

24 September 2015

General Manager
Deregulation Division
The Treasury
Langton Crescent
PARKES ACT 2600
Email: deregulation@treasury.gov.au

Dear Minister Frydenberg

Treasury Legislation Amendment (Spring Repeal Day) Bill 2015

Governance Institute of Australia is the only independent professional association with a sole focus on whole-of-organisation governance. Our education, support and networking opportunities for directors, company secretaries, governance advisers and risk managers are second to none.

Our members have primary responsibility to develop and implement governance frameworks in public listed, unlisted and private companies. They frequently are those with the primary responsibility for dealing and communicating with regulators such as the Australian Securities and Investments Commission (ASIC) and Australian Taxation Office (ATO) and in listed companies have primary responsibility to deal with the Australian Securities Exchange (ASX) and interpret and implement the Listing Rules. Our members have a thorough working knowledge of the operations of the markets and the needs of investors. We have drawn on their experience in our submission.

Governance Institute supports the Treasury Legislation Amendment (Spring Repeal Day) Bill 2015 which will make the Australian Business Number (ABN) the single numerical identifier for companies registered under the Corporations Act from 1 July 2016 and the amendment of taxation laws to allow an entity with an ABN to use that number instead of a Tax File Number (TFN).

We are of the view that combining the ABN, Australian Company Number (ACN) and TFN so that there is a single numerical identifier — the ABN — for a corporate entity will simplify compliance arrangements for companies in Australia.

We also believe that it will facilitate Standardised Business Reporting (SBN) on a prospective basis, as it consolidates the numbers used to identify corporate entities.

Furthermore, from a contractual point of view, it facilitates the identification of corporate entities in future, which we support. Our members view this as an easing of the compliance burden.

The bill means that a company will no longer be able to register using its ACN as the company name and we also support this proposition.

Our one note of caution relates to the need to ensure that the proposed legislative amendments keep the TFNs of those individuals involved with corporate entities entirely separate from the combined ABN, ACN and TFN of the corporate entity. We would also stress the importance of having an appropriate transition period to assist entities in relation to the implementation of the change.

Governance Institute notes that it is extremely important that the requirements to secure and protect the TFNs of individuals be maintained. In combining the ABN, ACN and TFN of corporate entities, it is vital that the confidentiality of individuals' TFNs be maintained, in order to mitigate against identity theft and preserve the privacy of individuals.

Yours sincerely

A handwritten signature in black ink, reading "Tim Sheehy". The signature is written in a cursive, flowing style with a large initial 'T'.

Tim Sheehy FGIA
Chief Executive