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# **Introduction**

Purpose and audience

This document provides information to assist digital service providers understand the business context surrounding client interactions with the Australian Taxation Office (ATO) through the Standard Business Reporting (SBR) platform. The audience for a Business Implementation Guide (BIG) is any organisation intent on building any ATO SBR services into their software solutions. Typically this will be digital service providers and business analysts.

Document Context

The ATO Common Business Implementation and Taxpayer Declaration Guide forms part of the broader suite of documents used by the ATO to describe the business context and client usage of digital services offered by the ATO through the SBR platform. This document also provides high level guidance and reference to additional documentation to assist digital service providers to understand what is required at key points throughout the development lifecycle.

A business implementation guide describes the client interaction being implemented through the use of a particular service. For the submission of reports and returns a high level overview of the lodgment obligation is provided.

A business implementation guide is designed to be read in conjunction with the ATO SBR documentation suite including the:

* web service/platform information for example SBR Web Service Implementation Guide
* ATO Common Business Implementation and Taxpayer Declaration Guide
* ATO Service Registry
* validation rules
* message information for example Message Structure Table, and
* test information for example Conformance suites.

Glossary

This table only contains terms that need specific explanation. Other terminology can be found in the [SBR glossary](http://www.sbr.gov.au/software-developers/developer-tools/glossary) or the [ATO glossary](https://www.ato.gov.au/Definitions/?anchor=top).

| **Term** | Definition |
| --- | --- |
| Access Manager (AM) | A standalone service managing individuals’ access and permissions to ATO online services for agents, BAS Agent and Business Portals. |
| Australian Reporting Dictionary (ARD) | Allows plain English searching of the Standard Business Reporting Australia (SBR AU) Taxonomy. The Dictionary was co-designed to satisfy the search needs of a wide range of users, including policy designers, legislative drafters, digital service provider, systems integrators, business and reporting professionals. |
| Authentication | The process of confirming the identity of an individual. |
| Authorisation | The process of allowing individuals the ability to carry out certain functions – for example giving a particular staff member the authority to submit a particular type of transaction. |
| Batch | A collection of transactions in a single message. |
| Business document | All the components that make up the design of an electronic message exchange that are organised in a certain hierarchy (structure) and sequence. |
| Business intermediary | A business with the authorisation to act on behalf of another business. |
| Business Management Software (BMS) | Software used by businesses and intermediaries to manage business finances and reporting obligations. |
| Business response | A business response confirms whether a message has been successfully transmitted to the ATO by notifying the user whether the transaction, or transactions contained in that message has passed or failed validation. The business response occurs after the validation process; however, the final result of the transaction is still pending. |
| Client | Any taxpayer (individual, business, company, trust, etc.) that interacts with the ATO. |
| CAA | Cloud Software Authorisation and Authentication. |
| Form | An ATO document, such as an activity statement or tax return, containing the information required from taxpayers to meet a reporting obligation. |
| Interaction | The activity of sending or receiving information from/to the ATO via SBR-enabled software. For example, an interaction could be a form being lodged by a user to the ATO. |
| JSON | JavaScript Object Notation. |
| Lodge | Preliminary processing has confirmed that sufficient information has been provided for the ATO to consider lodgment as accepted. It is considered that the taxpayer’s reporting obligation has been met, but not necessarily their financial obligation. |
| Message | Contains one or more transactions sent to or from the ATO via SBR-enabled software. |
| Obligation | In the context of this business implementation guide, Obligation is a requirement for a client to produce information to the ATO, mandated either by legislation or other statutory requirement. |
| SBR AU | Standard Business Reporting Australia (SBR AU) Taxonomy (see also ‘Australian Reporting Dictionary (ARD)’). |
| SBR Core Services | A single electronic gateway that allows SBR enabled software to submit to agencies, similar to an electronic postal service. |
| SBR ebMS3 | Standard Business Reporting channel that supports ebMS3, the ATOs electronic commerce channel. |
| SBR-enabled Software | SBR is built into business/accounting software making it SBR enabled. |
| Sender | The entity sending the request message to the ATO via SBR. The entity can be same as the reporting party or be an intermediary. The sender must have a machine credential. |
| Registered Agent Number (RAN) | A unique number allocated to Tax agents, BAS agents and financial planners when they are registered by the Tax Practitioner Board. |
| Tax Practitioner | Tax agent or BAS agent. A request by an agent must include a registered agent number. |
| Transaction | A unit of work for client or ATO business services. For example, an activity statement lodgment, a client update request or a client account list. |
| User | Any authorised entity that uses SBR-enabled software to interact with the ATO. |
| Validation | The process of ensuring that the data sent in is free of logical errors before transmitting the data to the ATO for processing. |

Table 1: Glossary of terms

# **Background to SBR**

What is SBR and who can use it?

Standard Business Reporting (SBR) was introduced by government in 2010 as a way to simplify business reporting obligations by using a standardised approach to online or digital record-keeping. SBR functionality that is built into business software makes it ‘SBR-enabled’. SBR functionality extracts information that has been recorded in business software and puts it into the relevant government report. The report can then be checked for accuracy and submitted securely to government using an approved authentication framework.

There are three key user types:

* Tax Practitioners (Tax and BAS Agents)
* Businesses, and
* Business Intermediaries - for example, payroll providers, financial advisors, legal advisors, or managed super funds.

**Tax Practitioners**

Access to specific online functions vary between Tax and BAS agents. Information on what each agent can access online and through SBR-enabled software can be found [here](https://www.ato.gov.au/tax-professionals/services-and-support/working-online/).

**Businesses**

A business operating with an ABN can transmit services via SBR enabled software.

**Business Intermediaries**

A business intermediary is a third party who has the authority to act between the ATO and a business. In this scenario, the third party is given authority from the business to lodge on its behalf via SBR. The ATO, the receiving agency, views the lodgment as being made by the business, and not by the third party. The business intermediary relationship is created within Access Manager. The intermediary is not considered an “authorised contact”.

Responsibilities of Digital service providers Implementing Cloud software Authentication and Authorisation(CAA)

Digital service providers have a responsibility to be aware of their obligations according to the guidance issued by the Tax Practitioners Board and within the CAA kit. Specifically:

* the role of software to provide appropriate levels of authentication and authorisation, to identify third party lodgers, to identify registered agents, and to obtain declarations of authorised persons prior to any lodgment, and
* the role of digital service providers to be aware of what constitutes providing a tax agent or BAS service, including requirements of a digital service provider from the cloud.

It is expected that digital service providers have read and ensured that their software complies with the following information and documentation.

**Cloud Software**

The Cloud Software Authentication and Authorisation kit outlines the requirements that need to be met to become a cloud digital service provider. For further information refer to [Cloud software authentication and authorisation (CAA) - formerly 'AUSkey in the cloud'](http://softwaredevelopers.ato.gov.au/Cloud_Software_Authentication_and_Authorisation).

**Registration with the Tax Practitioners Board**

Under the Tax Agent Services Act 2009 (TASA), entities that provide a ‘tax agent service’ for a fee or reward are required to be registered with the Tax Practitioners Board (TPB). The TPB has released an information sheet to assist digital service providers who provide tax related software systems to understand the operation and impact of the tax agent services regime. In particular, the information sheet:

* provides guidance on situations that may or may not require providers to register with the TPB as a tax or BAS agent; and
* outlines procedures and processes that digital service providers need to have in place (where relevant) to ensure that they are not regarded as providing a tax agent services.

Therefore it is important for all digital service providers to be aware of the requirements of the TASA and, where appropriate, comply with the obligations that exist within it. For further information refer to [Digital service providers and the Tax Agent Service Act 2009](https://www.tpb.gov.au/software-providers-and-tax-agent-services-act-2009-tpb-information-sheet-tpbi-092011).

Taxonomy

The SBR AU Taxonomy is a collection of definitions and reports used to fulfil reporting obligations by Australian businesses to government agencies via SBR enabled software.

**Definitional Taxonomy**

The Standard Business Reporting (SBR) Taxonomy is a collection of items (data elements) that may be required to be reported by business to government agencies. Like a dictionary, these data elements are classified and defined in the SBR AU (Definitional) Taxonomy.

The dictionary of agreed data elements and their associated definitions is used in the creation of machine readable reports to be submitted by a business to agencies using SBR. The data elements are defined once and reused across multiple forms and multiple agencies. By reusing common data elements, businesses only need to understand and report to government on these data elements, therefore reducing the reporting burden for businesses.

SBR Taxonomy uses:

* [XBRL](http://www.sbr.gov.au/about-sbr/what-is-sbr/sbr-taxonomy/xbrl) - a financial reporting optimized XML language
* XML - a set of rules for encoding documents in a machine readable form
* JSON - an open-standard file format.

**Reporting Taxonomy**

SBR AU (Reporting) Taxonomy is the collection of specific agency XBRL 'reports' that use the data elements required to satisfy the business' reporting obligation to government agencies.

SBR agencies reuse the data elements required from SBR AU (Definitional) Taxonomy and provide extra information specific to that report. This extra information is the structure of how the data elements fit together and the context required for those elements to make sense in this report. To assist in understanding the data element in each report, agencies can include additional labels that provide agency specific context and structure relevant to that report. These labels are:

| **Term** | **Description / Usage** |
| --- | --- |
| Report Label | A plain English free text label that assists in the understanding of the data element within the context of the report. |
| Report Guidance | Provides specific guidance or instructions for the data element within the context of the report. The report guidance can clarify but not contradict what is provided in Business Definition and Data Element Guidance labels. |

Table 2: Additional context labels

Actions and Services Offered

There are a number of actions for use with multiple services in SBR-enabled software when interacting with the ATO:

| **Action** | **Role** | **Example** |
| --- | --- | --- |
| List | Allows the user to request and retrieve list-based data (such as obligations to be fulfilled or summaries of previous lodgments). | A list of activity statement obligations for an entity based on their ABN. |
| Pre-fill | Allows the user to request and retrieve information known to the agency responsible for a report. | Generated activity statement with pre-filled information. |
| Pre-Lodge | Allows the user to perform a “pre-lodgment” call – this performs functions such as providing the results of complex agency calculations or checking the validity of information prior to lodgment, depending on the business scenario. | Validation of data against channel and (where applicable) backend errors, but where no client details are updated. |
| Lodge | Allows the user to lodge a report to an agency. | Lodging the activity statement and where the data is accepted, the obligation is met. |
| Update | Allows the user to update information held by the receiving agency. | Updating client information such as a postal address. |
| Add | Allows the user to initiate a request for the receiving agency to perform. | Add a direct debit payment to be made. |
| Cancel | Allows the user to cancel a previously requested action. | Cancel a direct debit request. |
| Get | Allows users to obtain details of a particular product. | Get details of a superannuation product. |
| Submit | Allows the user to submit information to an agency. | Not applicable – self-evident. |
| Validate | Allows the user to validate the information within the service without any client information being updated. | Not applicable – self-evident. |
| Calculate | Allows the user to make calculations for an account. | Calculating a payment schedule for an eligible account. |

Table 3: Actions available in SBR

The degree to which, each service is used as part of completion of a particular reporting obligation varies, with not all services necessarily being involved for every obligation.

See the [ATO Service Registry](https://www.sbr.gov.au/sites/default/files/ato_service_registry.xlsx) to identify the actions used by SBR services.

Messaging capability

SBR ebMS3 is a technical platform on that messages are exchanged between the SBR enabled software and the receiving SBR agency. For example, using a postal analogy, the delivery of a message is changing from a white envelope (SBR Core Services) to a yellow envelope (SBR ebMS3), with the contents remaining relatively unchanged.

* **SRP (Single Request Processor):**

A message containing one report will be received at the channel by the single request processor.

The enhanced message capability will allow singles messages to interact almost instantaneously with ATO backend systems, with response messages made available almost instantaneously.

* **BRRP (Batch and Bulk Request Processor):**

A message containing more than one report will be received at the channel by the batch and bulk request processor.

For more information, refer to [Message types and error handling](#Section4)**.**

### Services available in each SBR channel

SBR services, including applicable schedules, are available in either SBR Core Services or SBR ebMS3 channels.

See the [ATO Service Registry](https://www.sbr.gov.au/sites/default/files/ato_service_registry.xlsx) to identify the channels available for SBR services.

# **Authorisation**

* 1. Overview

From the end of March 2020, AUSkey will be decommissioned as a user authentication credential for all online services, including SBR. It has been replaced by myGovID and Relationship Authorisation Manager (RAM) for user authentication. Users with an appropriate authorisation for a business in RAM can generate and assign machine credentials to access services via SBR including the Practitioner Lodgment Service.

### Process

To perform any interactions with SBR online services you will need to have a machine credential. To do this;

1. You will need to have a business authorisation in RAM which includes a Machine Credential Administrator (MCA) role,
2. Download and install machine credentials.

### Machine Credentials

Machine credentials identify the business by their ABN when SBR-enabled software is used. Only business representatives with the MCA role can download and install machine credentials to a server or directly into a user’s computer. To create a machine credential the MCA will need to download and install a Firefox or Chrome based browser extension that is compatible with their device’s operating system. Supported operating systems include Windows, macOS and Linux.

### How to obtain a Machine credential administrator role

1. Download the myGovID app, set up your myGovID and prove who you are. For more information refer to [Get a myGovID](https://www.mygovid.gov.au/how-do-i-get-set-up)
2. Link your myGovID with your Australian business number (ABN) in RAM or be authorised by an authorisation administrator in RAM. For more information refer to [Link to a business in Relationship Authorisation Manager (RAM)](https://info.authorisationmanager.gov.au/how-do-i-get-set-up)
3. If you are a principal authority, you will already have this role or a principal authority or authorisation administrator can assign the role to another user. For more information refer to [Obtain a MCA role in RAM](https://info.authorisationmanager.gov.au/authorisations)

Users do not need to have SBR enabled software to be able to perform the steps above. Once this process is complete you will be able to get and install a machine credential via RAM.

### Downloading and installing machine credentials for desktop users

Prior to performing any ATO interactions using SBR-enabled software, desktop users must obtain and install a machine credential. Desktop users will not be able to authenticate through SBR-enabled software without a machine credential.

### Downloading and installing machine credentials for cloud based users

Cloud based SBR enabled software users are not required to create a machine credential, however, cloud based Digital Service Providers will need to set up a machine credential on their servers.

|  |  |
| --- | --- |
| attention_pms | More information on how to download and install machine credentials can be found[here](https://info.authorisationmanager.gov.au/machine-credentials) |

* 1. Access Manager

Access Manager (AM) is the ATO’s authorisation service for its online services and those services integrated with SBR-enabled software. It provides businesses and tax practitioners with the ability to control the types of activities and transactions that their staff can undertake.

To use this service as an administrator, a user must be authorised in RAM by the relevant business.

Access Manager will allow authorised administrators to:

* view authorised users and machine credentials
* assign and modify user and machine credential permissions
* set machine credential for cloud hosted SBR software services.

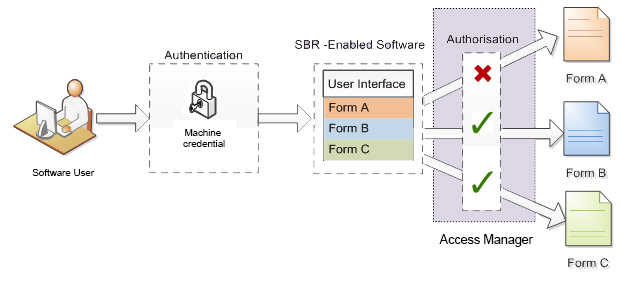


Figure 1: Access Manager authentication and authorisation

|  |  |
| --- | --- |
| attention_pms | More information on Access Manager can be found [here](https://am.ato.gov.au/amsupport/pages/SiteMap.htm). |

### Authentication and Authorisation

**All users**

For most SBR request messages, the ATO will validate that the sender is authenticated and authorised to perform the requested action for the reporting party.

The authorisation checking will check that the credential has the required Access Manager permissions for the form sent in the transmission. It will also check for any relationship to the reporting party.

If authorisation fails, a response message will be returned with an appropriate SBR Error Code.

**Business Intermediaries**

If the sender is interacting on behalf of another entity (as an intermediary third party), then the sender or the entity must register an ‘intermediary-reporting party’ relationship in Access Manager as a business appointment.

Access Manager administrators of a business have the ability to appoint another business and give them permissions. This will allow an intermediary to access ATO information online or via SBR-enabled software and undertake various activities on the entity’s behalf.

|  |  |
| --- | --- |
| attention_pms | Businesses must not distribute machine credentials to their intermediaries. |

**Tax Practitioners**

If the sender is acting in their role as a Tax Practitioner, a registered agent number must be provided for authorisation to be successful. Relationships between an agent and their reporting party clients are not set up in Access Manager but need to be set up using their software.

# **Message Types and Error Handling**

* 1. Request Message Types

There are three types of request messages supported by SBR and the expected behaviours regarding the response messages to the respective request message.

|  |  |  |
| --- | --- | --- |
| **Message type** | **Description** | **Expected behaviour** |
| Single lodgment | A transaction containing one record. | One business response, channel and ATO system messages combined into one report. |
| Intermediate batch of up to (and including) 1,000 records | A batch transaction containing up to (and including) 1,000 records. | One business response, channel and ATO system messages combined into one report.  If an error triggers at the channel for any of the records, the remaining records are sent to ATO systems for validation following which, the outcomes are combined. |
| Large batch of over 1,000 records | A batch transaction exceeding 1,000 records. | Potential to receive two business responses:   * Channel validation report * ATO system response – depending upon outcome of channel validation |

Table 4: Request message types and expected behaviours

For the three message types, one can expect certain behaviours regarding the response messages to the respective request message:

* 1. Response Message Types

There are three types of response messages that may be returned to the SBR-enabled software:

| **Severity** | **Description** | **Source** |
| --- | --- | --- |
| Error | * Data has triggered a fatal error. * Transaction cannot be accepted until error has been fixed. | Channel  ATO systems |
| Warning | * Data may be incomplete or incorrect. * Transaction can be accepted. | Channel  ATO systems |
| Information | * A business response, such as the outcome of a lodgment, to the transaction. | Channel  ATO systems |

Table 5: Response message types

The error and information messages from the backend system are only provided where validation at the channel layer has been successful.

There is no mandate on what information from the business response is to be displayed to the user. However, most of the short and detailed messages have been designed to help the user rectify the error.

Some services also contain within the business response a reference number or identifier to enable future interactions with the ATO. For example the Direct Debit and Private Ruling services will respond with a Business Event Tracking (BET) number. The Activity Statement List interaction will return a document identification number (DIN) for a due BAS lodgment. The DIN can then be provided in a pre-fill request to receive data for a specific BAS.

* 1. Validation – SBR Core Services vs. SBR ebMS3

The update from the SBR core services platform to the ebMS3 platform has seen changes in the validation phases applied at the channel layer.

### SBR Core Services validation

Validation in SBR is applied in phases. Validation will not progress to the next phase until the current phase completes successfully.

Following successful authentication, authorisation, and XBRL validation, the phases based on rule type are as follows:

1. Message Header checks
2. XBRL validation
3. XBRL contexts, formats, data types, lengths and enumerations
4. presence of mandatory fields (elements)
5. cross-field rules, calculations, comparisons, common module rules
6. cross-form (cross product) rules
7. warnings (for data that *may* be incorrect or incomplete).

### SBR ebMS3 validation

Validation on the SBR ebMS3 platform is applied in 3 key phases:

1. ebMS header
   * checking the **envelope.**
2. XBRL/JSON/XML schema
   * checking the **letter** in the envelope is in the correct format.
   * mandatory fields, data types and field length of the data are validated here.
3. Schematron validation
   * checking the **content** of the letter is as expected, as well as the cross field validations, calculations and other complex checks.

Data is only transferred to the ATO system when all rules across all phases are passed. The presence of errors will stop lodgment progressing to the ATO system for interactive validation. The presence of warning messages (only) will not prevent the data from progressing through to the ATO system for interactive validation. All messages (error and warning) are provided to the user via the business outcome response at the end of the channel validation process.

* 1. Error Handling

A transaction received via SBR ebMS3 has the potential to be validated at two layers. These are:

1. Channel Validation
   * a set of rules the data being received is validated against at the channel layer.
2. Interactive Validation
   * A set of rules the data being received is validated against in the ATO receiving system; this validation can also occur against data already stored in the ATO system and against the client’s record.
   * Interactive validation only occurs once all the data in the message passes channel validation.

Response messages will be available for the user for both the channel and interactive validation.

The response message where the interactive validation has been evoked will inform the user if:

* The message request has been accepted and subsequently actioned or received for processing; or
* The message request has been rejected with details of the error on why the message was not accepted.

The messages returned by ATO systems via SBR have been designed to assist users in rectifying an issue.

Internal system errors can be identified as the error code is prefixed with the letters ‘EM’ as follows: CMN.ATO.[service].EMxxxxxx. The ‘EM’ designation differentiates these messages from the channel validation messages. An example of this for the IITR service would be CMN.ATO.IITR.EM123456.

Where an error has occurred that prevents processing of the message in ATO systems and the user is unable to correct it themselves, a generic error message will be returned including an internal code in the short message for a user to reference when communicating the issue to ATO staff. For example, CMN.ATO.GEN.EM0005. The numeric ‘(99999)’ code in the short message is the number the user can quote to ATO staff to try to resolve the issue.

Below is an example of this response:

<tns:Error.Code>CMN.ATO.GEN.EM0005</tns:Error.Code>

<tns:Severity.Code>Error</tns:Severity.Code>

<tns:Short.Description>An unexpected error has occurred, try again. If problem persists, contact the ATO. Error code {Code}</tns:Short.Description>

<tns:Parameters><tns:Parameter><tns:Parameter.Identifier>Code</tns:Parameter.Identifier>

<tns:Parameter.Text>1:1:</tns:Parameter.Text>

It is recommended that none of the message content is overwritten by a software product returning error messages, as this will make it difficult for ATO staff to assist users in dealing with the issue.

See the [ATO Service Registry](https://www.sbr.gov.au/sites/default/files/ato_service_registry.xlsx) to identify which SBR services support interactive validation.

# **Design Considerations**

* 1. Using the Additional Information element

SBR incorporates an ‘additional information’ element as part of the message definition of Non Individual Income Tax Return and Individual Income Tax Return forms. It provides users with the ability to provide supplementary information necessary to process a return or assessment.

When a return or assessment is received by the ATO with information held within the additional information field, the return is referred to internal ATO staff to assess the content manually. Each return is reviewed before processing can continue.

|  |  |
| --- | --- |
| attention_pms | The presence of information in the ‘additional information’ element may slow up the finalisation of the Income Tax return. |

While validation cannot control what information is provided in the additional information element, below is some advice users can follow to ensure returns lodged with the field are processed without unwarranted delays:

* Free text content should be clear, concise and necessary to determine the outcome of the assessment for the return being lodged, and should only be used under the correct circumstances. Information entered that does not meet these criteria will result in processing delays.
* Digital service providers are encouraged to consider providing a ‘help’ or informational message concerning use of this field for the benefit of tax agents.

The following are key examples of where the field should be used, the type of business information that should be included, and the quality, tone and language of the information.

**Examples of helpful scenarios:**

| **Scenario** | **Additional information element content** |
| --- | --- |
| The client is electing to withdraw from Primary Production averaging provisions. | My client hereby elects to withdraw from the primary production averaging provisions from the 2015 financial year. |
| The client is in receipt of a lump sum payment in arrears in the current year. | My client received a lump sum payment for $xx for financial year 20xx. This is to be calculated as a tax offset. |
| The health insurer ID code of ‘other’ has been entered as the fund cannot be identified in the dropdown menu. | The name of the health fund is ABC healthy 123 Ltd. |

Table 6: Examples of helpful free text scenarios

For further information on the additional information field, see the [ATO website](https://www.ato.gov.au/Tax-professionals/Prepare-and-lodge/Tax-Time-2019/Before-you-lodge/Prevent-delays-in-processing-returns/).

* 1. Prior year returns via sbr ebms3

A solution is available for digital service providers to lodge returns using what the ATO has defined as an ‘ELS tag format’ for prior years. This enables a legacy ELS message to be delivered to the SBR channel in ebMS3 envelope.

The obligations that can be lodged using the *ELStagFormat* service are:

* Individual Income Tax returns (Form EI) and associated schedules (from 1998)
* Individual Amendments (Form AI) and associated schedules (1998-2010)
* Company Income Tax returns (Form EC) and associated schedules (from 1998)
* Superannuation Fund Income Tax returns (Form EF) and associated schedules (from 1998)
* Trust Income Tax returns (Form ET) and associated schedules (from 1998)
* Partnership Income Tax returns (Form EP) and associated schedules (from 1998)
* Fringe Benefits Income Tax returns (Form EB) and associated schedules (2002 to 2016 only)
* Self Managed Super Fund Income Tax returns (Form MS) and associated schedules (from 2008)
* Version 01 Excess Concessional Contributions Choice (Form EY)
* 30% Child Care Tax Rebate (Form CR).

For more information on the ELS tag format see the A06\_DIS\_SBR specification. Refer to [Electronic lodgment service (ELS) software specification 2017](https://softwaredevelopers.ato.gov.au/ELSspecification)

For more information on the implementation of the *ELStagFormat* message, see the [ATO ebMS3 Implementation Guide](https://www.sbr.gov.au/sites/default/files/ato_ebms3_implementation_guide.docx)

# **Taxpayer declarations**

* 1. Purpose

This provides guidance regarding the provision of taxpayer declarations in association with approved forms lodged to the Australian Taxation Office (ATO) via Standard Business Reporting (SBR) software. It addresses the declaration to be given by the taxpayer to their tax agent prior to the tax agents’ submission of the approved form to the ATO. A diagram explaining a general flow of events regarding interaction between the tax practitioner, their client and SBR is available at Appendix A in this document.

Every time a tax agent lodges a return, notice, statement, application or other document in an approved form on behalf of their client, the law requires the agent to have first received a signed written declaration from the taxpayer.

The taxpayer can chose to provide this declaration electronically, as supported by section 9 of the Electronic Transactions Act 1999 (ETA), via email or by fax, or may sign a paper declaration provided to them by their tax practitioner.

Taxpayers are required to retain the declaration (or a copy) for up to five years, depending on their circumstances. The ATO recommends that an agent should also keep a copy of the declaration for their own records.

Developers of SBR-enabled software products may assist agents by providing a printable version of the taxpayer declaration within their products.

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| attention_pms | A signed written taxpayer declaration must be obtained by the agent for all approved forms completed on behalf of a client, before submitting them to the ATO. |

To ensure the requirement under the Privacy Act 1988 to provide notification to a taxpayer on the collection of their personal information is met, it is suggested that the applicable privacy statement is provided to the taxpayer at the time they sign the taxpayer declaration.

* 1. Scope

Some SBR services are not approved forms, and therefore do not require a taxpayer declaration to be made. The consolidated list of approved forms is available [here](https://www.ato.gov.au/forms/consolidated-list-of-approved-forms-by-tax-topic/) on the ATO website.

* 1. Privacy

When the ATO collects personal information about a taxpayer, we are required to advise the taxpayer that we have collected the information and why we collect it.

* 1. Declaration

A taxpayer’s declaration must be made before each approved form is lodged. It must be written, for example in an email or letter, a phone conversation is not sufficient. The law requires the taxpayer to declare to the agent that:

* Any information provided by the taxpayer to the agent for the preparation of the document is true and correct, and
* The taxpayer authorises the agent to give the form to the Commissioner.

For further information on the retention of declarations and frequently asked questions, refer to the [ATO website](https://www.ato.gov.au/tax-professionals/prepare-and-lodge/managing-your-lodgment-program/client-declarations-and-lodgment-online/).

* 1. Key Elements

There is no prescribed format required for layout and style of the taxpayer declaration text.

The key components of a taxpayer declaration are:

* The name of the taxpayer
* The name of the tax agent
* Suggested wording for the approved form being lodged (per section 1.7 below)
* The name of the approved form being lodged
* The period covered by the approved form, and
* The date that the declaration is made.
  1. Suggested text

While ensuring the requirements at law are met (refer to Section 6.4 above), the suggested text below may be used when adding the taxpayer declarations to the business management software. Below is the suggested text to be applied for the following ATO SBR-enabled services:

* Individual income tax return (IITR)
* Application for refund of franking credits for individuals (RFC)
* Partnership tax return (PTR)
* Trust tax return (TRT)
* Fund income tax return (FITR)
* Self-managed superannuation fund annual return (SMSF)
* Family trust election or revocation (FTER) – standalone and schedule
* Interposed entity election or revocation (IEE) – standalone and schedule
* Fringe benefits tax return (FBT), and
* Trust tax return for Attribution Managed Investment (TRTAMI).

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| **Privacy**  The ATO is authorised by the *Taxation Administration Act 1953* to request the provision of tax file numbers (TFNs). The ATO will use the TFNs to identify **<\*insert entity type here\*>** in our records. It is not an offence not to provide the TFNs. However, lodgments cannot be accepted electronically if the TFN is not quoted.  Taxation law authorises the ATO to collect information and to disclose it to other government agencies. For information about your privacy go to ato.gov.au/privacy.  **Declaration**  I declare that:   * All of the information I have provided to the agent for the preparation of this document is true and correct * I authorise the agent to give this document to the Commissioner of Taxation.   **\*insert entity type here\***  When lodging an IITR (incl. RFC), insert “you”  When lodging a PRT, insert “each partner”  When lodging a TRT, insert “each beneficiary”  When lodging a FITR, insert “the entity”  When lodging a SMSF, insert “the entity”  When lodging a FTER, insert “you”  When lodging an IEE, insert “the entity”  When lodging an FBT, insert “the entity” When lodging a TRTAMI, insert “each beneficiary”. |

Below is the suggested text to be applied for the following ATO SBR-enabled services:

* Company tax return (CTR), and
* Notification of formation of an income tax consolidated group (CGNFT) – including the modification of membership notification.

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| **Privacy**  Taxation law authorises the ATO to collect information including personal information about the person authorised to sign the declaration. For information about your privacy go to ato.gov.au/privacy.  **Declaration**  I declare that:   * All of the information I have provided to the agent for the preparation of this document is true and correct * I authorise the agent to give this document to the Commissioner of Taxation. |

Below is the suggested text to be applied for the following ATO SBR-enabled services:

* Private ruling application (PR).

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| **Privacy**  The ATO is authorised by the *Taxation Administration Act 1953* to ask for the information on this application form. We need this information to help us respond to this private ruling application.  **Declaration**  I declare that:   * All of the information I have provided to the agent for the preparation of this document is true and correct * I authorise the agent to give this document to the Commissioner of Taxation. |

Below is the suggested text to be applied for the following ATO SBR-enabled services:

* Activity statements (AS).

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| **Privacy**  Taxation laws authorise the ATO to collect information including personal information about individuals who may complete this form. For information about privacy and personal information go to ato.gov.au/privacy  **Declaration**  I declare that:   * All of the information I have provided to the agent for the preparation of this document is true and correct * I authorise the agent to give this document to the Commissioner of Taxation. |

Below is the suggested text to be applied for the following ATO SBR-enabled services, when the taxpayer submits the form directly to the ATO (for example, without an agent):

* Tax file number declaration (TFND)
* Activity statements (AS).

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| **Privacy**  For information about your privacy, visit our website at ato.gov.au/privacy  **Declaration**  I declare that:   * All of the information I have given in this document is true and correct. |

Below is the suggested text to be applied for the following ATO SBR-enabled services:

* Tax file number declaration (TFND)
* Taxable payments annual report (TPAR)
* PAYG payment summary statement – personalised (PS)
* PAYG payment summary – statement (PS)
* Annual tax file number withholding report (CHTWTHHLD)
* Tax file number report (CHTWTHHLD), and
* Client Update (CUADDR only).

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| **Privacy**  For information about your privacy, visit our website at ato.gov.au/privacy  **Declaration**  I declare that:   * All of the information I have provided to the agent for the preparation of this document is true and correct * I authorise the agent to give this document to the Commissioner of Taxation. |

Below is the suggested text to be applied for the following ATO SBR-enabled services:

* Country-by-Country Report (CbCR), and
* Local File / Master File (LCMSF).

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| **Privacy**  Taxation law authorises the ATO to collect information including personal information about the person authorised to sign the declaration. For information about your privacy go to ato.gov.au/privacy  **Declaration**  I declare that:   * All of the information I have provided to the agent for the preparation of this document is to my knowledge true and correct * I authorise the agent to give this document to the Commissioner of Taxation. |

Appendix A

The below diagram depicts a general flow of events and the declarations exchanged between the taxpayer, the tax practitioner and lodgment via SBR.



Figure 2: Context of declarations