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31 May 2010

Review of the Tax Issues Entry System The Board of Taxation C/o The Treasury **Langton Crescent** Canberra ACT 2600 Australia

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Pitcher Partners, including Johnston Rorke,

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Dear Sir/Ms

Review of the Tax Issues Entry System ("TIES")

For the purposes of this submission Pitcher Partners comprises 5 independent firms1 operating in Adelaide, Brisbane, Melbourne, Perth and Sydney. Collectively we would be regarded as one of the largest accounting associations outside the Big Four.

We are making this submission to highlight some concerns that we have regarding TIES.

General Comment on TIES

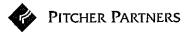
We believe that there will be limited interest in/take up of TIES until definite timelines are set within which agreed 'small p' tax policy issues that are raised under TIES must be legislatively fixed.

That is, whilst TIES is a good idea in principle (and, as such, should be continued), we would have a greater commitment to using this system if we could see tangible outcomes being produced within an acceptably short timeframe.

Our experience to date however, (i.e. based on a 'small p' tax policy issue that we raised in late 2008) is that TIES has failed to produce a tangible outcome within an acceptable time-frame.



Including Johnston Rorke in Queensland.



Specific Comments on TIES

Whilst some people in Pitcher Partners have a reasonably good personal knowledge of TIES (i.e. what it is intended to cover and how it is supposed to operate), from the viewpoint of the overall Tax Division the level of knowledge is no more than adequate - people know it exists but given our involvement on a number of NTLG sub-committees and other consultative/liaison groups we have tended not to use it.

We note that in December 2008 Pitcher Partners in Melbourne decided to use TIES to see if a better/quicker result could be achieved via TIES than via the relevant NTLG sub-committee/other consultative group. The experience of this firm with TIES however, has been 'frustrating' (for want of a better word) as the 'small p' tax policy issue that was raised has yet to be finalised.

That is, as at the time of writing "Treasury is [still] considering the legislative measures that would be required to address this issue" per the TIES register of current issues.

Accordingly, until definitive timeframes are set within which agreed 'small p' tax policy issues must be addressed we are thus neither inclined to use TIES nor to promote the use of the TIES internally.

Further information

Please contact either the writer (on 03 8610 5110) or Chris Birchall (on 03 8610 5586) if you would like any aspect of this submission clarified or elaborated upon.

Yours faithfully

PITCHER PARTNERS ADVISORS PROPRIETARY LIMITED

JOHN BRAZZALE Executive Director

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