



Australian Government

Department of Education, Employment and Workplace Relations

FNSACC601A Prepare complex tax returns

Revision Number: 1

FNSACC601A Prepare complex tax returns

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	This unit describes the performance outcomes, skills and knowledge required to identify taxation requirements for complex lodgements and returns, gather, analyse and process taxation related data to prepare taxation returns and lodgements, and review compliance. This unit has application to a variety of financial services sectors and is applicable to individuals working within enterprises and job roles subject to licensing, legislative, regulatory or certification requirements. The Tax Practitioner's Board has set specific educational and experience requirements for registration of tax agents that must be met.
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Application of the Unit

Application of the unit	The unit applies to positions and job roles that are responsible for preparing complex tax returns such as accountants and tax specialists.
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Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Prerequisite units		
	FNSACC502A	Prepare income tax returns for

Prerequisite units		
		individuals

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 taxation requirements for complex lodgements and returns	1.1. Organisational structure of the taxation entity is identified 1.2. Taxation parameters of the organisation are determined 1.3. Lodgement schedule requirements are established
2. Gather and analyse taxation related data	2.1. Accounting reports relevant to taxation requirements are identified and collected 2.2. Accounting information is analysed to determine relevant taxation elements
3. Process data and prepare tax returns and lodgements	3.1. Data is processed to comply with the relevant taxation format 3.2. Returns and lodgements are prepared in accordance with Australian Taxation Office (ATO) requirements
4. Review taxation lodgement compliance	4.1. Lodgements and returns are submitted for authorisation by an approved person within the stated deadlines 4.2. Taxation preparation procedures are reviewed to determine their efficiency and effectiveness 4.3. Recommendations arising from the taxation lodgement review are made to enable more efficient organisational structures and procedures for taxation purposes 4.4. Tax office enquiries are responded to and taxation audit requirements met

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

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

Required skills

- well-developed communication skills to:
 - determine and confirm taxation preparation requirements and deal with clients, using questioning and active listening as required
 - liaise with others, share information, listen and understand
 - use language and concepts appropriate to cultural differences
- highly developed research skills such as:
 - accessing and managing complex financial services information
 - accessing and interpreting complex taxation legislation documentation
- literacy skills for analysing information needs and preparing clear written advice for clients and taxation lodgement documentation
- well-developed numeracy skills for financial calculations and analysis
- IT skills for developing and using integrated financial systems, spreadsheets and databases and using internet information
- learning skills to maintain knowledge of changes to taxation legislation and requirements
- high level problem solving skills to identify any taxation issues that have the potential to impact on client services and to develop options to resolve these issues when they arise
- organisational skills, including the ability to plan and sequence work and correctly schedule taxation lodgements

Required knowledge

- detailed knowledge of formats required for submission of statutory returns
- ethical considerations for the handling of returns such as:
 - conflict of interests
 - confidentiality
 - disclosure requirements
- financial legislation such as:
 - taxable transactions
 - reporting requirements
- income tax legislation
- methods and principles of accrual accounting
- options, methods and practices for deductions, benefits and depreciation
- principles of internal control including statutory requirements
- principles of valuation and common methods of depreciation
- range of acceptable practices required to obtain deductions under relevant tax

REQUIRED SKILLS AND KNOWLEDGE

legislation such as:

- Capital Gains Tax (CGT)
- income tax
- State and Commonwealth government taxes and charges

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 ability to:

- access, interpret and comply with ATO requirements
- assess organisational structures and identify taxation requirements for complex lodgements and returns
- gather and analyse complex taxation related data, process and prepare tax returns and lodgements
- review taxation lodgement compliance.

Context of and specific resources for assessment

Assessment must ensure:

- competency is demonstrated in the context of the financial services work environment and conditions specified in the range statement either in a relevant workplace or a closely simulated work environment
- access to and the use of a range of common office equipment, technology, software and consumables.
- access to an integrated financial software system and data

Method of assessment

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

- evaluating an integrated activity which combines the elements of competency for the unit or a cluster of related units of competency
- assessment requirements set by the Tax Practitioner's Board
- verbal or written questioning on underpinning knowledge and skills
- setting and reviewing business taxation simulations
- evaluating samples of work.

Guidance information for assessment

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>Organisational structures</i> may include:	• companies • non-complex superannuation funds • partnerships • sole traders • trusts.
<i>Taxation parameters</i> may include:	• cash or non-cash accounting • lodgement schedules • tables, calculations and schedules • tax rates.
<i>Lodgement schedules</i> may include:	• Fringe Benefits Tax (FBT) • fuel tax credits • Goods and Services Tax (GST) instalments • Luxury Car Tax • Pay-As-You-Go (PAYG) tax withheld • PAYG income tax instalments • payroll tax • wine equalisation tax • withholdings.
<i>Accounting reports relevant to taxation requirements</i> may include:	• capital expenditure • cash flow statements • depreciation schedules • financial expenses • payroll • statement of financial performance • statement of financial position.
<i>Returns and lodgements</i> may include:	• annual returns • Business Activity Statement (BAS) • Fringe Benefits Tax (FBT) • payroll tax

Unit Sector(s)

Unit sector	Accounting
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Competency field

Competency field	
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Co-requisite units

Co-requisite units		