



Australian Government

FNSACC601 Prepare and administer tax documentation for legal entities

Release: 4

FNSACC601 Prepare and administer tax documentation for legal entities

Modification History

Release	Comments
Release 4	This version first released with FNS Financial Services Training Package Release 8.2. Assessment Conditions updated.
Release 3	This version first released with FNS Financial Services Training Package Release 8.1. Pre-requisite unit updated.
Release 2	This version first released with FNS Financial Services Training Package Version 3.1. Update to pre-requisite unit code

Application

This unit describes the skills and knowledge required to identify taxation requirements for complex lodgements and returns for legal entities. It involves gathering, analysing and processing taxation related data to prepare tax documentation, and to review and apply compliance requirements.

It applies to individuals who use specialised knowledge and systematic approaches and who 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.

Pre-requisite Unit

FNSACC522	Prepare tax documentation for individuals
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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. Identify taxation requirements for complex lodgements and returns	1.1 Identify and confirm suitability of legal entities within client's organisational structure 1.2 Conduct research to identify updates or additions to compliance requirements relevant to client's circumstances, and establish recording and reporting requirements 1.3 Determine client's tax documentation preparation requirements
2. Gather and analyse data relevant to client's tax position	2.1 Identify and collect client data relevant to tax documentation requirements 2.2 Analyse data to extract relevant tax information and identify any discrepancies requiring verification or research for resolution 2.3 Obtain advice and guidance from specialist to evaluate and moderate decision processes
3. Prepare and present tax documentation	3.1 Calculate client's tax obligations, in accordance with legislative requirements and information gathering practices 3.2 Prepare tax documentation to comply with relevant Australian Taxation Office (ATO), legislative and organisational recording and reporting requirements 3.3 Present and confirm documentation with clients to obtain client signature, authorisation and endorsement, ensuring legislative requirements are met
4. Lodge tax documentation	4.1 Submit relevant tax documentation to the ATO within established timelines 4.2 Advise client of current tax obligations and that any advice from taxation authorities is to be followed 4.3 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, 2.1, 2.2	Researches and critically analyses information from a range of sources to identify key aspects relevant to requirements
Writing	3.2, 3.3, 4.2, 4.3	Prepares a range of written texts to specifications using clear language and correct terminology and conventions appropriate for the audience and purpose
Oral Communication	2.3, 3.3, 4.2	Effectively participates in verbal exchanges using active listening and questioning techniques to elicit, clarify and confirm information with a range of personnel
Numeracy	3.1, 3.2	Performs calculations and uses a range of mathematical problem-solving techniques to analyse requirements and prepare reports
Navigate the world of work	1.2, 3.2, 3.3, 4.1, 4.3	- Recognises and responds to relevant Acts, regulatory requirements, explicit and implicit protocols, policies and procedures, and meets expectations associated with own role - Ensures currency of knowledge relating to legislation, regulations and policies applicable to taxation legislation and requirements
Interact with others	2.3, 3.3, 4.2	Selects and uses appropriate conventions and protocols when communicating with others to achieve specific outcomes
Get the work done	3.2, 4.1, 4.3	- Takes responsibility for planning, sequencing and prioritising complex tasks and own workload for efficiency and effective outcomes - Uses systematic analytical problem-solving processes in complex, routine and non-routine situations, gathering information and identifying and evaluating options against criteria - Considers whether others should be involved in making decisions, using collaborative processes as part of the decision-making process, where appropriate - Evaluates effectiveness of systems and processes to inform decisions on how to implement improvements - Recognises and anticipates a range of problems, implementing contingency plans when appropriate - Uses digitally based technologies and systems to assist

		in achieving required outcomes
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Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
FNSACC601 Prepare and administer tax documentation for legal entities	FNSACC601B Prepare and administer compliant tax returns for legal entities	Updated to meet Standards for Training Packages Title updated Edits to clarify intent and update to meet industry requirements	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 FNSACC601 Prepare and administer tax documentation for legal entities

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Performance Evidence

Evidence of the ability to:

- research and critically evaluate new or changed legislative requirements and apply where relevant to the preparation of the client's tax documentation
- provide taxation advice to clients in line with individual requirements
- identify legal entity tax data required to calculate taxable income
- prepare tax documentation for legal entities that complies with:
 - Australian taxation law and Australian Taxation Office (ATO) rulings and lodgement schedules
 - accounting principles and practices
 - organisational policy and procedures
- present tax documentation to the client for 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 legal entities, 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)
 - government tax policy documents issued by Reviews, Treasury and Board of Taxation
 - explanatory materials in relation to legislation
 - statutes
 - court and Administrative Appeals Tribunal decisions
 - Commissioner of Taxation's interpretive guidance in Rulings and Determinations
- explain critical and key elements of Australian tax law as it relates to tax documentation for legal entities such as companies, trusts, partnerships and sole traders including:
 - the rules and principles of Australian tax law, with an understanding of the legal environment in which these principles operate, basics of the legal system, constitutional considerations and separation of powers
 - the key aspects of income tax law covering concepts of residence and source, related elements of international tax, assessable income, deductions, tax rebates and offsets, and tax accounting
 - the key aspects of taxes that extend the ordinary income tax base, including relevant principles and application of the capital gains tax (CGT) and fringe benefits tax (FBT) rules
 - goods and services tax (GST)
 - taxation aspects of superannuation law
 - 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
- describe the key sources of information and taxable transactions data required to calculate taxable income, including:
 - allowable deductions
 - capital gains
 - financial adjustments such as write-offs and revaluations
 - income
 - payments
 - purchases
 - superannuation payments
- describe the key features of organisational policy and procedures relating to the preparation of tax documentation for legal entities
- outline the key accounting principles and practices relevant to the preparation of tax documentation for the different types of legal entities.

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
- an integrated financial software system and data.

Assessors must satisfy NVR/AQTF assessor requirements.

Note: The identification of the unit FNSACC522 Prepare tax documentation for individuals as a prerequisite does not require that it be certificated prior to this unit. This unit and its prerequisite may be delivered and assessed together.

This unit is designed to meet regulatory 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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<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>