



Australian Government

FNSACC502 Prepare tax documentation for individuals

Release: 1

FNSACC502 Prepare tax documentation for individuals

Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 1.0.

Application

This unit describes the skills and knowledge required to prepare non-complex income tax returns for individuals in accordance with statutory requirements, and encompasses gathering and verifying data, calculating taxable income and reviewing compliance requirements.

It applies to individuals who use systematic approaches and follow specific guidelines to ensure compliance requirements are met.

Work functions in the occupational areas where this unit may be used are subject to regulatory requirements. This unit is designed to meet educational requirements of the Tax Practitioner Board (TPB). Refer to the FNS Implementation Guide Companion Volume or the relevant regulator for specific guidance on requirements.

Unit Sector

Accounting

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1. Gather client data and verify client, organisational and legislative requirements	1.1 Determine client's tax documentation preparation requirements 1.2 Conduct research to identify updates or additions to compliance requirements relevant to client circumstances, and establish recording and reporting requirements 1.3 Gather current data from appropriate sources, and identify assessable income and allowable deductions 1.4 Complete and record amounts in accordance with organisational and legislative requirements 1.5 Identify discrepancies or any unusual features and conduct

ELEMENT	PERFORMANCE CRITERIA
	research to resolve, or refer to appropriate authority 1.6 Identify accrued or prepaid income and expenditure, and record adjustments to value of assets and liabilities
2. Identify, record and present client's tax documentation	2.1 Calculate client's tax obligations, in accordance with legislative requirements and information gathering practices 2.2 Prepare relevant documentation within established timelines 2.3 Seek advice and guidance from specialist to evaluate and moderate decision processes 2.4 Discuss and confirm documentation with client to obtain client signature, authorisation and endorsement, ensuring legislative requirements are met
3. Lodge tax documentation	3.1 Submit relevant documentation to Australian Taxation Office (ATO) within established timelines 3.2 Advise client of current tax obligations and that advice from taxation authorities is to be followed 3.3 Respond to tax office enquiries and meet taxation audit requirements, when applicable, in timely manner

Foundation Skills

This section describes language, literacy, numeracy and employment skills incorporated in the performance criteria that are required for competent performance.

Skill	Performance Criteria	Description
Reading	1.1-1.3, 1.5, 1.6, 2.2	Researches and analyses financial information and data from a range of sources to identify key aspects relevant to requirements
Writing	1.4, 1.6, 2.2, 2.3, 3.2, 3.3	- Accurately records information and completes forms using correct spelling, grammar, terminology and conventions - Uses clear language and concepts appropriate for the audience to convey and clarify explicit information and requirements in written documentation
Oral Communication	2.3, 2.4, 3.2	Participates in verbal exchanges using active listening and questioning techniques to clarify information and confirm understandings

Numeracy	1.3-1.6, 2.1, 3.3	Analyses financial data and performs mathematical calculations to complete requirements of non-complex lodgement documentation
Navigate the world of work	1.4, 2.1-2.4, 3.1-3.3	Recognises and follows relevant legislative and regulatory requirements and organisational policy and procedures to meet expectations of clients and those associated with own role
Interact with others	2.3, 2.4, 3.2-3.3	Selects and uses appropriate conventions and protocols when communicating with clients, colleagues and others to seek or provide information
Get the work done	1.3-1.4, 2.1-2.4, 3.1-3.3	- Plans, organises, schedules and implements tasks according to organisational and legislative requirements, taking responsibility for compliance and client needs - Makes critical and non-critical decisions in relatively complex situations, taking relevant client and legislative requirements into consideration - Identifies and responds to problems by systematically analysing relevant information, generating and evaluating options, and selecting the most appropriate option - Uses digital systems and programs for planning, implementing, monitoring, reporting progress and lodgement of returns

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
FNSACC502 Prepare tax documentation for individuals	FNSACC502B Prepare legally compliant tax returns for individuals	Updated to meet Standards for Training Packages Title changed Edits and reordering of performance criteria to clarify intent of unit	Equivalent unit

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>

Assessment Requirements for FNSACC502 Prepare tax documentation for individuals

Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 1.0.

Performance Evidence

Evidence of the ability to:

- research, critically evaluate and apply new or changed legislative requirements and apply where relevant to the preparation of the client's tax documentation
- identify client data required to calculate taxable income
- prepare tax documentation for an individual that complies with:
 - Australian taxation law and Australian Taxation Office (ATO) rulings
 - accounting principles and practices
 - organisational policy and procedures
- provide advice to client on tax documentation presented and obtain verification and approval.

Note: If a specific volume or frequency is not stated, then evidence must be provided at least once.

Knowledge Evidence

To complete the unit requirements safely and effectively, the individual must:

- identify and explain ethical considerations and legislative requirements relevant to the preparation of tax documentation for individual taxpayers, including:
 - conflict of interest
 - responsibilities of tax agents including Code of Professional Conduct obligations under the Tax Agent Services Act (TASA) and Tax Agent Services Regulations (TASR)
- identify and explain the following key elements of Australian tax law as it relates to tax documentation for individual taxpayers:
 - the rules and principles of Australian tax law including an understanding of the legal environment in which these principles operate, basics of the legal system, constitutional considerations and separation of powers

- key aspects of the income tax law covering concepts of:
 - residence and source
 - related elements of international tax
 - assessable income
 - deductions (including general, specific and decline in value)
 - tax rebates and offsets
 - tax accounting
 - income test definitions that include reportable superannuation and fringe benefits tax (FBT)
- key aspects of relevant principles and application of the capital gains tax (CGT), FBT and termination payment rules for individual taxpayers
- basic concept of goods and services tax (GST)
- administrative aspects of the taxes identified above including documentation, tax collection and withholding mechanisms, assessments, obligations, rulings, penalties and audits
- specific and general anti-avoidance tax rules for individuals
- describe the key sources of information and data required to calculate taxable income
- describe the key features of organisational policy and procedures relating to the preparation of tax documentation for individual taxpayers
- outline the key accounting principles and practices relevant to the preparation of tax documentation for individual taxpayers.
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Assessment Conditions

Assessment must be conducted in a safe environment where evidence gathered demonstrates consistent performance of typical activities experienced in the accounting field of work and include access to:

- common office equipment, technology, software and consumables.

Assessors must satisfy NVR/AQTF assessor requirements.

This unit is designed to meet the education requirements of the Tax Practitioner Board (TPB). Where registration with the TPB is sought, assessment must reflect the conditions described by the regulator which stipulate that a significant amount (at least 40%) must be completed under some form of independent supervision. Where recognition of prior learning (RPL) is used, it must also meet the requirements of the Board's policy on RPL.

Details of requirements can be accessed on the TPB website at: <http://www.tpb.gov.au>

Links

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