

Policy Priorities

For small business success

Effective and sustainable policies are required to restore public trust, lift business and consumer confidence and help drive Australia's prosperity now and into the future.

Good public policy plays an important role in contributing to a nation's prosperity.

One of the best opportunities to achieve sustainable economic growth is through policies that support the capability and productivity of Australia's 2.1 million small businesses.

Small-medium enterprises are increasingly interested in taking their businesses digital and will look to trusted finance experts to assist them.

It is well established that small businesses trust their professional accountant as their preferred source of advice. Most accountants are also small businesses themselves.

Small and medium-sized practices provide a range of quality, professional services to their small business, entrepreneur and investor clients, many forming long-term relationships based on trust.

Our latest thought leadership paper, *The future of trust – New technology meets old-fashioned values*, includes public survey findings that show accounting is among the most trusted professions in Australia and New Zealand.

International research suggests that while trust in institutions is falling, trust in technical experts and professionals such as accountants is rising.

This summary outlines our policy priorities to support Australia's small businesses to succeed.

► [To read our federal budget and election news, analysis, media and call to action visit our website at \[charteredaccountantsanz.com/news-and-analysis/news/2019-20-australia-budget\]\(https://www.charteredaccountantsanz.com/news-and-analysis/news/2019-20-australia-budget\)](https://www.charteredaccountantsanz.com/news-and-analysis/news/2019-20-australia-budget)

Restoring trust in financial advice

Small businesses and consumers deserve quality, ethical and professional financial advice from trusted advisers.

Chartered Accountants has long advocated for raising the standard of ethics and professionalism in the financial advice industry to better serve and protect consumers. This is vital to restore public trust and confidence.

Chartered Accountants will continue to advocate strongly with the Financial Adviser Standards and Ethics Authority (FASEA) for approval of the CA program as a professional designation so that our members need only complete one bridging subject (not four subjects) and will be encouraged to remain in the financial advice industry.

Reducing complexity and regulation

Complexity and regulatory burden is increasing for small businesses. Smarter, simpler, more streamlined regulation will help reduce red tape and improve law enforcement.

The Government's post-Hayne Financial Services Reform Implementation Taskforce and Committee should continue to consult with key stakeholders, including professional associations, to explore more effective ways to simplify, streamline and enforce laws, regulations and codes of conduct to ensure lasting change.

Chartered Accountants supports reducing complexity and regulation for small businesses, particularly through the Modernisation of Business Registers and National Business Simplification Initiative.

Better exchanges of business information between government entities, especially to combat phoenix operators, will also benefit small business.

Regulation of the tax profession

Accountants in public practice are required to comply with an increasing amount of regulation from a variety of sources yet are expected to compete with unregulated sectors.

Chartered Accountants called for a review of the Tax Practitioner's Board (TPB) in our pre-budget submissions for 2018-19 and 2019-20 and welcomes the government's announcement of a review into the effectiveness of the TPB and the Tax Agent Services Act 2009 and Regulations.

Chartered Accountants will participate in the review with a view to streamlining existing processes and introducing uniform regulations for intermediaries.

Small business digitalisation

Chartered Accountants supports measures to assist the digitalisation of small business including single touch payroll and the development of coordinated e-invoicing standards across Australia and New Zealand.

As the digital landscape continues to evolve rapidly it is important that the new independent body established by the Small Business Digital Taskforce as a centralised point for small business digital information and advice is well resourced and maintains up to date, tailored information that is easy for small businesses to access and implement.

Cash flow and business planning

More incentives are needed to ensure that people starting small businesses obtain good financial advice on basic cash flow and business planning.

ATO research shows businesses that involve accountants early and regularly perform better than those that don't.

Tax offsets should be provided to small businesses for the costs of obtaining business advice from approved accounting providers.

Chartered Accountants is a member of the government's Small Business Stewardship Group and is working with the ATO on a Digital Cash Flow Coaching Kit for small business which is due for release by the ATO in February 2019.

Instant asset write-off

The Government's recent decision to increase the threshold for the instant asset write off for small business from \$20,000 to \$25,000 and extend the measure to 30 June 2020 should be made a permanent feature of the tax system rather than being extended on a year-by-year basis.

As this measure is proposed to commence from 29 January 2019, the Bill's passage should be expedited through Parliament to provide certainty to those small businesses that anticipate purchasing assets up to the higher \$25,000 threshold limit before the end of the current financial year.

About Chartered Accountants Australia and New Zealand

Chartered Accountants Australia and New Zealand is a professional body comprised of over 120,000 diverse, talented and financially astute members who utilise their skills every day to make a difference for businesses the world over.

Members are known for their professional integrity, principled judgment, financial discipline and a forward-looking approach to business which contributes to the prosperity of our nations.

We focus on the education and lifelong learning of our members and engage in advocacy and thought leadership in areas of public interest that impact the economy and domestic and international capital markets.

We are a member of the International Federation of Accountants and are connected globally through the 800,000-strong Global Accounting Alliance and Chartered Accountants Worldwide which brings together leading Institutes in Australia, England and Wales, Ireland, New Zealand, Scotland and South Africa to support and promote over 320,000 Chartered Accountants in more than 180 countries.

We also have a strategic alliance with the Association of Chartered Certified Accountants. The alliance represents 788,000 current and next generation accounting professionals across 181 countries and is one of the largest accounting alliances in the world providing the full range of accounting qualifications to students and business.

Visit charteredaccountantsanz.com to learn more.

Our vision The difference makers.

Our purpose

We support our members to make a difference in the communities in which they work and live.

We are committed to advancing the profession through high ethical standards, world class services and education and advocating for the public good.