

CDR Rules Consultation

20th July 2020

Proposal

The implementation of the Consumer Data Rights regime should

- NOT impede existing acceptable, well established and efficient business process,
- NOT create a new and additional regulatory burden on business and their Accounting and Bookkeeping Intermediaries,
- utilise existing registration frameworks for Accounting and Bookkeeping Intermediaries,
- utilise existing frameworks for Software Developers registration and regulation required by the Australian Taxation Office in particular the security and system requirements of the “Operational Framework”,
- consider and work in conjunction with the established efficient use of “derived data” which creates Business Records including meeting Taxation Record Keeping Requirements.

The provision and retention of Bank Data (or similar) or derived data as requested by the Consumer for the purposes of Business and Taxation Accounting and Record Keeping should be explicitly excluded from the impact of the CDR regime.

Bookkeeping, Accounting, Taxation

The Institute of Certified Bookkeepers is a Professional Association for the Bookkeeper Community. Representing over 4700 Certified Bookkeepers who assist Business in matters of Business, Digital, Bookkeeping, Accounting, GST, Business Activity Statements, Payroll, Superannuation as related to Payroll amongst other business assistant services.

The Australian business community has embraced a digital journey which specifically includes the utilisation of Bank Transaction data amongst other solutions.

Commercially available accounting software, has developed excellent improvements in business processing and record keeping features through the utilisation of receiving Bank data in a digital form into the software. A term commonly described as “bank feeds”.

Bank Feeds are used in a number of manners to; assist in the creation of the Accounting and Taxation records, and to verify the business records to the validated third party record of the transaction, being the bank record of the transaction.

The created and verified transaction records are “derived” from the bank data but have become the Accounting record.

The protections that are proposed for some other uses of Consumer Data, cannot be attributed to the bank data that is received into software and then used by the business or their appointed intermediaries for the purposes of recording business activity and creation of the necessary taxation records (taxation including income tax, GST, PAYGW and also state based taxes).

The Consumer Data Right

The purpose is listed as “...gives you the right to share your data between providers”, going on to say “..designed to give you greater choice and control through the convenience....”

While listed as an “opt-in” system for *the consumer* the rules appear to place immense burden on any intermediary using such data in any form.

Third Parties / Intermediaries

Accountants and Bookkeepers receiving data for the purposes of processing business transactions, including the receiving of Bank Feeds and the use of that data should be excluded from the impact of the CDR regime.

Software, that facilitates the processing of that data, including the receipt of the data should be subject to requirements of (or mirroring) the Operational Framework imposed by the ATO.

Conclusion

Creation of business records from Bank Data does not appear to be within the purpose of the CDR regime. The provision of Bank Data (or similar) and any derived data created as requested by the Consumer for the purposes of Business and Taxation Accounting and Record Keeping should be explicitly excluded from the impact of the CDR regime.



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Further Consultation

The author, on behalf of The Institute of Certified Bookkeepers, welcomes the opportunity to provide further context and explanation in relation to the matters under consideration.

Yours faithfully



Matthew Addison - Executive Director



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