



Australian Government

FNSACC603 Implement tax plans and evaluate tax obligations

Release: 4

FNSACC603 Implement tax plans and evaluate tax obligations

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 assess taxation liabilities, optimise tax positions, establish processes and plans, evaluate tax policies and review tax compliance for legal entities.

It applies to experienced individuals who use analytical and problem-solving skills to prepare plans and strategic advice for clients.

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
-----------	---

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. Assess legal entity's tax obligations	1.1 Quantify history and trends of legal entity's tax obligations arising from its historical taxable transactions, using standard accounting techniques 1.2 Analyse data from current transactions to resolve discrepancies and ambiguities and confirm suitability of legal entity 1.3 Conduct research to identify updates or additions to compliance requirements relevant to maximising client's benefit and establish recording and reporting requirements 1.4 Identify legal entity's tax obligations by analysing data on taxable transactions 1.5 Schedule payments of tax obligations by applying methods of determinations and tax bases
2. Develop tax plans	2.1 Assess implications of schedule on tax entity's operations and structure 2.2 Develop financial management strategies to ensure alignment of cash flow with incidence and schedules of tax obligations 2.3 Develop management process and record-keeping systems to implement financial management strategies and ensure maintenance of audit trail 2.4 Document management processes that include application of compliance requirements 2.5 Estimate future taxation obligations from income and expenditure forecasts using standard accounting techniques
3. Evaluate and advise on tax plan	3.1 Prepare budgets in accordance with income and expenditure forecasts, and periodically review to ensure accuracy of tax obligation estimates 3.2 Analyse variances between actual tax obligations and tax plan to identify errors or adjustment required to financial management strategies or management process 3.3 Monitor and evaluate performance of tax plans and advise accordingly 3.4 Monitor and review tax documentation to ensure it complies with legislative and professional requirements 3.5 Analyse evidence of non-compliance to diagnose origin and

ELEMENT	PERFORMANCE CRITERIA
	develop resolution

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	1.2, 1.3	- Accesses and critically analyses complex information from a range of sources to identify key aspects relevant to requirements - Carefully checks data and information for accuracy, completeness and reliability
Writing	2.4, 3.3	Prepares logically structured written documentation for a range of purposes and audiences using clear language and correct terminology and conventions
Oral communication	3.3	Effectively participates in verbal exchanges using active listening and questioning techniques to elicit, clarify and confirm information
Numeracy	1.1, 1.2, 1.4, 1.5, 2.2, 2.5, 3.1, 3.2	Performs complex calculations and uses a range of mathematical problem-solving techniques to analyse trends, benchmarks and performance indicators
Navigate the world of work	2.3, 2.4, 3.2, 3.4, 3.5	- 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 professional requirements
Get the work done	1.5, 2.1-2.3, 3.1-3.5	- 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 - 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 a range of digitally based technologies to access, extract and share relevant information to achieve required outcomes
--	--	---

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
FNSACC603 Implement tax plans and evaluate tax obligations	FNSACC603A Implement tax plans and evaluate tax compliance	Updated to meet Standards for Training Packages Updated title Editing and reordering of elements and performance criteria to clarify and update to 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 FNSACC603 Implement tax plans and evaluate tax obligations

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

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
- identify legal entity's tax data required to calculate taxable income
- provide taxation advice to clients in line with individual requirements
- prepare tax documentation and tax plans for legal entities that comply with:
 - Australian taxation law and Australian Taxation Office (ATO) rulings and lodgement schedules
 - accounting principles and practices
 - tax entity's organisational policy and procedures
- evaluate tax plan for compliance with legislative requirements.

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 taxation 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 preparation of tax documentation for the different types of legal entities

- discuss ethical considerations for the preparation of returns, including the Code of Professional Conduct's disclosure and confidentiality requirements
- outline financial management strategies used to optimise tax position.

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

Companion Volume implementation guides are found in VETNet -

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