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## 2021–22 BOARD HIGHLIGHTS



**10** Board Members



Re-commenced **face to face** stakeholder engagement sessions



**8** Board Meetings held

Completion of the Review of the **R&D Tax Incentive Dual Agency Administration Model**



Completion of the **Post-Implementation Review of GST on Low Value Imported Goods**



Commencement of the Review of the **Tax Treatment of Digital Assets and Transactions in Australia**



**204 signatories** to the Tax Transparency Code as at 30 June 2022

## INTRODUCTION FROM THE CHAIR



I am pleased to present the Annual Report of the Board of Taxation (the Board) and report on the achievements of the Board for the 2021–22 reporting year.

With Australia welcoming a new Federal Government in 2022, the Board continued its important role in contributing a business and broader community perspective to improving the design of taxation laws and their operation. The Board embraced its role as a trusted advisor to Government, The Treasury and the Australian Taxation Office (ATO) by providing regular ad-hoc advice throughout the year.

The Board continued its extensive work program during 2021–22, with the continuation of the review of Capital Gains Tax (CGT) roll-overs and the delivery of two reports to the former Government; a post-implementation review of Goods and Services Tax (GST) on Low Value Imported Goods (LVIG), and the review of the dual-agency administration model of the Research and Development Tax Incentive (R&DTI). Additionally, in March 2022, the former Government announced that the Board would undertake a review of the Tax Treatment of Digital Assets (crypto assets) and Transactions in Australia. The review has subsequently been endorsed by the new Government. This is an exciting opportunity for the Board to make recommendations on Australian taxation laws in relation to crypto assets and technologies that are constantly evolving.

During the 2021–22 reporting year, we farewelled Board members Mr Neville Mitchell and Mrs Ann-Maree Wolff, who brought a wealth of knowledge to the Board and made significant contributions during their terms. I would like to take this opportunity to acknowledge their efforts and express our gratitude for their time spent with the Board. The Board also welcomed new Board members Ms Andrea Laing, who has extensive experience working in the ATO, public practice and more recently in the extractive and energy sector, and Mr Anthony Klein, who brings over 28 years of professional experience as a corporate and international tax specialist.

This year did not come without its challenges, particularly with the impact of the COVID-19 pandemic. I would like to extend my gratitude to each of the Board members for their significant contributions to improving the taxation system in Australia, and for their professionalism and flexibility in undertaking the Board’s work in an ever-changing economic climate.

Furthermore, on behalf of the Board, I would like to extend our appreciation to our stakeholders who engaged with us during the year, both virtually and in-person as restrictions eased. Your ongoing contribution, input and assistance provided to the Board is greatly appreciated and vital to the Board fulfilling its purpose and carrying out the Board’s work.

My fellow Board members and I look forward to another productive year ahead. The Board encourages stakeholders to stay connected to the Board by subscribing via the Board’s website (<http://taxboard.gov.au>).

A handwritten signature in black ink that reads "Rosheen Garnon". The signature is fluid and cursive.

**Rosheen Garnon**

Chair, Board of Taxation

## UPDATE FROM THE CEO

The 2021–22 reporting year was again very productive for the Board and Secretariat, with the key highlights including:

- The completion of the review of the dual agency administration of the R&DTI program;
- The commencement and completion of the review of GST on Low Value Imported Goods;
- The ongoing review of CGT roll-overs;
- The announcement and commencement of the review of the Taxation of Digital Assets and Transactions;
- With the easing of COVID-19 restrictions in early 2022, the Board re-connected with stakeholders through in-person meetings and stakeholder engagements; and
- Farewelling and welcoming Board members.

During the 2021–22 reporting year, the Secretariat has been working on increasing the Board’s presence in the business community, expanding the avenues for engagement, and encouraging members of the community to join the conversation in relation to improving the design of taxation laws and their operation in Australia. We have continued to administer our public forum, the ‘Sounding Board +’, as a way to enable the broader community to submit ideas for tax law simplification and regulatory reform.

I, and the Secretariat, would like to extend our appreciation to the stakeholders and members of the business and taxation community who we engaged with throughout the 2021–22 reporting year. It was fantastic to connect with our stakeholders in-person during the year and hear about tax issues important to them.

We look forward to assisting the Board to continue to bring together the views of the business and wider taxation community to deliver independent advice to the Government.



**Christina Sahyoun**

CEO – Board of Taxation

# 1 THE BOARD

The Board is a non-statutory advisory body charged with contributing a business and broader community perspective to improving the design of taxation laws and their operation.

Throughout the 2021–22 reporting year, the Board comprised of 10 members,<sup>1</sup> seven drawn from the private sector and three *ex-officio* members being the Secretary to the Treasury, the Commissioner of Taxation, and the First Parliamentary Counsel.

The Board is supported by a Secretariat which is a group primarily provided by the Treasury and supplemented with secondees from the private sector, the ATO as well as other Government departments and agencies depending on the nature of the review.

The Charter, which sets out the Board’s mission, governs the operations of the Board and functions set out below. The Charter is set out at Appendix A.

## 1.1 The Board’s mission and function

The Board provides an independent source of advice to Government, from a business and broader community perspective, on taxation matters. In doing so the Board provides advice to the Treasurer and Assistant Treasurer on:

- the quality and effectiveness of taxation legislation and the processes for its development, including the processes around community consultation and other aspects of taxation design;
- improvements to the general integrity and functioning of the taxation system;
- research and other studies commissioned by the Board on topics approved or referred by the Treasurer and/or the Assistant Treasurer; and
- other taxation matters referred to the Board by the Treasurer and/or the Assistant Treasurer.

The Board’s activities during the reporting year ended 30 June 2022 are described in Chapter 3.

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1 The Board had 11 members during the period 21 October 2021 to 30 November 2021 as Mr Neville Mitchell’s membership was extended until the completion of the Review of the Dual-Agency Administration model for the Research & Development Tax Incentive Program.



## 1.2 Board members

The Board comprised of 10 members as of 30 June 2022, each appointed by the Treasurer. Private sector members are appointed in their personal capacity from within the business and wider community. The Secretary to the Treasury, the Commissioner of Taxation and the First Parliamentary Counsel are *ex-officio* members.



### Rosheen Garnon – Chair

Mrs Garnon has over 30 years of experience in the field of taxation, having been a senior partner with KPMG. She was admitted as a tax partner in 2000 at KPMG and went on to hold senior executive roles with the firm.

From 2009 to 2015, Mrs Garnon was the National Managing Partner for KPMG Australia's Taxation Division. She has extensive experience advising both domestic and global organisations.

Mrs Garnon's background includes Bachelor of Economics (Accounting Major) and Bachelor of Laws from the Australian National University. She is a Fellow of Chartered Accountants in Australia and New Zealand, a Chartered Tax Advisor, and a Graduate of the Australian Institute of Company Directors. She is also a member of Chief Executive Women.

Other current roles: Chair and Non-Executive Director of Alexium International Group Limited; Non-Executive Director of Australian Rail and Track Corporation, and Non-Executive Director of Resolution Life Australia. Mrs Garnon also holds the following Not for Profit roles: Non-Executive Director Venues NSW, Deputy Chair of the Australia Council for the Arts; Non-Executive Director of The Smith Family, and a Non-Executive Director of Women Corporate Directors Australia Limited.

Mrs Garnon's appointment as Chair is for a three-year period from 26 March 2020.



### **Dr Julianne Jaques KC**

Dr Julianne Jaques KC is a barrister at the Victorian Bar specialising in taxation with over 25 years' experience as a taxation professional. She maintains chambers in both Melbourne and Sydney and has appeared in all higher Federal, Victorian and New South Wales courts. She is a Chartered Accountant and a Chartered Tax Adviser, and in 2020 was awarded Chartered Tax Adviser of the Year by The Tax Institute.

With bachelor degrees in economics and law from Monash University and a Doctorate in Juridical Science from the University of Melbourne, Dr Jaques previously worked as a solicitor with Freehills (now Herbert Smith Freehills) and an accountant with Coopers & Lybrand (now PricewaterhouseCoopers) and was also a senior tax adviser to the Federal Government during the GST and business tax reforms of 1999 to 2001.

Dr Jaques is a current member of the Independent Parliamentary Expenses Authority and a former member of the Tax Practitioners Board.

Dr Jaques was appointed to the Board on 1 July 2017 and was reappointed for a further three-year term from 1 July 2020. Dr Jaques was Acting Chair of the Board from 11 July 2019 to 10 January 2020.



### **Ian Kellock**

Mr Kellock is a Tax Partner at Ashurst and has over 25 years' experience as a taxation professional. Mr Kellock's practice deals with all aspects of Australian income tax, with a focus on mergers and acquisitions transactions in the financial services, healthcare, property, and resources sectors.

Mr Kellock is a Chartered Accountant and a Chartered Tax Adviser. He holds a bachelor's degree in law and commerce from the University of Melbourne and a master's degree in law from Monash University.

Mr Kellock was appointed as a part time member for a three-year period from 12 May 2021.



### **Anthony Klein**

Mr Klein has over 28 years of professional experience as a corporate tax and international tax specialist. Prior to co-founding Tooronga Advisory in July 2021, Mr Klein had a 27-year career at PwC, including 17 years as a partner of the firm. Mr Klein held a number of senior roles in PwC's tax practice both within Australia and beyond, including Leader of PwC's Corporate Tax team in Melbourne; PwC's International Tax Leader for the Asia Pacific region; and Leader of PwC's Private Clients Tax team in Melbourne.

Mr Klein specialises in providing tax advisory, tax due diligence, international tax, and mergers and acquisitions tax services to companies across many industries with a particular focus on the technology sector.

Mr Klein holds a Bachelor of Commerce and a Bachelor of Law Degree from the University of Melbourne and a Master of Law degree from Monash University. He is a Chartered Tax Adviser and registered Tax Agent.

Mr Klein maintains an active interest in the not-for-profit sector and is Chair of the Board of The Reach Foundation, a youth focused not-for-profit organisation.

Mr Klein was appointed as a part time member for a three-year period from 21 October 2021.



### **Andrea Laing**

Ms Laing has many years of experience in taxation, working in the ATO, EY and the extractive/energy industry with Shell, where she spent more than two decades. She was Head of Tax for Shell Australia for five years and in other roles specialised in indirect tax, employment tax and tax policy. She most recently led a global project team on the tax ramifications of Energy Transition and Climate Change.

Ms Laing was part of the OECD task team that developed International VAT Guidelines published in 2014. She spent four years on the Corporate Tax Association Executive and is a member of CPA Australia.

Ms Laing was appointed as a part time member for a three-year period from 21 October 2021.



### **Tanya Titman FCPA**

Mrs Titman is a Partner and Chief Digital and Innovation officer at BDO Australia. She has over 20 years' experience in the accounting industry that spans management accounting, tax advisory, and business consulting specialising in small to medium sized businesses.

Mrs Titman is the founder of a financial education business and has a keen interest in working closely with early-stage high growth companies and SME businesses to improve their financial literacy. With a strong history in the field of innovation, Mrs Titman is responsible for leading BDO's strategic innovation and digital transformation program through the creation of business opportunities, diversification, and new value propositions.

Mrs Titman is a Fellow of the Certified Practising Accountants Australia and holds a Bachelor of Commerce degree from Griffith University.

Mrs Titman was appointed as a part time member for a three-year period from 12 May 2021.



### **Chris Vanderkley**

Mr Vanderkley is currently Special Counsel at PwC leading their tax transparency and tax governance practice. He has over 30 years' experience in the field of taxation, mainly within the financial services sector. Prior to joining PwC in 2016, he held senior positions at GE and GE Capital ANZ; including chief financial officer and Board member/Chair of most GE Australian entities from 2003 to 2016. In 1995 he was appointed Director of Taxation for GE ANZ; from 1998 to 2003 he was Director of Taxation for GE Capital Asia Pacific. His background includes a Graduate Diploma of Law (Taxation) from Monash University and a Bachelor of Business (Accounting, Law, and IT) from Federation University.

Mr Vanderkley is a Chartered Accountant and Chartered Tax Adviser.

Mr Vanderkley was appointed as a part time member for a three-year period from 26 March 2020.



### **Chris Jordan AO – Commissioner of Taxation**

Mr Jordan was previously Chair of KPMG New South Wales and Partner in Charge of the New South Wales Tax and Legal Division of KPMG. He is the former Chair of the New Tax System Advisory Board and was also the State Chair of the New South Wales Division of the Taxation Institute of Australia. He was appointed by the NSW Government to the Games Advisory Committee of the Sydney 2009 World Masters Games.

Until his appointment as Commissioner of Taxation in January 2013, Mr Jordan was a member of the Sydney Children’s Hospital Foundation Board, the Board of the Bell Shakespeare Company, a member of the Audit Risk Committee of the Art Gallery of NSW and Chair of the Committee for Sydney.

Mr Jordan has been a member of the Board since its inception in September 2000. He was Deputy Chair from January 2005, was appointed to the position of Chair in June 2011 and retired from this position in December 2012 following his appointment as Commissioner of Taxation.

Mr Jordan has been an ex-officio member of the Board since January 2013.



### **Dr Steven Kennedy PSM – Secretary to the Treasury**

Dr Kennedy was appointed Secretary to the Treasury with effect from 2 September 2019.

Prior to his appointment as Treasury Secretary, Dr Kennedy was Secretary of the Department of Infrastructure, Transport, Cities and Regional Development between September 2017 and August 2019.

During his nearly 30 years in the public service, Dr Kennedy has held other senior positions including Deputy Secretary at the Department of the Prime Minister and Cabinet; Deputy Secretary at the Department of Industry, Innovation and Science; Deputy Secretary at the Department of the Environment; Deputy Secretary at the Department of Climate Change and Energy Efficiency, and the Head of Secretariat of the Garnaut Climate Change Review – Update 2011.

He is also the Institute of Public Administration Australia (IPAA) ACT President.

Dr Kennedy was awarded a Public Service Medal in 2016 for outstanding public service in the area of climate change policy.

Dr Kennedy has been an ex-officio member since 2 September 2019.



## **Meredith Leigh – First Parliamentary Counsel**

Ms Leigh is the First Parliamentary Counsel with the Office of Parliamentary Counsel (OPC), which is responsible for drafting all principal legislation, all regulations, and a range of legislative instruments for the Australian Government. OPC is also responsible for the publication of Commonwealth legislation through the Federal Register of Legislation.

Ms Leigh has 23 years of drafting experience. She has worked extensively with all Departments and many agencies, including Treasury and the ATO, including in the areas of tax, corporations' law, education, and more recently counter-terrorism legislation and electoral legislation.

She is also a member of the inaugural Board of the Australian Government Legal Service which supports a whole-of-government, high quality, consistent and coordinated approach to the delivery of legal services and the management of legal risk across the Commonwealth.

Before joining OPC, Ms Leigh worked for a short period as a corporate lawyer at Allen, Allen and Hemsley.

Ms Leigh was appointed as First Parliamentary Counsel on 11 October 2021.

## 1.3 Changes to the Board membership

During the 2021–22 reporting year, the Board farewelled Mr Neville Mitchell and Mrs Ann-Maree Wolff. The Board also welcomed new members Ms Andrea Laing and Mr Anthony Klein.



### Ann-Maree Wolff

Mrs Wolff has over 27 years' experience as a qualified tax professional with over 17 years' experience in senior tax roles within the mining industry. She is currently the Global Head of Tax for Rio Tinto responsible for all tax matters relevant to Rio Tinto.

Mrs Wolff is a Chartered Tax Advisor and Fellow of Chartered Accountants Australia and New Zealand.

Mrs Wolff was appointed to the Board in May 2015 and was reappointed for a further three-year term commencing 14 May 2018, after which was extended for a further three months. The Board farewelled Mrs Wolff on 26 August 2021



### Neville Mitchell

Mr Mitchell is a qualified Chartered Accountant with 27 years of experience (until March 2017) as CFO and Company Secretary of ASX-listed Cochlear Limited, a world leading medical device developer, manufacturer, and seller, with a market capitalisation of over \$10bn.

Mr Mitchell is currently a non-executive director of ASX-listed Fisher & Paykel Healthcare, Sonic Healthcare and Osprey Medical, as well as privately owned Australian life sciences company, Q'Biotics Group. He is also a director of the Southeast Sydney Local Health District Board.

Previously, he served on the NSW Medical Devices Fund, was Chairman of the Group of 100 (an Australian body for senior finance executives), and Chairman, Standing Committee (Accounting and Auditing), for the ASIC.

Mr Mitchell was appointed to the Board on 14 May 2015 and was reappointed for a further three-year term and was then further extended. The Board farewelled Mr Mitchell on 30 November 2021.



## 1.4 Stakeholder Communications and Engagement

The role of the Board is to be a trusted adviser to the Government. The Board fulfils this role by providing a business and wider taxpayer perspective on taxation issues. Therefore, it strives to engage with the community on taxation matters through a variety of different channels, including virtual and in-person interactions, social media platforms and via the Board’s website.

The Board warmly extends its gratitude and appreciation to all those who engaged with the Board during the 2021–22 reporting year, whether it be through attendance at one of the consultation sessions, providing a written submission to one of the reviews or following the Board on social media platforms.

### *Re-commencing in-person engagement*

Despite the COVID-19 pandemic continuing to give rise to challenges, the Board was delighted to re-commence meeting stakeholders and members of the business and taxation community in-person at consultation sessions and other stakeholder forums. Additionally, the Board was grateful for the opportunity to discuss important taxation matters with peers in the taxation community at various formal conferences and events.





## ***Stakeholder review consultations***

The Board utilises a working group model to conduct its reviews. As such, it reaches out to subject matter experts to become part of the working group for the duration of the project. During the course of a review, the working group may canvass stakeholder views by conducting formal and informal consultation meetings, publishing consultation papers, calling for public submissions and surveys.

## ***Increasing the Board's digital presence***

Stakeholders are informed of the Board's activities through various electronic communications including the website, the CEO Update, the Board's presence on social media platforms such as LinkedIn and Twitter, and other electronic means as agreed in the Board's communication strategy. The Board's website provides general information on the Board, including its membership, the Board's Charter, contact details, Board press releases and published Board reports to the government<sup>2</sup>.

The Board focused on increasing its digital presence during the 2021–22 reporting year. Having navigated through the uncertainty of the recent global pandemic, the Board acknowledges the rapidly increasing preference for the community to interact online through the use of technology and increased communication channels. Increasing the Board's digital presence is important to support its mission to contribute a business and broader community perspective to improving the design of taxation laws and their operation.

## ***Sounding Board +***

The Board also invites contributions from stakeholders through the Sounding Board +, a web-based collaborative platform where stakeholders from the broader business community can submit ideas to improve the Australian taxation system. Information and regular updates about the Board are contained on its website<sup>3</sup>.

Ideas for taxation system improvement can be submitted via Sounding Board +. Discussion of new ideas posted to Sounding Board + are a standing item on the agenda at each Board meeting. Refer section 2.5.1 for further details in relation to Sounding Board +.

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2 Board's website: <http://www.taxboard.gov.au>

3 Ibid

## 2 ACTIVITIES OF THE BOARD IN 2021–22

### 2.1 Overview

During the 2021–22 reporting year, the Board provided advice to the Government on a range of issues in relation to the taxation system, in a variety of forms, including:

- Formal reports to the Government with Board recommendations;
- Advice to the Government, the Treasury and the ATO, on a range of taxation policy matters;
- Meetings with Ministers to provide real time policy advice; and
- Acting as a trusted adviser on various ad-hoc matters to the Government, the Treasury and the ATO.

The Board also completed two formal reviews and delivered final reports to the former Government during the reporting year. These reviews are outlined under heading 2.4 below.

### 2.2 Ongoing reviews/projects

#### 2.2.1 *Review of CGT Roll-overs*

In December 2019, the former Government announced the Board would undertake a review of the CGT roll-over rules. The Board was requested to identify and evaluate opportunities to rationalise the existing suite of CGT roll-overs and associated provisions into a simplified set that have a substantially similar practical effect but are easier to use and interpret.

After an extensive consultation process, where approximately 40 written submissions were received in relation to two Consultation Papers, the Board provided interim written advice to the Government on 25 March 2021 and worked towards completion of the final report in the 2021–22 reporting year under the leadership of Board members Mr Ian Kellock and Mr Anthony Klein. Written submissions received have been published on the Board’s website<sup>4</sup>.

The Board provided the final report to the Government during the 2022–23 reporting year.

The Board would like to extend its appreciation to those involved in the review and consultation process, and to those who made a written submission.

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4 Submissions marked as ‘Confidential’ have not been published on the Board’s website.

## 2.3 Commenced projects

### 2.3.1 *Review of the Tax Treatment of Digital Assets and Transactions in Australia*

On 21 March 2022, the former Government released the Terms of Reference for a review of the Taxation of Digital Assets (crypto assets) and Transactions in Australia. The Review is being led by Board members Mr Anthony Klein and Mrs Tanya Titman.

The purpose of this review is to consider the policy framework for taxation of digital assets and if any changes are required to taxation laws and/or their administration. The review will analyse the characteristics of digital assets and transactions in the market, Australia's tax treatment of them, investor awareness of that treatment, the international experience in the taxation of these assets and whether any changes to Australian taxation laws and/or their administration are required.

Throughout the remainder of the 2021–22 reporting year, the Board prepared a draft Consultation Guide, undertook extensive desktop research and progressed documenting the products and economic agents involved in digital transactions such as cryptocurrency, non-fungible tokens and decentralised finance, and their treatment under Australian taxation law.

The public consultation process and publication of the Consultation Guide occurred in the 2022–23 reporting year, following confirmation of the review by the new Government.

In addition to the above activities, the Board liaised regularly with Treasury's Markets Group team in relation to its Regulatory Review of crypto assets including discussions about a token mapping exercise, an understanding of the characteristics and rights of common tokens and the identification of certain classification categories.



## 2.4 Completed projects

### 2.4.1 *Review of the Dual-Agency Administration model for the Research & Development Tax Incentive (R&DTI) Program*

On 11 May 2021, the former Government announced the Board would undertake a review of the dual-agency administration model for the R&DTI program. The Board was requested to evaluate the R&DTI dual-agency administration model, with a view to identifying opportunities to reduce duplication between the two administrators, simplify administrative processes, or otherwise reduce the compliance costs for applicants.

The Board appointed Board members Mr Neville Mitchell and Mr Chris Vanderkley to lead the review. They were assisted by a working group comprising members of the tax profession and representatives of Department of Industry, Science, Energy and Resources, the Treasury, and the ATO.

The Board received 17 written submissions from members of the tax profession, business community, industry associations and Government agencies. The Board also held discussions with four international jurisdictions including New Zealand, the United Kingdom, the United States and Canada to better understand how their models currently operate.

In the final report delivered to the former Government, the Board made a number of recommendations aimed at improving the administration of the R&DTI and reducing compliance costs for applicants in the R&DTI program.

On 29 March 2022, the former Government publicly released the Report of the Review of the Dual Agency Administration Model for the R&DTI Program.



## 2.4.2 *Review of GST on low value imported goods*

On 5 July 2021, the former Government announced that the Board would undertake a review into the LVIG measure which facilitates the addition of GST on LVIG.

Prior to 1 July 2018, goods imported directly by consumers costing \$1,000 or less did not attract GST. The LVIG regime comprises reforms to the GST law, enacted with effect from 1 July 2018, to impose GST on goods imported directly by consumers costing \$1000 or less imported in the course of a supply to consumers. The LVIG regime uses a ‘vendor collection’ or ‘vendor registration’ model which imposes the obligation to collect and remit GST on the supplier at the point of sale, rather than the point of import. GST continues to be payable at the point of import on goods costing more than \$1,000.



The Board appointed Board members Dr Julianne Jaques, Mrs Tanya Titman and Ms Andrea Laing to lead the review. They were assisted by a working group comprising members of the taxation profession and representatives of the Australian Border Force, the Treasury, and the ATO.

The review attracted interest from domestic and foreign retailers, electronic distribution platforms, taxation professionals and specialists in international trade, customs, freight forwarding and logistics.

The Board received six written submissions. In addition, the Board held a number of virtual consultation meetings attended by representatives of taxation profession, domestic and foreign retailers, and specialists in ecommerce, freight forwarding, logistics and customs processes.



On 29 March 2022, the former Government publicly released the Report of the Review of GST on LVIG.

## **2.5 Other ongoing work**

### **2.5.1 *Sounding Board +***

The Board utilises ‘Sounding Board +’ to identify proposals for system improvement with a focus on red tape reduction and compliance savings. Sounding Board+ is a web-based platform where users can raise ideas on how to improve the current taxation system. At each of the Board’s regular Board meetings, the Board looks at all new ideas posted to Sounding Board +. Where suitable, the Board will advocate a pathway for their implementation via legislative or administrative means.



The Board is focused on increasing the awareness of the Sounding Board + to encourage the community to be involved in the conversation on ideas for taxation system improvement in Australia

### **2.5.2 *Regulatory reform***

The Board continues to assist the Government in reducing the regulatory burden associated with taxation. This focus arose both because of the Board’s role as the Ministerial Advisory Council for taxation matters and from its general mandate to contribute to the improvement of the general integrity and functioning of the taxation system.

## 3 THE YEAR AHEAD

In the 2022-23 reporting year, the Board will continue to provide proactive policy advice to the Government on issues as they come to hand. Further, the Board will continue to action any other matters referred to the Board by Ministers.

A key focus for the Board in 2022-23 will be on working with the Government and the taxation community on delivering its objectives.

In relation to formal reviews, the Board will continue to progress the review of the Tax Treatment of Digital Assets and Transactions in Australia during the 2022-23 reporting year. In addition, the Board will finalise its review of CGT roll-overs and submit the final report to the Government during the 2022-23 reporting year. The Board also looks forward to working with the Government to discuss the Board's potential future work program and how the Board can continue to contribute to Australia's tax system.

During the 2022-23 reporting year, the Board will continue to host meetings, consultation sessions and other engagements with stakeholders.

## 4 APPENDIX A: THE BOARD'S CHARTER

### 4.1 The Charter

#### 4.1.1 *Mission*

Recognising the Government's responsibility for determining taxation policy and the statutory roles of the Commissioner of Taxation and the Inspector General of Taxation, the Board's mission is to contribute a business and broader community perspective to improving the design of taxation laws and their operation.

#### 4.1.2 *Membership*

Members of the Board will be appointed by the Treasurer, for a term of up to three years, in their personal capacity. It is expected that members will be appointed from within the business and wider community having regard to their ability to contribute at the highest level to the development of the taxation system. The Chair will be appointed by the Treasurer from among these members of the Board. If the Treasurer decides to appoint a Deputy Chair, he or she will also be appointed from among these members of the Board. Members may be re-appointed.

In addition, the Secretary to the Department of the Treasury, the Commissioner of Taxation and the First Parliamentary Counsel will also be members of the Board. Each may be represented by a delegate.

#### 4.1.3 *Function*

The Board will provide advice to the Treasurer on:

- the quality and effectiveness of taxation legislation and the processes for its development, including the processes of community consultation and other aspects of taxation design
- improvements to the general integrity and functioning of the taxation system
- research and other studies commissioned by the Board on topics approved or referred by the Treasurer
- other taxation matters referred to the Board by the Treasurer.



#### **4.1.4 Relationship to other boards and bodies**

From time to time the Government or the Treasurer may establish other boards or bodies with set terms of reference to advise on aspects of the taxation law. The Treasurer will advise the Board on a case-by-case basis of its responsibilities, if any, in respect of issues covered by other boards and bodies.

#### **4.1.5 Report**

The Chair of the Board will report to the Treasurer, at least annually, on the operation of the Board during the year.

#### **4.1.6 Secretariat**

The Board will be supported by a Secretariat provided by the Treasury who may engage secondees from the private sector or other government agencies to fill certain roles.

#### **4.1.7 Other**

Members will meet regularly during the year as determined by the Board's work program and priorities.

Non-government members will receive remuneration and allowances to cover travelling and other expenses, at rates in accordance with Remuneration Tribunal determinations for part time public offices.

The Government will determine an annual budget allocation for the Board.

## 5 APPENDIX B: MEMBERSHIP OF THE BOARD

### 5.1 Terms of Board members

**Table 1: Terms of Board members**

The terms of the Board members are as follows:

Member	Term commenced	Term expires
Rosheen Garnon, Chair	26 March 2020	25 March 2023
Dr Julianne Jaques KC	1 July 2017	30 June 2023
Ian Kellock	12 May 2021	11 May 2024
Anthony Klein	21 October 2021	21 October 2024
Andrea Laing	21 October 2021	21 October 2024
Neville Mitchell	14 May 2015	30 November 2021
Tanya Titman	12 May 2021	11 May 2024
Chris Vanderkley	26 March 2020	25 March 2023
Ann-Maree Wolff	14 May 2015	26 August 2021
Chris Jordan <sup>(a)</sup> AO	1 January 2013	Ex-officio
Dr Steven Kennedy	2 September 2019	Ex-officio
Meredith Leigh	11 October 2021	Ex-officio

(a) Chris Jordan AO has been a member of the Board in various capacities since 14 September 2000.

## 6 APPENDIX C: BOARD'S WORKING GROUPS AND PRIVATE SECTOR SECONDEES

### Table 2: Membership of Board Working Groups, 2021–22

All working groups for each review are supported by Government officials from other agencies in particular Treasury and the ATO.

#### Completed reviews 2021–22

##### Review of dual-agency administration of the R&DTI program

Neville Mitchell (Chair)

Chris Vanderkley

##### Review of GST on low value imported goods

Dr Julianne Jaques KC (Chair)

Tanya Titman

Andrea Liang

#### Ongoing reviews 2021–22

##### CGT roll-over rules review

Ian Kellock (Chair)

Anthony Klein

#### Commenced reviews 2021–22

##### Review of the Tax Treatment of Digital Assets and Transactions in Australia

Anthony Klein (Chair)

Tanya Titman

### Table 3: Secondments from the private sector, 2021–22

PwC – Christina Sahyoun (CEO)

KPMG – Chris McFallan (Senior Adviser)

## 7 APPENDIX D: ATTENDANCE AND PRESENTATIONS AT EVENTS, CONFERENCES, WORKSHOPS AND DISCUSSION GROUPS

In addition to the events hosted by the Board when it regularly meets, Board members also attended events, conference and discussions hosted by the organisations below.

**Table 4: External events attended by Board members**

Organisations	Events
Sydney University	Digital tax presentation
Financial Services Accountants Association (FSAA)	FSAA conference
PwC	Quarterly Tax Briefing
Tax Institute	October summit on tax reform
Tax Institute	Tax Summit – the role of tax governance in the world of ATO Justified Trust engagements
Accountants Daily	Keynote address
PwC/ATO	Tax risk management and governance – tax controls over third party data
Treasury	International Women’s Day 2022
ATO	Top 1000 Reviews, Tax Governance & where to next for Justified Trust
ATO	Tax oversight committee of Indonesia presentation
Corporate Tax Association (CTA)	CTA 2022 National Heads of Tax meeting

## 8 APPENDIX E: ATTENDANCE AT BOARD MEETINGS

**Table 5: Attendance at Board meetings, 2021–22**

Member	Number of meetings eligible to attend	Number of meetings attended
Rosheen Garnon	8	8
Dr Julianne Jaques KC	8	8
Ian Kellock	8	8
Anthony Klein	5	5
Andrea Laing	5	5
Neville Mitchell	4	4
Tanya Titman	8	8
Chris Vanderkley	8	8
Ann-Maree Wolff	2	2
Chris Jordan AO*	8	8
Dr Steven Kennedy*	8	8
Meredith Leigh	8	8

\* The Board's Charter allows for ex-officio members of the Board to be represented by a delegate at Board meetings

(a) Mrs Garnon was appointed as Chair for a three-year period from 26 March 2020.

(b) Mrs Ann-Maree Wolff's term ceased on 26 August 2021.

(c) Ms Andrea Laing and Mr Anthony Klein commenced 21 October 2021.

(d) Mr Neville Mitchell's term ceased on 20 November 2021.

## 9 APPENDIX F: MEMBERS OF THE BOARD'S ADVISORY PANEL

**Table 6: Members of Advisory Panel as at 30 June 2022**

Panel Member	Position, Organisation
Michael Barbour	General Manager, Group Tax, Westpac
Paul Balkus	Co-leader – Oceania Transfer Pricing, EY
Steve Baxter	Director, Mazars (NSW) Pty Limited
Patrick Broughan	Partner, Deloitte
Michael Carruthers	Tax Director, Knowledge Shop
Michael Croker	Tax Leader – Australia, CA ANZ
Jason de Boer	Tax Partner, BDO
Philip Diviny	Partner, Madgwicks Lawyers
Michael Fenner	Taxation Manager, Chevron
Mark Ferrier	Executive Director, Macquarie Group
Michael Flynn KC	Barrister, Victorian Bar
Geoffrey Fooks	General Manager, Group Taxation, Wesfarmers
Steve Ford	Partner, PwC
Brett Freudenberg	Professor – Taxation, Griffith University
Kevin Griffiths	Leader Tax Division, EY
Tony Greco	General Manager, Institute of Public Accountants
Matt Hayes	Director – Tax, KPMG
Steve Healey	Partner, RSM Australia
Paul Hooper	Group Head of Tax, Lend Lease
Nick Houseman	Transfer Pricing Partner, PwC
Peter Janetzki	Tax Partner, EY
Jasmine Leonard	General Manager – Global Tax Advisory, Rio Tinto
Adam Levin	Senior Consultant, Jackson McDonald Lawyers
Michael Longes	Tax Manager, Sunsuper Pty Ltd
Alia Lum	Partner, KPMG
James Macky	Partner, Corporate Tax, KPMG

<b>Panel Member</b>	<b>Position, Organisation</b>
<b>Larry Magid</b>	Consultant, Allens
<b>Jane Michie</b>	Non-Executive Director, Chubb
<b>Mark Molesworth</b>	Tax Partner, BDO
<b>Katrina Parkyn</b>	Partner, King & Wood Mallesons
<b>Michael Perez</b>	Partner, King & Wood Mallesons
<b>Dale Pinto</b>	Professor of Taxation Law, Curtin Law School, Curtin University
<b>Anthony Portas</b>	General Manager Taxation, Rio Tinto
<b>Tony Principe</b>	Associate Director – Tax, ShineWing Australia
<b>Brian Purdy</b>	Vice President – Tax and Treasury, South32
<b>John Rawson</b>	Tax Partner, Deloitte
<b>Premila Roe</b>	Global Head of Tax, BHP Billiton
<b>Hayden Scott</b>	Tax Controversy Leader, PwC
<b>Shannon Smit</b>	Director, Transfer Pricing Solutions Asia
<b>Steve Southon</b>	Chief Tax Officer, NAB
<b>Miranda Stewart</b>	Professor of Law, University of Melbourne
<b>Judy Sullivan</b>	Non-executive Director, Judy Sullivan Consulting Pty Ltd
<b>Paul Suppree</b>	Assistant Director, Corporate Tax Association
<b>Reynah Tang AM</b>	Member, Victorian Civil and Administrative Tribunal
<b>Vic Timos</b>	Group Tax Manager, Incitec Pivot Limited
<b>William Thompson</b>	Director, Thompson Group
<b>Coralie Trotter</b>	Vice President Tax (Asia Pacific) Shell
<b>Richard Vann</b>	Challis Professor of Law, University of Sydney
<b>Grant Wardell-Johnson</b>	Lead Tax Director, KPMG Economics & Tax Centre
<b>Steve Westaway</b>	Partner, Director & Company Secretary, Grant Thornton
<b>Sue Williamson</b>	Partner, Holding Redlich
<b>Ken Woo</b>	Partner, PwC

## 10 APPENDIX G: CONSULTANCIES

Consultants are engaged in accordance with Treasury’s policies for the engagement of consultants and contractors. These policies, which are consistent with the Chief Executive Instructions and the Commonwealth Procurement Guidelines, are outlined in the Treasury Annual Report.

In 2021–22 reporting year, the Board had no consultancy contracts.



# 11 APPENDIX H: FINANCIAL STATEMENTS

**Table 7: Revenue, expenses, and operating result**

	2020-21	2021-22
	\$	\$
<b>Revenue</b>		
Revenue – Department of the Treasury budget allocation	1,370,103	1,434,800
Revenue – Other	426,441	467,832
<b>Total revenue</b>	<b>1,796,544</b>	<b>1,902,632</b>
<b>Expenses</b>		
<i>Employee expenses</i>		
Wages	463,990	390,585
Superannuation	129,945	125,415
Other employee expenses	527,919	525,222
<b>Total employee expenses</b>	<b>1,121,854</b>	<b>1,041,222</b>
<i>Other expenses</i>		
Travel	26,396	31,980
Conferences and training	16,000	13,931
Seconded Employees	584,959	777,273
Office supplies	46	1,263
Other supplier expenses	47,289	36,963
<b>Total operating expenses</b>	<b>674,690</b>	<b>861,410</b>
<b>Total expenses</b>	<b>1,796,544</b>	<b>1,902,632</b>
<b>Operating surplus</b>	-	-

**Table 8: Remuneration paid to non-government Board members, 2021–22**

Board Members 2021–22	\$
<b>Total*</b>	<b>\$521,869</b>

\*Total remuneration paid to non-government Board members, 2021–22 includes allowances and superannuation guarantee

## CONTACT DETAILS

Inquiries regarding this report may be directed to:

Board of Taxation Secretariat  
c/o – The Treasury  
Langton Crescent  
PARKES ACT 2600

Telephone: 02 6263 4366

Email: [taxboard@treasury.gov.au](mailto:taxboard@treasury.gov.au)

## GLOSSARY OF TERMS

ABN	Australian Business Number
AM	Order of Australia – Member of the Order
AO	Order of Australia – Officer of the Order
Ashurst	Ashurst Australia
ASIC	Australian Securities & Investments Commission
ASX	Australian Securities Exchange
ATO	Australian Taxation Office
BDO	Binder Dijker Otte
The Board	The Board of Taxation
CGT	Capital Gains Tax
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CTA	Corporate Tax Association
DISER	Department of Industry, Science, Energy and Resources
EY	Ernst & Young
FBT	Fringe Benefits Tax
FCPA	Fellow Certified Practising Accountant
FSAA	Financial Services Accountants Association
GE	General Electric
GST	Goods & Services Tax
IISA	Industry Innovation and Science Australia
IPAA	Institute of Public Administration Australia
KC	King’s Counsel
KPMG	Klynveld Peat Marwick Goerdeler

LVIG	Low Value Imported Goods
NFPs	Not-for-profit organisations
OECD	Organisation for Economic Co-operation and Development
OPC	Office of Parliamentary Counsel
PwC	PricewaterhouseCoopers
PSM	Public Service Medal
R&D	Research and Development
R&DTI	Research and Development Tax Incentive
SME	Small and Medium Enterprises
VAT	Value-Added Tax