



Australian Government

FNSFLT216 Develop knowledge of taxation

Release: 1

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Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 6.0.

Application

This unit describes the skills and knowledge required to understand the role of taxation in the Australian economy, including why and how tax is levied and collected, types of taxes paid by business and individuals, and its impact on investment choices. It has wide application and may be used in workplaces, schools, adult and community learning organisations or registered training organisations to build the financial literacy of learners. The unit may also be used as part of pre-vocational or new apprenticeship programs, or as part of services provided by counselling or advisory organisations.

The unit applies to those who apply new ideas and knowledge to develop and maintain personal financial literacy skills.

No licensing, legislative or certification requirements apply to this unit at the time of publication.

Unit Sector

Financial literacy

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 the role of taxation in the Australian economy	1.1 Identify the purpose of taxation in the Australian economy at local, state and federal levels 1.2 Identify how taxation in Australia compares with other countries 1.3 Identify methods of collection and groups from whom tax is collected 1.4 Identify the role of Australian Taxation Office 1.5 Identify the uses of taxation revenue
2. Develop knowledge of	2.1 Identify key terminology used in personal taxation and

ELEMENT	PERFORMANCE CRITERIA
personal tax	associated definitions 2.2 Identify documents and information applicable to personal tax 2.3 Identify personal tax assessment methods and tax return processes 2.4 Identify and access sources of personal tax information in Australia 2.5 Document the locations and uses of the identified sources
3. Develop knowledge of business tax	3.1 Identify key terminology used in business taxation and associated definitions 3.2 Identify different business structures and associated effects on taxation 3.3 Identify methods by which business tax is assessed and paid 3.4 Identify methods used by businesses to assess and pay employee superannuation contributions 3.5 Identify and access sources of information about business tax in Australia 3.6 Document the locations and uses of the identified sources
4. Develop knowledge of tax liability	4.1 Identify methods for individuals to determine their tax liability 4.2 Identify methods for small business operators to pay tax 4.3 Identify the implications of underpayment and overpayment of tax

Foundation Skills

This section describes those language, literacy, numeracy and employment skills that are essential to performance but not explicit in the performance criteria.

SKILL	DESCRIPTION
Numeracy	Interprets financial information relating to taxation to determine how calculations are made
Oral communication	Uses active listening and questioning to develop a clear understanding of topics and issues, and participates in verbal exchanges to share information
Reading	Accesses, interprets and collates information from a range of sources and identifies key relevant information for the task
Self-management	- Maintains up-to-date knowledge of taxation necessary for own situation - Plans and organises tasks according to defined requirements

SKILL	DESCRIPTION
Technology	• Uses digital systems and tools to source and analyse information

Unit Mapping Information

Supersedes and is equivalent to FNSFLT206 Develop knowledge of taxation.

Links

Companion Volume Implementation Guide is found on VETNet -

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

Assessment Requirements for FNSFLT216 Develop knowledge of taxation

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Performance Evidence

The candidate must demonstrate the ability to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including evidence of the ability to:

- present overview of taxation for three different taxation types:
 - personal tax,
 - business tax
 - and tax liability.

Knowledge Evidence

The candidate must be able to demonstrate knowledge to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including knowledge of:

- purpose of taxation
- methods of tax collection
- role of the Australian Tax Office
- key uses for taxation revenue and impacts on the wellbeing and lifestyle of Australian citizens
- key terminology used in personal taxation
- key documents and information applicable to personal tax, including:
 - declaration forms
 - Tax File Number requirements
 - rates of personal taxation
- key sources of information about personal tax
- methods for completion and payment of taxation returns
- key types of business structures
- methods for business tax assessment and payment
- methods for individuals to determine their tax liability by assessing income and deductions
- key issues relating to underpayment or overpayment of tax.

Assessment Conditions

Skills in this unit must be demonstrated in a workplace or simulated environment where the conditions are typical of those in a working environment in this industry.

This includes access to:

- office equipment, technology, software and consumables
- information about Australia's taxation system and other required resources.

Assessors of this unit must satisfy the requirements for assessors in applicable vocational education and training legislation, frameworks and/or standards.

Links

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