26 April 2020

[Name]

[Address]

[Address]

[Address]

Dear [ ]

# ENGAGEMENT LETTER

**[Client]**

We refer to our recent discussions with you during which you advised this office of the decision of your business to appoint our firm to act as your accountant and business adviser.

Thank you for granting us the opportunity to provide professional services to your business.

We set out below our understanding of the terms of the Engagement (TE). is important that you read the TE before you indicate that you agree, which you can do by letting us know that you are happy to proceed.

Since 1 March 2010, tax practitioners have been regulated in accordance with the requirements of the Tax Agent Services Act 2009 (TASA) and the accompanying regulations. The TASA regime has implications for registered tax agents and also for their clients.

An important feature of TASA is the provision of a “safe harbour” protection from penalties in certain circumstances for taxpayers who engage registered tax agents.

To obtain the benefits of safe harbour protection, the legislation requires the taxpayer to provide the registered tax agent with “all relevant taxation information” to enable accurate statements to be provided to the Australian Taxation Office (ATO). This requirement may be important to both parties in identifying and understanding the purpose and scope of the engagement as set out below and may also affect other matters discussed below.

You will find further discussion on the safe harbour protections on the below link [www.ato.gov.au/tax-professionals/prepare-and-lodge/tax-agent-lodgment-](http://www.ato.gov.au/tax-professionals/prepare-and-lodge/tax-agent-lodgment-) program/safe-harbour/

Entitled Clients’ rights and obligations under the taxation laws.

We may become ethically required to disclose non-compliance with laws or regulations to a regulatory authority if the non-compliance has a material effect on the work that we perform under this engagement.

If the terms of our engagement are acceptable, we ask that all persons either sign or confirm via email this engagement letter, this letter can also be viewed on our website www.sunnysideaccountants.com.au

The scope of work may fall within the CPA Australia Ltd and Institute of Chartered Accountants Professional Standards (Accountants) Scheme (**Scheme**), which facilitates improvements to industry professional standards and protects consumers, and we need to notify you of the following:

“Liability limited by a scheme approved under Professional Standards Legislation.”

If you want more information on the Scheme you can go to: <https://www.cpaaustralia.com.au/about-us/consumer-information> or <https://www.psc.gov.au/consumer-information>

Term

This TE will commence at the time you indicate acceptance and will continue <until revoked by us or you> <insert a date> <the conclusion> of the scope of work output

**Purpose and Scope of Engagement**

* We will provide you with professional accounting services in compliance with *APES Standard 110 Code of Ethics* (**Code**), including: <delete inapplicable services>Preparation of individual income tax returns including business income schedule
* Preparation of financial statements, income tax returns, minutes of directors’ meetings and annual general meetings, and statutory returns to Australian Securities & Investments Commission
* Preparation and submission of Fringe Benefits Tax return
* Preparation of audited financial statements
* Review of financial position of the Company on a quarterly basis and to provide advice on improvement of financial position thereon
* Review of Business Activity Statements
* Review of quarterly Business Activity Statements and PAYG summary statement on salaries of employees
* Review and preparation of PAYG summary statement on salaries of employees
* Assistance with banking facilities
* Taxation and business consulting services
* We will provide the scope of work output within the specified timeframe or within a reasonable period considering the context of the services.

**Professional Duty of Care**

We will perform procedures (guided by the APES suite of standards) required that are directly related to the engagement consistent with our Fundamental Principles of integrity, objectivity, professional competence and due care, confidentiality, professional behavior, and identifying, avoiding and dealing with conflicts of interests.

We will seek to understand your requirements and provide you services confidentially and professionally.

We will document sufficient and appropriate records of the procedures performed for the TE, which may be subject to quality review by CPA Australia and Institute of Chartered Accountants under APES 320 Quality Control for Firms.

**Documentation**

Before any necessary documentation is lodged by us on behalf of the business, we will forward draft documentation for approval. We shall endeavour to ensure that the documentation is lodged with the relevant department by the due dates, provided all information and documentation is received by such specific dates to be advised to you to allow us adequate time for preparation and lodgment of the documentation.

**Your obligations**

* You are responsible for full disclosure of all relevant information.
* You are responsible for your own record keeping relating to your affairs.
* You provided us with <insert details of information or paperwork provided> records relating to your affairs.
* You are responsible for the reliability, accuracy and completeness of the particulars and information provided to us, and, if the TE includes financial reporting, the accounting records and disclosures of all material and relevant information provided to us. Accordingly, any advice given to you is only an opinion based on our knowledge or your particular circumstances.
	+ You are responsible for retaining paperwork for as long as legally required.
* If the TE includes taxation services:
1. you have obligations under self-assessment to keep full and proper records in order to facilitate the preparation of accurate returns
2. you must retain paperwork for a period of five years after the assessment as you may be subject to an Australian Taxation Office review

you are responsible for checking the assessment before submission to ensure accuracy

## **Prudential Audit**

We understand that no statutory audit of the business financial statements will be required. We will process the financial information as presented by the business to us without any review of the primary source documents being undertaken by us, on the specific understanding that the “business” has the necessary supporting documentation to satisfy the Australian Taxation Office. We will not express an opinion as to the truth and fairness of those financial statements and our usual form of disclaimer will be attached to the financial statements.

**Third Party Involvement**

Our firm from time to time use the services of third party entities and third-party contractors within Australia and also outside of Australia to perform some of the services we are engaged to perform for you. Each client in the group hereby authorizes us to disclose information relating to that client’s affairs to all such suppliers and third-party contractors as we may choose to engage to perform such work. Where we use the services of third-party contractors, we are never less responsible for the conduct and activities of those contractors and for the delivery of the services we are engaged to perform for you.

From time to time, our firm and our third-party contractors may engage external IT service providers (including in relation to “cloud computing” services) in the performance of services under this engagement.

Each client in the Group hereby authorises us and our third-party contractors to disclose information relating to those clients' affairs to such external IT service providers as we or our third-party contractors may choose to engage.

We may also need to disclose information relating to one client’s affairs to other clients in the Group to assist in performing our work, to persons responsible for the governance of an entity to comply with accounting standards, or to a professional body of which we are a member, in relation to a quality review program undertaken by that body. Each client in the Group hereby authorises us to do so when we consider it appropriate to further our performance of work for the Group, or when required by that professional body.

**Non-compliance with Laws and Regulations (NOCLAR)**

During the performance of our work under this engagement, we may detect conduct or a transaction that is considered to constitute NOCLAR, which has a material effect on any documents or information that might be required to be provided to a regulatory authority (RA), such as the ATO.

If we detect any NOCLAR, we may have an ethical requirement to make a disclosure to a RA. We will follow a formal process which will include advising you of our concerns, and if necessary, seeking legal advice. If we do seek legal advice, we reserve the right to ask you to pay or reimburse us for our reasonable costs.

If we are required to make a disclosure to a RA, you agree to forever release us from any claim for costs or losses you incur in responding to or dealing with anything that arises from our disclosure.

**Losses from unauthorised cyber-activity**

We will take all reasonable precautions to ensure that any electronic data that contains your private information is securely stored and that any email transmissions are protected and are not able to be intercepted by third parties. However, we cannot be held liable for any loss that you might incur as a consequence of any third-party intervention that accesses, procures or copies any data that contains your private information from any medium or device we use to store or transmit such information.

In the event that, despite our firm having taken reasonable precautions to securely store your private information, you suffer any losses arising from unauthorised cyber-activity, you agree to forever release us from any claim for your losses.

**BAS returns**

As the BAS returns are prepared quarterly and lodged during the financial year, it is not possible for this firm to review the correctness of the underlying financial information as part of the preparation of the quarterly BAS return. This is because we are engaged to prepare the annual accounts, and these are prepared after the conclusion of the financial year.

Therefore, for the quarterly BAS returns, we will rely on and process the financial information provided to us without any review of the primary source documents. In doing that, we will make the following specific assumptions:

* The financial information provided to us is accurate.
* The financial information correctly states the GST position. For example, all input tax credits, and GST payable amounts have been correctly recorded in the general ledger. If you are unsure of the correct position or require advice regarding this, we are able to provide this as work which is outside the scope of this letter and charged as additional services.
* You have the necessary supporting documentation to satisfy the ATO for GST purposes. Again, if you are unsure of the ATO requirements or require advice regarding these documents, we are able to provide this as work which is outside the scope of this letter and charged as additional services.
* You hold valid tax invoices and adjustment notes for all expenditure incurred by you in respect of which an input tax credit is being claimed. Substantial penalties apply for an incorrectly prepared BAS. If you have any queries in respect to this, please contact our office for assistance.

However, it is possible that, when the financial accounts are prepared, some discrepancies will exist between the information disclosed in the quarterly BAS returns and in the annual financial statements.

Should any discrepancies arise, we will discuss the need to correct either the BAS returns and/or financial accounts. Those services will involve work which is outside the scope of this letter and will be charged as additional services.

**Financial accounts**

This firm has been engaged to prepare the annual financial accounts of the entities in your group. This service includes the preparation of:

* A profit and loss statement;
* A balance sheet; and
* Notes for the above accounts.

This service includes maintenance of the chart of accounts for the general ledgers of your business entities. It also includes telephone support should you require any assistance as to how to record specific transactions in the general ledger.

The fee for this service also includes the preparation and lodgement of the standard reports to be furnished to ASIC.

This service does not include the preparation of one-off accounts for presentation to your financiers for additional finance and the like.

**Income tax returns**

This firm has been engaged to prepare and lodge income tax returns for the entities in your group and for your family.

This firm will not be responsible for reviewing or verifying any financial records or statements provided to it either via manual cashbooks or prepared on accounting software such as Xero, MYOB or QuickBooks. Correct coding or classification of accounts is outside the scope of this engagement. If assistance is required in how to correctly code or to review how you currently do so, please discuss this with us. This will entail work which is outside the scope of this engagement and will be charged as additional services.

Also please ensure that you have all source documentation available to allow this firm to analyse the income tax implications of any transaction, if we request to see it. Whilst we will not as a matter of course be looking at these documents, the ATO will expect you (and you are required) to have them available before any claim is made in your income tax return. We may in some circumstances also request to see source documents if a tax issue is particularly contentious.

It is also expected that, in respect of individual income tax returns, each person will have the necessary documents so as to comply with the substantiation provisions of the Income Tax Assessment Act.

We will specifically advise as to the requirements of the substantiation provisions relating to your income tax return and of the necessity to obtain acceptable receipts as specifically required by the legislation. We will not, however, be checking that the requirements of the substantiation provisions have been satisfied.

This specifically means that we will not be reviewing your logbook or any calculations or information you provide us, for example a rental property schedule either prepared by you on spreadsheet or by a property manager. If you require assistance in completing a logbook or preparing any calculations or you would like us to review such work, please discuss this with us. This will entail work which is outside the scope of our engagement and will be charged as additional service

From time to time, this firm prepares templates and schedules to assist with the collation of information to complete income tax returns.

These will be provided free of charge.

The fee for this service does not cover any inquiries made to us or investigations involving us conducted by the Australian Taxation Office. Substantial penalties apply for an incorrectly prepared income tax return. If you have any queries in respect to this, please contact our office for assistance.

**Fringe Benefits Tax (FBT) returns – If applicable**

This firm has also been engaged to prepare and lodge the FBT returns for your Entities. Please note, because of the impact of GST, it is not impossible to prepare an FBT return from the information contained in the general ledger. It is necessary to revert to the source documentation to allow our firm to analyse the FBT implications of any transaction.

Our fee for this service includes the following:

* Advice on how to collate the information necessary to prepare the annual FBT return;
* An annual review of the methods available to reduce the FBT expense on the annual FBT return;
* Telephone advice on basic FBT issues; and
* The calculation of Reportable Fringe Benefits Tax Amounts that may be required to be included on the annual payment summaries for your employees (including family members employed in the business of any Entity).

**Single Touch Payroll (‘STP’) reports – If applicable**

We will prepare and lodge STP reports with the ATO for the Group if requested, based on the information provided to us by you, your employees or any third party authorised by you, without reviewing or verifying the payroll calculations, any relevant wage rates or the source documents relied upon to process each STP pay event.

We will only provide a lodgement service. We make no representations about the accuracy of the information submitted, the due date or whether it is received by the ATO.

Our firm is not being engaged to perform, or check the accuracy of, payroll calculations associated with the STP reports. You and your employees are responsible for correctly preparing and processing each pay event, and for maintaining the necessary supporting documentation.

You and your employees are also responsible for calculating and remitting your PAYG withholding and Superannuation Guarantee liabilities with respect to each employee, for each relevant pay event.

# Superannuation – If Applicable

This firm has also been engaged to attend to the income tax compliance work for your superannuation fund. This assignment will involve:

* Preparation of the superannuation fund's accounts for the purposes of the Superannuation Industry Supervision Act (the SIS Act).
* Preparation and lodgement of the SMSF annual return. It is important to note as part of the regulatory framework for SMSFs, an annual audit of the fund must be undertaken and provided to the trustees of the fund before the SMSF annual return is lodged. Therefore, trustees of the fund must ensure that they provide the fund accounting records no later than two months before due dates to allow these tasks to be completed.
* With respect to the annual audit of the SMSF referred to above, the audit is undertaken by an independent auditor.

In addition to the basic financial information required to complete these requirements, it is expected that the source documentation will be available to allow this firm to analyse the implications of any superannuation related transaction.

You should also note that the deeds of the fund should be annually reviewed by a superannuation specialist to ensure they continue to comply with the requirements of the SIS Act. Our engagement does not extend to the provision of such legal advice and our fee does not include this service. We are happy to recommend the services of a superannuation specialist for this task. We do update deeds using an online service legal provider.

Our fee does not include financial planning services for the investments of the superannuation fund or for any planning advice for your future retirement planning needs.

This service does not cover any enquiries made by or investigations conducted by the Australian Taxation Office.

## **Previous Taxation Returns**

We note that we are not engaged to review the accuracy of any previous returns lodged by your business including that of the Directors/shareholders/beneficiaries and that you have warranted that we are entitled to rely on the balance sheet(s) and other financial records as presented to us.

## **Ownership of Documents**

The final financial statements, tax returns and any other documents, which we are specifically engaged to prepare, together with any original documents given to us by the business, shall be the property of that business. Any other documents brought into existence by us including general journals, working papers, the general ledger, draft financial statements and copies of tax returns, will remain our property at all times.

## **Lien on Documents**

In relation to any subsequent termination of our services, you are advised that we shall be entitled to retain all documents belonging to your business and any related parties we act for until payment in full of all outstanding fees.

## **Substantiation Requirements**

In relation to the business’ income tax return, we will advise the business as to the requirements of the substantiation provisions of the legislation (where applicable) and of the necessity to maintain acceptable bona fide receipts and other documents such as travel diaries and log books, as required.

## **Professional Fees and Payment**

Our professional fees for the services provided to the business will be based on a time cost basis. We estimate that our yearly professional fee is [$Amount] exclusive Goods and Services Tax. Other professional services not being stated in the purpose and scope of engagement will be based on the time and degree of skill and acumen required completing the tasks undertaken by us, including any direct out-of-pocket expenses.

Our professional fees for the services provided to the business will be based on a time cost basis. We estimate that our professional fee is $200 per hour exclusive of Goods and Services Tax. Other professional services not being stated in the purpose and scope of engagement will be based on the time and degree of skill and acumen required completing the tasks undertaken by us, including any direct out-of-pocket expenses.

Accounts for services provided will be forwarded to the business on a half-yearly basis commencing from the date of this letter. Payment is required within 14 days, unless special alternate arrangements are made with us.

**Privacy**

Our collection use and disclosure of your personal information (**PI**) may be subject to the PrivacyAct *1988* (Cth) and accordingly we will only collect PI about you that relates to the TE. We may disclose PI about you with your implied consent for the primary purpose of this TE or to third parties by express consent or as required by law. This PI may be stored overseas in <insert the overseas server location>. If you would like to access any PI we might hold about you contact us on <insert number>.

We may collect PI about you, your representatives, your clients and others when we provide services to you. If we do, you agree to work with us to ensure that we both meet our respective obligations under the Privacy Act 1988 (Cth). Your obligations may include ensuring your privacy policy and contracts include a reference to your collection practices, how you will use the PI and that you may disclosure the PI to an agent for public accounting services.

Where an outsourced service requires the disclosure of PI to an overseas recipient, we will take reasonable steps to ensure, by contract or otherwise, the recipient complies with the Australian Privacy Principles.

**Confidentiality**

We have an ethical duty of confidentiality, which means we must not share or disclose your details of this TE to anyone without your consent unless required to by law.

**Professional Indemnity Insurance (PII)**

We hold professional indemnity insurance of at least the minimum amount prescribed in the CPA Australia Ltd By-Laws or as required by law. Our PII cover at the time of this TE is <insert cover>.

**Professional Standards Scheme & Limitation of Liability**

We participate in the CPA Australia Ltd and Institute of Chartered Accountants Professional Standards Scheme (Scheme), which facilitates the improvement of professional standards to protect consumers and may limit our liability to you in a cause of action.

The Scheme applies to professional accounting services including accounting, bookkeeping, taxation, auditing and assurance, insolvency and corporate reconstruction, management accounting, management consulting, forensic accounting, valuation services.

## **Directors’ Guarantee of Payment**

It is our requirement that the owners/directors of the entity guarantee the payment of all accounts for professional fees, including out-of-pocket expenses rendered by us from time to time to the business.

Should there be any further queries, please do not hesitate to contact us or my staff.

Yours faithfully

Director

**INSERT CLIENT NAME>** has read, understood and agrees to the provisions of this Terms of Engagement <delete as appropriate <and has directed their duly authorised representative to execute this Terms of Engagement.>>

 **<INSERT CLIENT NAME>**

By:

Print Name:

Title:

Date:

**Clients rights and obligations under the taxation laws**

As a client of this practice, we are obliged to advise you of your rights and obligations under the taxation laws in relation to the services we provide to you. Set out below is a brief explanation of the main areas of the taxation system you should be aware of. If you have any concerns or issues with any of matters discussed below, please feel free to contact us.

The self-assessment system

The Australian tax system operates as a self-assessment system. This means that when your tax return, Fringe Benefits Tax (FBT) return or Business Activity Statement (BAS) is lodged, the Australian Taxation Office (ATO) accepts the information in the return at face-value and issues you with an assessment notice based on that information. It is important to understand that this does not mean the assessment is final as the ATO can conduct a review or audit of the information provided in the return at a later time, subject to the time limits discussed in the topic below.

The Commissioner’s ability to amend an assessment

As explained above, the ATO accepts the information lodged in your return at face value. However, the ATO also has the power to amend the assessment if they find it to be incorrect. The following rules generally apply:

**Individuals**

For most individuals, the ATO can amend an assessment within two years after you receive your notice of assessment. If the individual carries on a business and is not a Small Business Entity, that period extends to four years.

If the individual is a partner in a partnership or a beneficiary of a trust, the period is two years. If the partnership or trust carries on business and is not a Small Business Entity, the period extends to four years.

**Companies**

The ATO can amend a company assessment within two years after the company receives a notice of assessment where the company is a Small business Entity. The same period applies where the company is a partner in a partnership or beneficiary of a trust that is a Small Business Entity.

In any other case, the period is four years.

**Trustees**

The ATO can amend an assessment within two years after the trustee receives the notice of assessment if the trust is a Small Business Entity.

If the trustee is a partner in a partnership or a beneficiary of a trust that is not

a Small Business Entity, that period extends to four years.

In any other case, the period is four years.

If the ATO amends an assessment, this will potentially involve, apart from increased taxes, penalties and interest. If you discover an error in the information declared in the return, lower penalties generally apply for making a voluntary disclosure.

Note that there are no time limits on the ATO amending an assessment where they believe there has been fraud or evasion.

**Obligation to keep records**

The tax laws specifically require taxpayers to keep records that properly explain the transaction they have entered into.

**Individuals**

Individuals claiming deductions for work-related expenses are subject to the substantiation rules in the tax laws. This requires taxpayers to keep receipts, invoices etc., of the expenses they incur. Where the expenses relate to a taxpayer travelling interstate or overseas, a travel diary may also need to be kept. Where the expense relates to a motor vehicle, a record of the journeys taken such as a logbook may need to be kept.

A failure to keep the appropriate records can lead to the ATO denying a particular deduction which may involve the imposition of penalties and interest. Substantiation records must be retained for five years.

**Businesses**

The tax laws specifically require a taxpayer that carries on business to keep records that record and explain all the transactions they have entered into. This includes all the documents that explain how the income and expenditure of the taxpayer was determined.

Where the tax laws allow or require a taxpayer to make a choice, election, estimate or calculation, documents containing particulars of these matters must be kept.

All these records must be retained for a period of five years. There are penalties for taxpayers who fail to do so.

**Obligation to provide complete and accurate records**

In order for our practice to be able to lodge returns on your behalf, it is your responsibility to provide us with complete and accurate records. Further, in order to lodge your return on time, we will require you to provide us the relevant information as and when requested.

Where you are unable to provide us with complete and accurate records, we may be unable to prepare and lodge your return. Tax agents are subject to a Professional Code of Conduct contained in the Tax Agent Services Act 2009, which prevents them from acting for a client where insufficient records or information exists so as to be able determine the amount of the client’s income or deductions.

We also reserve the right to question any claims for deductions or credits that in our reasonable judgment might be considered as being excessive, and we may ask for more substantiation or records to prove that such a claim is allowable under the law. If we believe that a claim is excessive and cannot be substantiated, we reserve the right not to include such a claim in your income tax returns or BAS, but you will have the right to lodge an objection after receiving your notice of objection. There may be further costs in doing so, and we will advise you accordingly.

Records for clients operating in the cash economy.

Because of the ATO’s concerns with dealings in the cash economy, there are particular recording imperatives for clients who operate in that sector. In particular, the ATO has a program of “benchmarking” standardised revenue returns for a wide range of cash businesses.

In circumstances where it is dissatisfied with a taxpayer’s records or recording systems, the ATO will often assess income tax and/or GST on what it considers to be an appropriate “benchmark” amount (plus penalties and interest) and then put the taxpayer to the task of disproving that assessment.

Where that occurs, the taxpayer is at a serious disadvantage and can be put to a great deal of cost and effort in disputing the assessment.

Taxpayers who operate in the cash economy are therefore urged to have a robust and reliable system for recording and reporting all cash transactions and to ensure that the recorded figures are accurate.

If you need assistance in setting up or reviewing your recording and reporting systems, we will be happy to do so and will advise you of our rates for doing so on request.

**Right to seek a Private Binding Ruling**

When preparing your return, we may identify one or more issues that are not clear under the tax laws. Where we have pointed out such issues to you, you have a right to request a Private Binding Ruling from the ATO. Upon providing the ATO with all the relevant facts, they will provide you with a ruling setting out their view on the proper tax treatment of the issue requested to be ruled upon.

**Objecting against an assessment**

If the ATO issues you with an assessment that you do not agree with, you have the right to lodge an objection against that assessment. The objection must be lodged with the ATO within either two or four years. As to which period applies, this is determined in the same way as the discussion above under the heading ‘Commissioner’s ability to amend an assessment’.

Where the ATO issues an amended assessment, the period for objecting is the greater of:

60 days from the time the amended assessment is received; or

two or four years (whichever is applicable) from the time the original assessment was received.

If you remain dissatisfied with the outcome of the objection, you have the right to have the matter reviewed by the Administrative Appeals Tribunal or to appeal the matter to the Federal Court.

**Onus of proof falls on the taxpayer**

It is important to be aware that in any disputed assessment before the court or the Administrative Appeals Tribunal, the onus of proof is placed on the taxpayer. In other words, if the Commissioner asserts that your income should include a certain amount or that a deduction claimed in a return is not allowed, it will be up to you to establish that the Commissioner’s view is incorrect.

Your protections under TASA The Tax Agent Services Act 2009 (TASA) and complimentary amendments to the applicable taxation administration legislation provide statutory protections for taxpayers who engage registered tax agents.

In particular, as your tax agent, we are bound by a statutory Code of Conduct which is administered by a new national Tax Practitioners Board. That Code requires us, amongst other things, to act lawfully in your best interests and with honesty and integrity in the performance of our duties.

In addition, as the client of a registered tax agent, you have statutory “safe harbour” exemptions from penalties in certain circumstances.

When did the safe harbour provisions commence?

The safe harbour can only apply for returns lodged on or after 1 March 2010.

How does the safe harbour work?

In order to benefit from the safe harbour should the need arise, it is a requirement for you to ensure that you provide us with all of the relevant tax information. This includes any records, or documents we request from you plus any other information relevant to the preparation of your tax return. The information provided must be complete and accurate.

It is equally important that you provide us with this information by the time it is requested so as to allow the return to be lodged by its due date. The safe harbour from late lodgment penalties can also apply where a Business Activity Statement, Instalment Activity Statement, or Fringe Benefits Tax return is lodged late.

What does the safe harbour apply to?

* Whilst the safe harbour can apply to exempt the penalty for an error made in a tax return, it is important to note that the tax and interest will be still be payable.
* What if the safe harbour does not apply?
* Even if you are not eligible for the safe harbour, it is still possible to request the ATO remit or reduce the penalty.