, codes of practice, associated standards and written material to determine compliance requirements of the business</p>
2. Develop procedures to ensure compliance and risk minimisation	<p>2.1. Identify business advisers and other sources of assistance relevant to compliance requirements and type of business</p> <p>2.2. Explain to advisers business type and operations, covering the full scope of the business</p> <p>2.3. Clarify and confirm compliance requirements and risk minimisation needs with advisers</p> <p>2.4. Establish <i>sources of advice and specialist services</i> for regulatory, taxation and insurance compliance</p> <p>2.5. Review advice and procedures against the compliance requirements and their appropriateness for the business</p>
3. Implement compliance procedures	<p>3.1. Implement procedures within the guidelines provided</p> <p>3.2. Take action to ensure that the business complies with the relevant taxation and business registration requirements, legislation, regulations, codes of practice and associated standards</p> <p>3.3. Arrange appropriate insurance cover for the business</p>

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

This section describes the skills and knowledge required for this unit.

Required skills

- communication skills to question and seek clarification from advisers on regulatory, taxation or insurance matters
- literacy skills to interpret relevant regulatory, taxation and insurance information
- research skills to investigate compliance requirements.

Required knowledge

- business registration and licensing requirements
- commonwealth, state/territory and local government legislative requirements relating to business operation, especially in regard to occupational health and safety (OHS) and environmental issues, equal employment opportunity, industrial relations and anti-discrimination
- nature of legal responsibility
- relevant industry codes of practice
- relevant OHS responsibilities and procedures
- sources of advice and specialist services
- sources of information about regulatory, taxation and insurance requirements and issues
- taxation requirements.

Evidence Guide

EVIDENCE GUIDE

The Evidence Guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.

Overview of assessment

Critical aspects for assessment and evidence required to demonstrate competency in this unit

Evidence of the following is essential:

- identification of regulatory, taxation and insurance compliance requirements and risk minimisation needs of the business
- identification of sources of advice on compliance and risk minimisation procedures for the business
- development and review of procedures for compliance and risk minimisation (with assistance from advisers)
- knowledge of legislative requirements affecting business operation.

Context of and specific resources for assessment

Assessment must ensure:

- access to relevant documentation
- candidate's individual circumstances and work in the context of establishing or running a micro business, are the basis for assessment.

Method of assessment

A range of assessment methods should be used to assess practical skills and knowledge. The following examples are appropriate for this unit:

- oral or audio-visual presentation of a case study of a micro business in similar field and location as candidate's proposal
- portfolio of evidence including identification of relevant compliance and risk minimisation needs for the micro business, and development of risk minimisation and compliance procedures (with assistance from advisers)
- review of implementation of procedures
- review of insurance cover arranged for the business.

Guidance information for assessment

Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended, for example:

- BSBSMB302A Develop a micro business proposal.

Range Statement

RANGE STATEMENT

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.

<i>Regulatory, taxation and insurance requirements</i> may include:	<ul style="list-style-type: none"> • local, state/territory, commonwealth and international legislation, regulations and codes of practice affecting business operations such as: <ul style="list-style-type: none"> • Acts and regulations • industry and OHS codes of practice • business registrations and licences • planning and other permissions • environmental legislation • industrial law, agency law, property law, consumer legislation and standards, Torts Law and duty of care • equal employment opportunity (EEO) and anti-discrimination legislation • anti-competition regulations
<i>Information gathered</i> may include:	<ul style="list-style-type: none"> • government agencies • industry associations • internet • written material
<i>Taxation</i> requirements may include:	<ul style="list-style-type: none"> • Australian Business Number • Business Activity Statement and goods and services tax (GST) returns • GST registration • PAYG and withholding arrangements • tax file number
<i>Insurance</i> requirements may include:	<ul style="list-style-type: none"> • comprehensive insurance for vehicles/property • professional indemnity insurance • public liability insurance • third party insurance on motor vehicles • workers compensation • other insurance cover as required by state/territory or commonwealth legislation, contractual obligations or as recommended for

RANGE STATEMENT	
	the industry/type of business
<i>Sources of advice and specialist services</i> may include:	<ul style="list-style-type: none"> • accountants <ul style="list-style-type: none"> • business advisers • financial planners and insurance brokers • funding bodies • government agencies (for example, Indigenous Business Australia, Office of Aboriginal Economic Development) • industry/trade associations • insurance brokers • lawyers

Unit Sector(s)

Unit sector	
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Competency field

Competency field	Management and Leadership - Small and Micro Business
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Co-requisite units

Co-requisite units		