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IPA NEWS

Request for Member Input

The IPA will be making a submission in relation to the Inspector-General of Taxation and Taxation Ombudsman (IGTO)'s *Systematic review of the effectiveness of the ATO's registered agent phone* line.

Recent IPA Submissions

The IPA has made submissions in relation to the *Anti-Money Laundering and Counter-Terrorism Financing Rules 2024 (Exposure Draft): First Round* and the *Consultation Paper: Positioning Australia's financial reporting system for the future*.

TAXATION

Community charity guidelines registered

The Treasury has registered new guidelines outlining the operational, administrative and compliance standards that charities must meet in order to maintain DGR status.

Miscellaneous and technical amendments to Treasury portfolio: instrument registered

Treasury has registered a new instrument to correct errors and unintended outcomes, make technical changes and to improve the quality of Treasury portfolio legislation.

Governance of AI at the ATO

The Australian National Audit Office has published a performance audit report assessing the ATO's AI governance framework.

Requirement to lodge 2025 tax and other returns: draft ATO instruments released

The ATO has released draft instruments LI 2025/D1 and LI 2025/D2 covering income tax returns and other lodgements for 2025.

Application of Part IVA of the ITAA 1936 to certain investment arrangements: draft determination

The ATO has issued TD 2025/D1 which discusses the application of Part IVA of the ITAA 1936 to certain early stage innovation company investment arrangements.

DIS issued: Mylan Australia Holding Pty Ltd v FCT (No 2)

The ATO has issued a DIS discussing the implications of the decision for future cases, including the potential applicability of Part IVA to similar schemes.

ATO shifts non-compliant small businesses to monthly GST

The Australian Taxation Office (ATO) has announced that from 1 April 2025, it will be moving around 3,500 small businesses with a history of non-payment, late or non lodgment, or incorrect reporting from quarterly to monthly GST reporting to improve their compliance.

Debunking Division 7A myths

The ATO has published new content that debunks common Division 7A myths.

ATO to focus on 22,000 tax debtors

In his opening statement to the Senate Economics Legislation Committee, the Commissioner stated that the ATO is 'moving harder and faster to collect priority debt'.

SUPERANNUATION

New family law superannuation regulations

The Family Law (Superannuation) Regulations 2025 have been registered, with the new regulations replacing the 2001 regulations from 1 April 2025.

Consequential amendments for new family law superannuation regulations

The Family and Other Laws (Superannuation) (Repeal and Consequential Amendments) Regulations 2025 amend a number of regulations and will repeal the 2001 Regulations.

ATO SMSF statistics for December 2024

The ATO has released its Self-managed super fund quarterly statistical report for December 2024.

APRA quarterly super statistics for Dec 2024

APRA has released its 31 December 2024 Quarterly Superannuation Performance publication and Quarterly MySuper Statistics reports.

ASIC enforcement and regulatory update: July to December 2024

ASIC has published its July-December 2024 enforcement and regulatory update highlighting significant actions and concerns in the superannuation sector.

FINANCIAL SERVICES

ASIC seeks feedback on capital markets regulation

ASIC has released a discussion paper seeking feedback on emerging opportunities and risks in Australia's capital markets.

Extension of time to apply for Director ID: practice statement issued

The ATO has issued practice statement PS LA 2025/1: Extension of time to apply for a director identification number.

REGULATOR NEWS

ASIC News

Updates from ASIC in the past week including media releases, news, articles and speeches.

APRA news

Updates from APRA in the past week including media releases, news, articles and speeches.

IPA NEWS

Request for Member Input

Systemic review of the effectiveness of the ATO's registered agent phone line

Background:

The IGTO is investigating the effectiveness of the ATO's registered agent phone line in in response to increased reports of dissatisfaction with the service. Registered tax and BAS agents and their professional bodies and associations across Australia can share their feedback, insights and ideas for improvement online and in person as part of the review.

Registered tax agents lodged 62% of all individual tax returns in 2022-23, and 96% of organisational tax returns. The ATO encourages registered agents to use its online services but, with 65% of agents reporting problems, there is still a strong demand for their dedicated registered agent phone line. Agents using the phone line report more dissatisfaction with the service, saying it has long wait time, is inconsistent and doesn't give them confidence they are getting the right answers when they call.

The Australian National Audit Office's 2022-23 review recommended that the ATO 'consult with tax practitioners to better understand their concerns regarding the registered agent phone line and use this feedback to guide the development of future service offerings'.

Scope of the review:

Based on the concerns raised though the IGTO's complaint investigation service and engagements with registered agents, the review will look at:

- why there is a mismatch between what agents want from the registered agent phone line and what the ATO provides
- the skills, training and support for ATO officers working on the phone line and what improvements could be made
- whether registered agent phone line service standards align with agents' expectations and whether they are being met
- whether the registered agent phone line service support for the new client-agent linking service is adequate and fit for purpose.

The IGTO will also look at how the ATO has implemented the ANAO recommendation.

The IGTO will be hosting informal feedback forums or registered agents and practitioners. Registered agents can also complete a short survey online, to be published shortly.

Read more here

Members can send any comments and feedback by **21 March 2025** to ipaadvocacy@publicaccountants.org.au

Recent IPA Submissions

See here for the IPA's submission on the *Anti-Money Laundering and Counter-Terrorism Financing Rules 2024 (Exposure Draft): First Round*.

See here for the IPA's submission on the *Consultation Paper: Positioning Australia's financial reporting system for the future*.

TAXATION

Community charity guidelines registered

Treasury has registered the Taxation Administration (Community Charity) Guidelines 2025 (the "Guidelines"). The Guidelines were created as part of a legislative framework under the TAA 1953 to regulate community charity trusts and community charity corporations in Australia to ensure compliance with specific rules in order to maintain deductible gift recipient (DGR) status' under Australian tax law.

By way of background, the need for the Guidelines arose due to amendments made by the Treasury Laws Amendment (Support for Small Business and Charities and Other Measures) Act 2024, which recognized the unique position of community charities that did not fit neatly into existing DGR categories. This recognition necessitated a tailored set of rules to mitigate integrity risks and ensure proper compliance mechanisms beyond mere de-listing.

The Guidelines outline the operational, administrative, and compliance standards that these charities must meet, including governance, financial management, and distribution obligations.

Date of effect: The Guidelines commence on 25 February 2025.

Miscellaneous and technical amendments to Treasury portfolio: instrument registered

Treasury has registered the Treasury Laws Amendment (Miscellaneous and Technical Amendment No. 1) Instrument 2025. The purpose of the Instrument is to correct errors and unintended outcomes, make technical changes and improve the quality of Treasury portfolio legislation.

A notable correction can be found in Sched 1 in relation to a typographical error in a cross-reference in the transitional provisions of s 151(1) of the Tax Agent Services (Code of Professional Conduct) Determination 2024 to para 45(1)(d) instead of 45(1)(c). The amendment confirms that s 45 of the Tax Agent Services (Code of Professional Conduct) Determination 2024 applies only in relation to events that have arisen on or after 1 July 2022.

Date of effect: 25 February 2025.

Governance of AI at the ATO

The Auditor-General's Report No. 26 2024-25, "Governance of Artificial Intelligence at the Australian Taxation Office", has been published. The report is a performance audit conducted by the Australian National Audit Office (ANAO), assessing whether the ATO has effective arrangements in place to support the adoption of artificial intelligence (AI). The report evaluates the ATO's governance framework, including its strategic approach, risk management, ethical considerations, and monitoring and evaluation processes related to AI.

The ATO employs AI in a variety of contexts to analyse large datasets for the provision of analysis and assessments. The ATO's primary use of AI involves AI models that it has built in house and publicly available generative AI tools that it has assessed as low-risk and approved for use. As of 14 May 2024, the ATO had 43 AI models in production and, as of 18 June 2024, 8 publicly available generative AI tools approved for use.

The main findings reveal that the ATO has partly effective arrangements for AI adoption. While the ATO has developed policies and strategies, such as an automation and AI strategy and a policy on the use of publicly available generative AI tools, there are significant gaps in implementation.

The ANAO made 7 recommendations to improve the ATO's AI governance, risk management, evaluation, and information management. The ATO has agreed to all recommendations and is working to implement them.

The report highlights the need for the ATO to enhance its governance and accountability to support the ethical and effective use of AI, ensuring transparency and public trust in its operations.

Requirement to lodge 2025 tax and other returns: draft ATO instruments released

The ATO has issued draft instrument Taxation Laws (Requirement to Lodge a Return for the 2025 Year) Instrument 2025 (LI 2025/D1) which covers income tax returns and other lodgments for:

- franking account returns, including special rules for late balancing corporate tax entities that elect to use 30 June as a basis for determining their franking deficit tax liability;
- venture capital deficit tax returns;
- ancillary fund returns;
- trustees of SMSFs;
- member information statements by superannuation providers.

The draft also covers use of approved forms for lodgment, lodgment deferrals, lodgment exemptions, and penalties for non-lodgment.

The ATO also issued draft instrument Income Tax Assessment (Requirement for Parents Liable for or Entitled to Child Support to Lodge a Return for the 2025 Year) Instrument 2025 (LI 2025/D2). It requires liable and recipient parents under a child support assessment to lodge an income tax return for the income year, by the due date specified in the instrument. Such persons may not otherwise be required to lodge an income tax return.

Comments for both are due by 26 March 2025.

Application of Part IVA of the ITAA 1936 to certain investment arrangements: draft determination

The ATO has issued the draft taxation determination TD 2025/D1: Income tax: application of Part IVA of the Income Tax Assessment Act 1936 to certain early stage innovation company investment arrangements (Determination).

As background, the Taxpayer Alert TA 2024/1 Early stage investor tax offset claimed using circular financing arrangements describes and sets out concerns with arrangements which appear designed to artificially meet the conditions for claiming the maximum tax offset, allowing individuals to benefit with minimal (if any) risk on their investment. Entities promote, orchestrate, and finance these schemes primarily for the individuals to obtain the tax offset, with the refunded offset shared with those entities.

The draft Determination discusses the application of Part IVA of the ITAA 1936, which could disqualify individuals from claiming tax benefits if the scheme is primarily for obtaining tax offsets. It highlights several aspects of the arrangements described in TA 2024/1 that point to a conclusion of there being a dominant purpose of obtaining a tax benefit.

Where Part IVA is deemed to apply to participant individual investors in early stage innovation company investment arrangements as described in TA 2024/1, it will affect the period of review limitation, extending the Commissioner's ability to amend an assessment from 2 years to 4 years.

Date of effect: Once finalised, it will apply retrospectively. However, it will not apply to taxpayers to the extent that it conflicts with the terms of settlement of a dispute agreed to before the date of issue of the Determination.

Comments are due by 28 March 2025.

DIS issued: Mylan Australia Holding Pty Ltd v FCT (No 2)

The ATO has issued the decision impact statement (DIS) for Mylan Australia Holding Pty Ltd v FCT (No 2) [2024] FCA 253. In that case, the head of an Australian tax consolidated group, Mylan Australia Holding Pty Ltd (MAHPL), successfully argued that schemes to fund the acquisition by a member of the group of shares in an unrelated company were not entered into or carried out for the dominant purpose of the taxpayer obtaining a tax benefit.

In the DIS, the ATO acknowledges that while a tax benefit was identified in the scheme, the Court ruled that Part IVA of the ITAA 1936, the general anti-avoidance provision, did not apply. This conclusion was based on the finding that MAHPL had successfully demonstrated that the scheme was not entered into with the dominant purpose of obtaining a tax benefit.

The DIS reflects on the Court's decision, noting that it was influenced by various critical findings, including the commercial necessity of the debt structure within the broader context of the ultimate holding company, the Mylan Group's global acquisition strategy, and the flexibility provided by intra-group financing compared to equity financing. The ATO also discusses the implications of the decision for future cases, particularly those involving "debt push-down" schemes, indicating that while Part IVA did not apply in this instance, it may still apply in similar cases depending on the facts and circumstances.

The ATO also said that it is reviewing the impact of this decision on its existing advice and guidance, particularly in relation to the application of general anti-avoidance rules, and will continue to present arguments concerning the appropriate balance between debt and equity in future cases. This decision does not alter the ATO's view on the potential applicability of Part IVA to similar schemes but highlights the importance of a detailed examination of each case's specific facts and context.

Comments are due by 28 March 2025.

ATO shifts non-compliant small businesses to monthly GST

The Australian Taxation Office (ATO) has announced that from 1 April 2025, it will be moving around 3,500 small businesses with a history of non-payment, late or non lodgment, or incorrect reporting from quarterly to monthly GST reporting to improve their compliance.

Moving to a monthly reporting and payment cycle can help small businesses to keep on top of their obligations and remain viable. Small businesses that report monthly will be better able to address their past unmet tax obligations in a structured way, rather than falling further behind.

The ATO will contact small businesses and their tax professionals when their GST reporting cycle is changed from quarterly to monthly.

The move is designed to improve compliance with GST obligations and build good business habits. Changes to reporting cycles will remain in place for a minimum of 12 months as part of the ATO's 'Getting it right' campaign.

Small businesses that voluntarily moved their GST reporting and payment cycle to monthly have found it easier to manage their cash flow and meet their obligations with smaller, more manageable payments. For many, reporting and paying GST monthly aligns better with their reconciliation process, which is more efficient and saves time.

Small businesses struggling to meet their tax obligations need to not ignore the problem but act early, whether that's seeking assistance from their registered tax professional, a business adviser or the ATO.

Debunking Division 7A myths

Division 7A is an integrity rule that prevents private company profits from being provided to shareholders or their associates tax-free. When Division 7A applies, the recipient of the payment, loan or other benefit will be deemed to have been paid an unfranked dividend that will be included in their assessable income.

Most errors the ATO sees that result in the application of Division 7A are simple in nature. These errors are often the result of common myths held about Division 7A. The ATO's new content debubnks common myths, breaking these into topics such as business structure, record keeping and payments to other entities.

Read *Division 7A Myths debunked* here.

ATO to focus on 22,000 tax debtors

In his opening statement to the Senate Economics Legislation Committee, the Commissioner stated that the ATO is 'moving harder and faster to collect priority debt'.

The Commissioner noted that only 22,000 taxpayers are responsible for $11 billion of the total tax debt value — that is, about 1% of the total debtors is responsible for 20% of what's owed. These taxpayers are of varying sizes and it is this group where the ATO's focus lies. The priority debt includes unpaid superannuation guarantee, PAYG withholding and GST.

'This approach we are taking to collect the tax owed to the government is deliberate and targeted, with action being taken for those who **repeatedly** refuse to engage with us and continue to ignore our reminders. For these taxpayers, we are moving more urgently to deploy the full powers available to us, including issuing Director Penalty Notices, taking garnishee action, and – if necessary – taking wind up action. We are beginning to see the effects of this work, through reduction in the amount of debt owed to the government..

SUPERANNUATION

New family law superannuation regulations

The Family Law (Superannuation) Regulations 2025 (the 2025 Regulations) have been registered and will replace the Family Law (Superannuation) Regulations 2001 (2001 Regulations). The 2001 Regulations are scheduled to be automatically repealed on 1 April 2025, and will be replaced by the 2025 Regulations.

The Family Law (Superannuation) Regulations give effect to the distribution of superannuation interests under Parts VIIIB and VIIIC of the Family Law Act by prescribing the methods for valuing superannuation interests, the way in which payment splits are to be put into effect, and the information that trustees must provide to parties.

The Attorney-General's Department conducted a fit-for purpose and thematic review of the 2001 Regulations, which found they were operating as intended and continue to be necessary, however, recommended some technical updates. The 2025 Regulations were subject to consultation with relevant stakeholders and will incorporate the findings of the review.

A table providing a comparison of the provision numbers between the 2001 Regulations and the 2025 Regulations is available in Attachment C of the Explanatory Statement.

Consequential amendments for new family law superannuation regulations

Consequential amendments are required to give effect to the Family Law (Superannuation) Regulations 2025 when they commence. The Family and Other Laws (Superannuation) (Repeal and Consequential Amendments) Regulations 2025 ("the Consequential Regulations") have been registered and will repeal the 2001 Regulations and make consequential amendments to the:

- Superannuation Industry (Supervision) Regulations 1994;
- Income Tax Assessment (1997 Act) Regulations 2021;
- Corporations Regulations 2001;
- Retirement Savings Accounts Regulations 1997;
- Superannuation Contributions Tax (Assessment and Collection) Regulations 2019;
- Judges' Pensions Regulations 1998; and
- Papua New Guinea (Staffing Assistance) (Superannuation) Regulations 1973.

These changes primarily involve updating references from the 2001 Regulations to the 2025 Regulations, with corresponding updates to section numbers and cross-references.

Impacted terms include:

- “adjusted base amount”: modified in multiple regulations including Corporations Regulations 2001, Retirement Savings Accounts Regulations 1997, and Superannuation Industry (Supervision) Regulations 1994 to align with "adjusted base amount applicable to the non-member spouse" in the 2025 Regulations;
- “base amount”: modified in Corporations Regulations 2001 to reference the defined term as used in the 2025 Regulations;
- “transferable benefits”: modified in multiple regulations including Retirement Savings Accounts Regulations 1997 and Superannuation Industry (Supervision) Regulations 1994. Multiple components of this definition are updated with new section references;

- “FLS Regulations”: modified in Papua New Guinea (Staffing Assistance) (Superannuation) Regulations 1973 to reference the 2025 Regulations instead of 2001 Regulations; and
- “partially vested accumulation interest”: modified in Superannuation Industry (Supervision) Regulations 1994 to reference section 10 of the 2025 Regulations.

ATO SMSF statistics for December 2024

The ATO has released the Self-managed super fund quarterly statistical report - December 2024.

Highlights for the quarter ending December 2024:

- 638,411 SMSFs
- 1,184,287 members
- total estimated assets $1.02 trillion
- SMSF members: 53% male and 47% female
- 85% of SMSF members are 45 years or older.

APRA quarterly super statistics for Dec 2024

APRA has released the following reports as at 31 December 2024:

- Quarterly Superannuation Performance publication; and
- Quarterly MySuper Statistics.

Key statistics for the superannuation industry as at 31 December 2024

	December 2023	December 2024	Change
Total superannuation assets	$3.7 trillion	$4.2 trillion	+11.5%
Total APRA-regulated assets	$2.6 trillion	$2.9 trillion	+14.0%
Total self-managed super fund assets	$958.9 bn	$1.0 trillion	+6.1%
Exempt public sector superannuation schemes assets	$163.8 bn	$175.2 bn	+7.0%
Balance of life office statutory fund assets	$56.6 bn	$57.3 bn	+1.2%

Key statistics for entities with more than 6 members for the year to December 2024

	December 2023	December 2024	Change
Total contributions	$172.6 bn	$198.1 bn	+14.8%
Total benefit payments	$111.1 bn	$124.4 bn	+12.0%
Net contribution flows	$58.0 bn	$68.2 bn	+17.5%

ASIC enforcement and regulatory update: July to December 2024

ASIC's has published "ASIC enforcement and regulatory update: July to December 2024" (REP 804) which provides an overview of ASIC's work and key matters between 1 July and 31 December 2024. The report highlights significant actions and concerns in the superannuation sector.

In November, ASIC commenced court action against Cbus trustee United Super, alleging delays exceeding 90 days in processing death benefits and total and permanent disability insurance claims for more than 10,000 members and claimants. ASIC alleges that Cbus failed customers at their most vulnerable time of need. Cbus has estimated that members and claimants have lost $20m.

Following ASIC's action, other superannuation trustees announced improvements to their customer service. In December 2024, Australia's largest superannuation trustee, AustralianSuper, announced that it had commenced a program to pay an estimated $4.2m in compensation to about 7,000 beneficiaries whose death benefit claims took longer than 4 months to process.

ASIC secured the first court-imposed penalties for greenwashing, with Mercer Superannuation (Australia) Limited penalised $11.3m and Vanguard Investments Australia $12.9m for making misleading statements about the sustainability of investment offerings.

In the first half of 2025, ASIC will publish a report of its review of death benefit claims handling across the superannuation sector.

Sarah Court, Deputy Chair, ASIC said "The systemic failure by superannuation trustees to deliver essential member services is a key priority for ASIC and we will continue to take action to hold trustees to account."

FINANCIAL SERVICES

ASIC seeks feedback on capital markets regulation

ASIC has released a discussion paper titled "Australia's evolving capital markets: A discussion paper on the dynamics between public and private markets" seeking feedback on emerging opportunities and risks in Australia's capital markets. The paper addresses the changing dynamics between public and private markets, including declining public listings, growth in private market investment capital, and the increasing influence of superannuation funds.

ASIC has commissioned supporting research and is increasing supervision of private equity and credit funds, with 2025 surveillance focusing on fund governance, valuation practices, conflict management, and investor treatment.

Submissions are due by 5pm on 28 April 2025.

Extension of time to apply for Director ID: practice statement issued

The ATO has issued the practice statement PS LA 2025/1: Extension of time to apply for a director identification number. The Statement outlines the policy to be applied, by ATO staff, to the use of the Registrar's power to extend an eligible officer's time to apply for a director identification number (director ID).

It details the obligations to have a director ID at the time of becoming an eligible officer, the process for applying before appointment, and the possibility to apply if planning to become a director within the next 12 months. It also addresses the extension of time to apply for a director ID, noting that this is a discretionary decision by the Registrar based on the circumstances preventing timely application.

Requests for extensions must be made in writing and must include: (i) the eligible officer's details; (ii) details of the circumstances that have prevented or are preventing the eligible officer from applying for their director ID; and (iii) the proposed extended due date.

Factors considered in granting an extension include reasons for delay, compliance history, and the impact of exceptional or unforeseen circumstances.

Date of effect: 28 February 2025.

REGULATOR NEWS

ASIC News

ASIC has released the following updates in its Newsroom section:

- 28 February 2025 – MEDIA RELEASE – Federal Court freezes assets of First Guardian Master Fund and director David Anderson – The Federal Court has granted an application by ASIC to freeze the assets of Falcon Capital Ltd, the First Guardian Master Trust and David Anderson, a director of Falcon. First Guardian is a registered managed investment scheme. ASIC took the action to protect investor funds while its investigation continues.
- 28 February 2025 – MEDIA RELEASE – ASIC shuts down 130 investment scam websites per week – Since July 2023, ASIC has shut down over 10,000 investment scam websites and ads. ASIC has also stepped up its investigation and surveillance activity in the second half of 2024. The enforcement activity with the most impact for consumers includes ASIC's pursuit of NAB for failing to provide hardship support, QBE Insurance's misleading statements about discounts, United Super for the time to process death benefits and banks that charged high fees to low-income customers.
- 27 February 2025 – SPEECH – Senate Economics Legislation Committee, 2024-2025 Additional Budget Estimates – ASIC Chair Joe Longo was joined by senior management and reported on new executive appointments to the organisation. He noted the new discussion paper seeking stakeholder views on public and private markets and referred to the first meeting of the ASIC Simplification Consultative Group. Mr Longo provided a precis of ASIC's recent enforcement activity.
- 27 February 2025 – MEDIA RELEASE – ASIC suspends AFS Licence of Vestiuum CSF Pty Ltd – ASIC has suspended the Australian financial services licence of

Vestiuum CSF Pty Ltd until 19 August 2025 because it has not carried on a financial services business since 2021. Vestiuum aims to relaunch its business. It had held the licence since 2019.

- 27 February 2015 – MEDIA RELEASE – Federal Court freezes assets of Melbourne financial adviser, Ferras Merhi of Venture Egg and FSGA – The Federal Court has granted an application by ASIC to impose interim orders freezing certain assets of Ferras Merhi regarding investigations into managed investment schemes including the Shield Master Fund. The interim orders are in place until 4 April 2025.
- 27 February 2015 – MEDIA RELEASE – Federal Court freezes assets of Osama Saad, former director of Aus Super Compare and Atlas Marketing – The Federal Court has granted an application by ASIC to impose interim orders freezing certain assets of Osama Saad, former director of Aus Super Compare Pty Ltd (in liq) and Atlas Marketing Pty Ltd (in liq). ASIC is investigating Mr Saad, and entities associated with him, regarding managed investment schemes including the Shield Master Fund. The interim orders are in place until 4 April 2025.
- 26 February 2025 – MEDIA RELEASE – ASIC cancels Australian credit licences of Tracie Lee Hanson and William James Lawrence – ASIC has cancelled the credit licences of Tracie Hanson and William Lawrence, each of whom had held licences since 2011 and are based in Queensland. Ms Hanson had failed to lodge three annual compliance certificates and failed to pay fees and industry levies. Mr Lawrence had failed to pay funding levies to ASIC for six years.
- 26 February 2025 – MEDIA RELEASE – Advancing Australia's regulatory roadmap for public and private capital markets – ASIC has published *Australia's evolving capital markets: A discussion paper on the dynamics between public and private markets* to open an exchange of views on the future development of Australia's capital markets. The paper covers the evolution of capital markets, both in Australia and abroad, the rapid growth in investment capital in private markets at the expense of public markets and the influence of superannuation funds. Interested parties may make submission until 28 April 2025.
- 25 February 2025 – MEDIA RELEASE – ASIC bans JB Markets director from providing financial services for 8 years – Peter Aardoom, Director of JB Markets Pty Ltd has been disqualified by taking part in financial services for eight years because ASIC considers that he is not a fit and proper person to hold a licence and is likely to breach a financial services law. This action was based on his entry into a false loan agreement, failing to issue shares in compliance with an investment agreement within the required time frame, and dishonest and misleading conduct with regard to a restructuring practitioner, creditors and ASIC. He had been in the role since 2016.
- 25 February 2025 – MEDIA RELEASE – ASIC makes new clearing and settlement rules to promote competition – ASIC has used its new powers under the Competition in Clearance and Settlement services provisions to require ASX to make its clearance and settlement services available in a way that enhances competition and to report on fees. ASX must now make its pricing transparent, fair and reasonable and ensure that its technology platforms enable third-party access. The results of ASIC's consultation on its proposed rules and its responses are also available.
- 24 February 2025 – MEDIA RELEASE – Former Star executives Gregory Hawkins and Harry Theodore penalised for breaching duties – In the Federal Court, Stewart J has penalised two former executives of The Star Entertainment Group Ltd after they admitted breaching their duties under s 180 of the *Corporations Act 2001* (Cth) in proceedings brought by ASIC. Gregory Hawkins, former Chief Casino Officer, was penalised $180,000 and disqualified from managing corporations for 18 months. Harry

Theodore, former Chief Financial Officer, was penalised $60,000 and disqualified from managing corporations for nine months. The judgment is available.

APRA news

APRA has released the following updates in its News and publications section:

- 28 February 2025 – MEDIA RELEASES – APRA releases quarterly insurance statistics for December 2024
- 28 February 2025 – MEDIA RELEASES – APRA releases Monthly Authorised Deposit-taking Institution Statistics for January 2025
- 27 February 2025 – MEDIA RELEASES – APRA confirms consultation on changes to capital requirements for annuity products – APRA will conduct a consultation in the second quarter of 2025 on capital for annuities, focusing on the method of calculating the "illiquidity premium" in its Prudential Standard *LPS 112 Capital Adequacy: Measurement of Capital*. It will propose a reduction in the capital requirements for annuities, subject to risk management controls.
- 27 February 2025 – OPENING STATEMENTS – Opening Statement to Senate Economics Legislation Committee – February 2025 – John Lonsdale, APRA Chair, reported that the financial system maintains its stability and resilience despite risks in the operating environment arising from the economy, cost-of-living challenges and the emergence of AI. With housing affordability and debt in a very challenging state for many households, APRA has clarified how lenders should assess prospective borrowers' capacity to service loans. APRA is stepping up its oversight of the expenditure and prudential frameworks of superannuation funds. New legal and regulatory requirements will apply to insurers and superannuation funds in the coming months.