THE TAX INSTITUTE

14 September 2021

Office of Industry Innovation and Science Australia
Venture Capital Tax Concessions Review
Department of Industry, Science, Energy and Resources
GPO Box 2013, Canberra ACT 2601

By email: consultation@iisa.gov.au

Dear Sir or Madam

Venture Capital Tax Concessions Review

The Tax Institute welcomes the opportunity to make a submission to Industry Innovation and Science Australia (**IISA**) and the Commonwealth Treasury (**Treasury**) in relation to the *Venture Capital Tax Concessions Review Consultation Paper*, dated July 2021 (**Consultation Paper**) and the accompanying *Venture Capital Tax Concessions Review Terms of Reference* (**Terms of Reference**).

The venture capital tax concessions programs seek to increase the level of venture capital investments in Australia and develop the skills and experience of Australian venture capital fund managers. The programs also aim to promote a culture of innovation and entrepreneurial risk-taking, by incentivising the use of investment vehicles dedicated to early-stage and later-stage start-ups and improving access to more and cheaper financing for these types of businesses. The programs encompass three types of investment structures that provide concessional treatment for venture capital investors. These structures are:

- early-stage venture capital limited partnerships (**ESVCLPs**)
- venture capital limited partnerships (**VCLPs**); and
- Australian Funds of Funds (**AFOFs**),

(together, the **programs**).

The Tax Institute is of the view that the programs have had a positive impact on the growth of Australian venture capital, and have played a significant part in creating a vibrant start-up environment in Australia. The substantial impact of the programs on the Australian market could not have been anticipated at the time of their inception.

Level 37, 100 Miller Street
North Sydney NSW 2060
Tel: 02 8223 0000
Fax: 02 8223 0077
info@taxinstitute.com.au
taxinstitute.com.au
ABN 45 008 392 372

The data demonstrates that there has been consistent growth in the size and number of investments in both ESVCLPs and VCLPs. However, Australia does not have an analogue to the scale of global venture capital hubs, such as San Francisco or New York in the US, London in the UK, or Shenzhen in China. This is also evidenced by the value of investments in Australian venture capital as a percentage of GDP which remained at 0.6% at the end of the 2018-19 financial year.[1]

The Tax Institute supports the review of the venture capital tax concessions programs. We recommend that IISA and Treasury continue to work together alongside industry stakeholders and take a more holistic approach in creating a favourable environment for the venture capital sector to thrive. This will ensure that the economy and community may benefit from increased levels of innovation and economic activity.

While our comments are limited to the tax law and policy of the programs, The Tax Institute also recommends that IISA and Treasury consider non-tax policy considerations in seeking to grow Australia's venture capital sector. As the venture capital sector benefits from other policy measures, such as direct government grants or further investment into the skills and capabilities of Australia's workforce and education system, we consider that a measured and holistic approach to designing and implementing new tax measures is needed. This will ensure that Australia's tax system does not become overly complex and inefficient.

We would be pleased to continue to work with IISA and Treasury on a holistic review of the programs and any future updates to the programs, to ensure that they achieve their policy objectives.

Our detailed response is contained in **Appendix A**.

The Tax Institute is the leading forum for the tax community in Australia. We are committed to shaping the future of the tax profession and the continuous improvement of the tax system for the benefit of all. In this regard, The Tax Institute seeks to influence tax and revenue policy at the highest level with a view to achieving a better Australian tax system for all. Please refer to **Appendix C** for more about The Tax Institute.

If you would like to discuss any of the above, please contact Tax Counsel, Julie Abdalla, on 02 8223 0058.

Yours faithfully,

Peter Godber

President

---

[1] Australian Bureau of Statistics (**ABS**), *Venture Capital and Later Stage Private Equity, Australia", 2018-19 financial year*. Available at https://www.abs.gov.au/statistics/economy/finance/venture-capital-and-later-stage-private-equity-australia/latest-release.

APPENDIX A

We have set out below our responses to certain questions contained in the Consultation Paper. We have limited our responds to the questions relating to tax law and policy. The numbering below corresponds to the Consultation Paper.

1. **Have the VCLP, ESVCLP and AFOF programs met their objective to generate additional venture capital investment, including foreign venture capital investment in Australia?**
   a. **If so, how and to what extent have these programs met the objective outlined above? Is there any readily available data, evidence or examples to support how these programs have incentivised additional investment?**
   b. **If the objective has not been met, what are the key challenges or barriers that impact on the programs' ability to meet the above stated objective?**

The venture capital tax concessions programs have increased the amount of [venture capital investments] in Australia in absolute terms. However, the proportion of committed capital in ESVCLPs and VCLPs that has been drawn down and invested in these businesses remains relatively low.

Committed capital in ESVCLPs and VCLPs

Committed capital refers to funds which investors have agreed to contribute to an investment, effectively making these amounts available for the investee to access as required. Figures 1 and 2 below, show the total amount of invested capital in ESVCLPs and VCLPs from the inception of the respective programs to the 2019-20 financial year.

Figure 1: Total committed capital in ESVCLPs[2]

Financial Year	Total Committed Capital	Total Invested Amount	Median Invested Amount
FY09/10	$0bn		
FY10/11	$0bn	$9.55M	$1.96M
FY11/12	$0bn	$17.55M	$0.70M
FY12/13	$0bn	$21.20M	$0.18M
FY13/14	$0bn	$37.21M	$0.25M
FY14/15	$0bn	$63.93M	$0.30M
FY15/16	$1bn	$100.08M	$0.25M
FY16/17	$1bn	$194.18M	$0.29M
FY17/18	$2bn	$221.28M	$0.15M
FY18/19	$2bn	$306.77M	$0.23M
FY19/20	$3bn	$353.15M	$0.19M

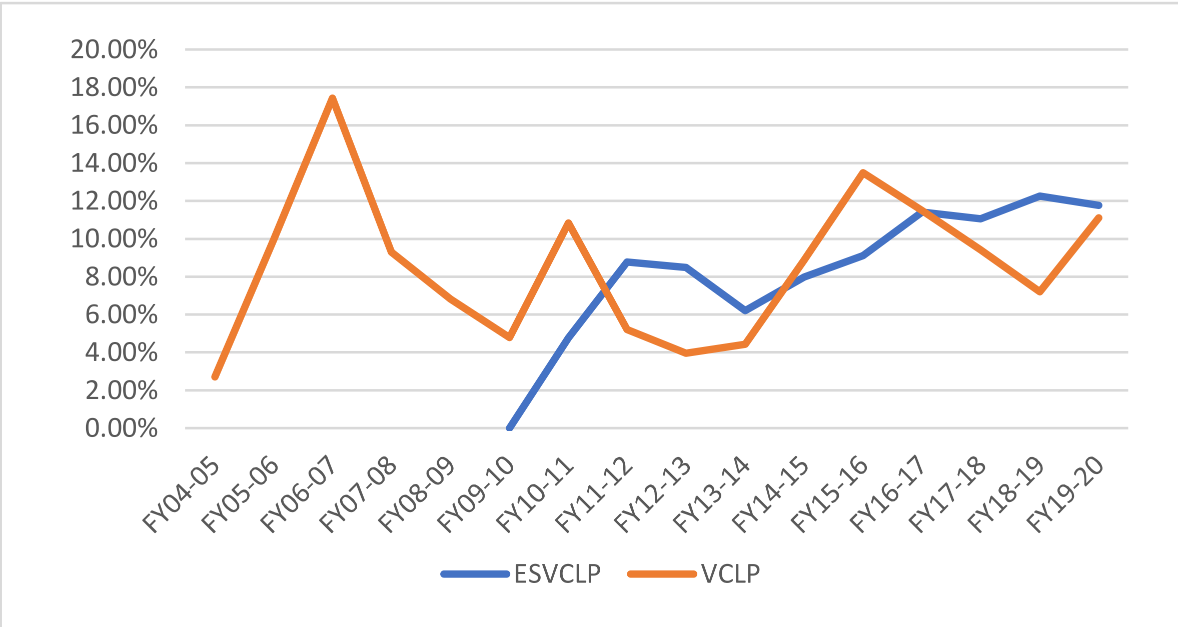
2 Department for Industry, Science, Energy and Resources (**DISER**), *Venture Capital Dashboard*, page 2. Available at https://www.industry.gov.au/sites/default/files/2020-02/venture-capital-dashboard.pdf.

Figure 2: Total committed capital in VCLPs[3]

Financial Year	Total Committed Capital	Total Invested Amount	Median Invested Amount
FY04/05	$0bn	$8.15M	$4.08M
FY05/06	$1bn	$149.70M	$1.83M
FY06/07	$3bn	$522.98M	$1.99M
FY07/08	$4bn	$390.03M	$1.11M
FY08/09	$4bn	$286.33M	$1.11M
FY09/10	$4bn	$206.27M	$0.50M
FY10/11	$4bn	$487.13M	$0.51M
FY11/12	$6bn	$317.06M	$0.48M
FY12/13	$6bn	$237.43M	$0.38M
FY13/14	$6bn	$265.66M	$0.50M
FY14/15	$6bn	$549.99M	$1.08M
FY15/16	$6bn	$876.74M	$0.95M
FY16/17	$7bn	$804.19M	$1.29M
FY17/18	$11bn	$1,084.98M	$1.15M
FY18/19	$12bn	$864.67M	$1.96M
FY19/20	$11bn	$1,321.25M	$1.50M

Figure 3 below, illustrates the proportion of committed capital that was drawn down and invested by ESVCLPs and VCLPs from the 2004-05 financial year to the 2019-20 financial year.

Figure 3: Proportion of committed capital invested by VCLPs and ESVCLPs between FY09-10 to FY19-20[4]



3 Ibid.

4 This graph was created by The Tax Institute based on the data provided in the DISER, *Venture Capital Dashboard*, page 2, which is available at https://www.industry.gov.au/sites/default/files/2020-02/venture-capital-dashboard.pdf.

Committed capital and total investments

Figures 1 and 2 above demonstrate that the amount of committed capital and amount invested by both ESVCLPs and VCLPs have steadily increased over the period from FY 04-05 to FY 19-20. This may suggest that the objective of increasing the level of venture capital investment in Australia is being met.

However, as shown in Figure 3, the majority of capital committed by investors to ESVCLPs and VCLPs remains uninvested. The percentage of committed capital that is invested by VCLPs has been volatile from the inception of the VCLP program. On average, approximately 8.56% of committed capital in VCLPs has been invested. In contrast, the proportion of committed capital invested by ESVCLPs has generally increased over the life of the program so far.

Regardless of these trends, the ratio of committed capital to the amounts invested by ESVCLPs and VCLPs remains relatively low. Considering that the level of committed capital from investors has grown steadily since FY 04-05, it does not appear that the failure of ESVCLPs and VCLPs to invest more in underlying businesses is due to a lack of available funding.

Median investment balances

We refer to the investments by ESVCLPs and VCLPs as depicted in Figures 1 and 2 respectively. The median investment by ESVCLPs has fairly consistently declined, from $1.96 million in FY 09-10 down to $0.19 million in FY 19-20. Although it is expected that the median would initially be relatively high at the start of the program due to the smaller sample size, the consistent year on year decrease suggests that there are a large number of ESVCLPs with comparatively small investment balances.

This could be driven by the fact that there are more ESVCLPs being established year on year, which would reduce the median investment balance overall. Another possible explanation is that ESVCLPs face a higher risk of business failure due to being in a more volatile stage of the business lifecycle. This is supported by Australian Bureau of Statistics (**ABS**) data, indicating that around 50% of all small businesses fail in the first four years of their operation.[5] Acknowledging that there are many reasons why small businesses may fail, we would expect businesses pursuing innovation and entrepreneurial risk-taking to represent a large proportion of these businesses due to the inherent uncertainty and business risk involved.

By contrast, although the median investment of VCLPs has steadily decreased from FY 04-05 to FY 13-14, we observe that the amount invested has progressively increased from FY 14-15 onwards. This could potentially be explained by the fact that VCLPs operate in a more mature and stable stage compared to ESVCLPs. This means that they are somewhat more likely to survive and continue expanding.

Increasing investments by foreign residents

Figure 4 below breaks down the investors in Australian venture capital by their residency status based on data made available by the Department of Industry, Science, Energy and Resources (**DISER**) and the ABS.

[5] ABS, *Counts of Australian Businesses, including Entries and Exits,* 'Data Cube 1: Tables 1-16 of Counts of Australian Businesses, entries and exits', Tables 15 and 16.. Available at https://www.abs.gov.au/statistics/economy/business-indicators/counts-australian-businesses-including-entries-and-exits/latest-release#data-download.

Figure 4: Proportion of investments in early-stage venture capital and later-stage private equity held by foreign investors[6]

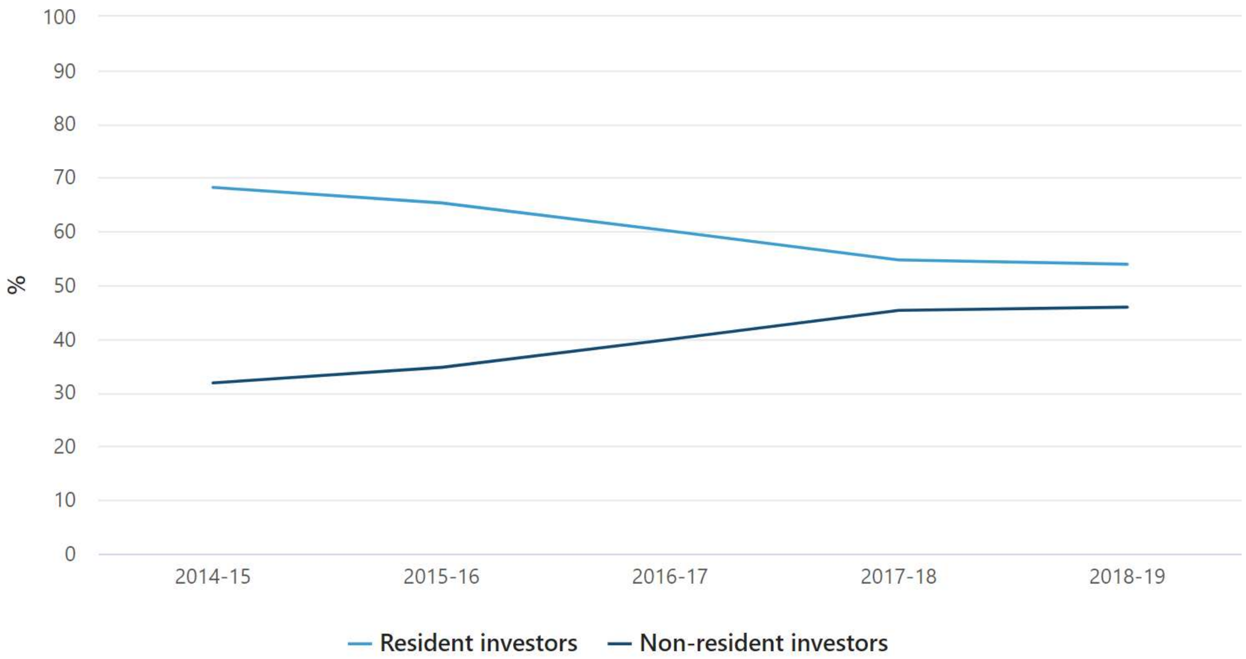
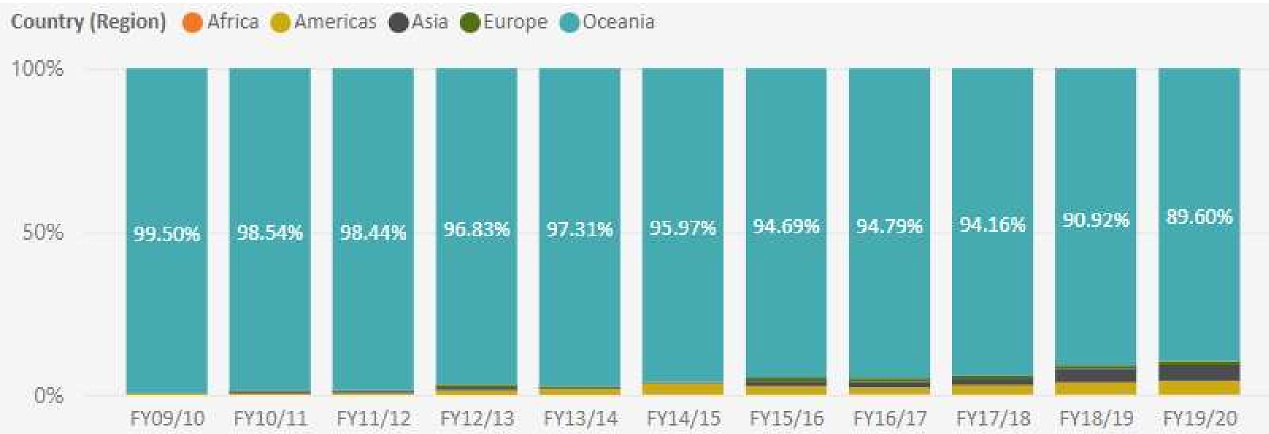


Figure 5: Investors in ESVCLPs by region from FY9-10 to FY19-20[7]

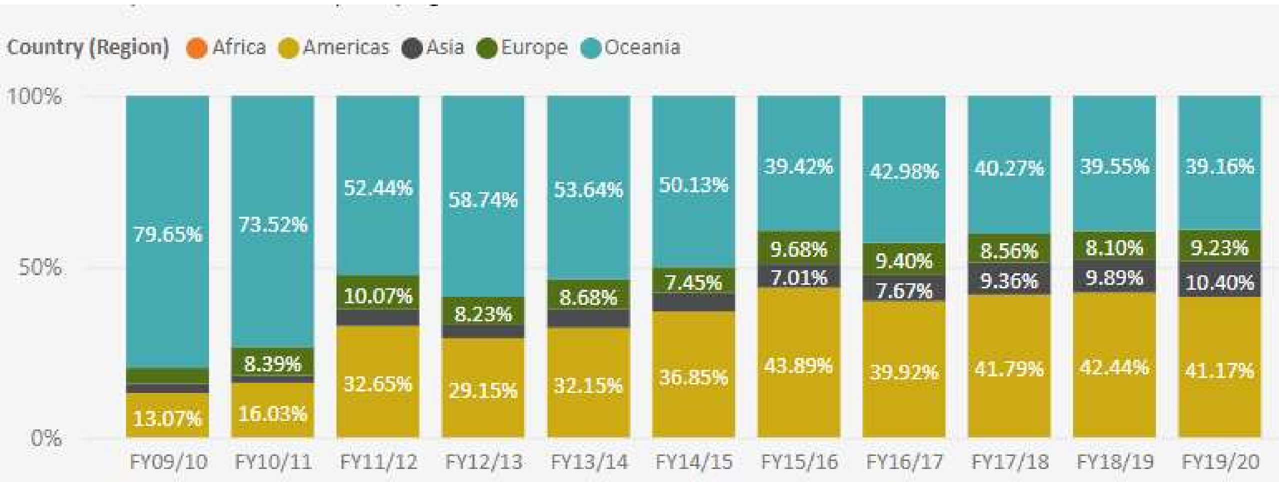


---

6 ABS, *Venture Capital and Later Stage Private Equity, Australia*. Available at https://www.abs.gov.au/statistics/economy/finance/venture-capital-and-later-stage-private-equity-australia/latest-release.

7 DISER, *Venture Capital Dashboard*, page 12. Available at https://www.industry.gov.au/sites/default/files/2020-02/venture-capital-dashboard.pdf.

Figure 6: Investors in VCLPs by region from FY9-10 to FY19-20[8]



The graph at Figure 4 suggests that the proportion of foreign investors in Australian early-stage venture capital and later-stage private equity has increased steadily from FY 14-15 to FY 18-19. This may indicate that the objective of attracting more foreign investors to invest into Australian venture capital is being met.

However, the data in Figures 5 and 6 suggest that this increased foreign investment may only be directed towards more mature, later stage enterprises. As the Figures do not provide a breakdown by countries in the listed regions, there is insufficient data available to confirm whether or not the proportion of Australian to foreign investors within Oceania has changed from the inception of the ESVCLP program. However, the overall proportions of all investors by region in ESVCLPs have remained largely unchanged. As this stability is inconsistent with the steady increase in investments into VCLPs by investors outside Oceania (shown in Figure 4), it would appear that there is markedly less interest in ESVCLPs by foreign investors.

By contrast, Figure 4 shows that there has been a consistent increase in the proportion of non-residents investing in VCLPs. The chart shows that investors in VCLPs were predominantly from the Oceania region in FY 09-10, but foreign investors have become a majority as of FY 15-16. Notably, investors from the Americas appear to make up a large segment of foreign investors in VCLPs.

The Tax Institute recommends that IISA and Treasury consider whether the objectives of the programs should be expanded or reframed to reflect the current trends presented by the available data. Although it can be said that the level of investment in Australian venture capital has increased, the actual investment of committed capital remains relatively low, with the vast majority of foreign investment being directed towards VCLPs. The economic benefits of the tax concessions provided to investors in these structures may not translate into the broader economy until the available funds are in fact invested into business.

---

8 Ibid, page 12.

We also recommend that a more thorough reconsideration of ESVCLPs should be undertaken. As the data above indicates, ESVCLPs have had more difficulty in gaining financial backing from foreign investors and the median investment balance has consistently declined since the program's inception. Although the tax concessions afforded to ESVCLPs may be competitive and generous, these initiatives appear to have proved somewhat unable to directly assist start-ups and small businesses to overcome the initially high risk of business failure. Undertaking a more holistic assessment of the way in which different aspects of the tax system operate in this area, as well as a broader analysis of non-tax factors, may assist in uncovering the reasons why the ESVCLP program appears not to have been as successful as the VCLP program.

3. Has the ESVCLP program provided additional venture capital for early-stage start-up and expanding businesses?

   a. If so what has been the impact?

   b. If not, what have been the barriers and challenges of the ESVCLP program that limit targeting investment in early-stage businesses?

As outlined in our response to Question 1, the data we have cited indicates that the levels of available funding for ESVCLPs in the form of committed capital have steadily grown from FY9-10 to the present. Notwithstanding these positive indicators, the data also suggests that the level of capital actually invested by ESVCLPs remains relatively low. Moreover, the sources of funding for ESVCLPs are predominantly from the Oceania region, a segment of which are presumed to be Australian residents. This would suggest that Australian early-stage venture capital has not garnered as much international interest or attention as later stage private equity with foreign investors.

Although it is difficult to determine the exact reasons for these trends, we consider that the comparatively lower levels of investment, particularly from foreign residents, could be for the following reasons:

- **Higher risk profile of ESVCLPs** – As ESVCLPs are in their infancy and early development, they innately represent a higher level of risk. The increased uncertainty about the viability of a ESVCLP compared to a VCLP may mean that there are fewer investors willing to invest into these businesses, regardless of how attractive the tax incentives may be.
- **Higher cost of capital** – As ESVCLPs are relatively high-risk investments, investors generally would expect a higher return on their investment, thereby increasing the cost of capital for the ESVCLP. ESVCLPs may be cautious about the amount of committed capital which they invest in order to ensure that the return on invested funds is able to meet or exceed the expectations of investors to secure their ongoing support.
- **Unfamiliarity with the ESVCLP structure –** As ESVCLPs as an investment vehicle are unique to Australia, foreign investors may be unwilling to invest into these structures due to their unfamiliarity with this type of investment vehicle. This lack of awareness coupled with the inherently riskier nature of ESVCLPs may deter foreign investors from considering ESVCLPs as a viable investment option.

The Tax Institute recommends that IISA and Treasury continue to investigate these issues and other potential factors which inhibit foreign investors from investing into ESVCLPs. Although ESVCLPs have certainly received increasing levels of domestic funding thus far, enticing foreign investors to invest in Australia's early-stage venture capital sector would give these businesses access to a greater depth and breadth of capital. This would potentially have a flow on effect of reducing the cost of such capital.

4. Has the VCLP program incentivised foreign investors into Australia's venture capital sector?

Based on Figure 6 in our response to Question 1, the data suggests that VCLPs have been successful in incentivising foreign investors into Australia's venture capital sector. However, the specific reasons are not self-evident from the available data. The greater success (compared to the ESVCLP program) could potentially be attributed to the fact that VCLPs are more mature and established than ESVCLPs, meaning that investors are more likely to receive a positive after-tax rate of return on their investment in these structures.

Another potential reason why VCLPs have attracted the interest of foreign investors is that they are a familiar vehicle to investors based in the US and the UK, as they are analogous to venture capital funds. This sense of familiarity may provide these investors with confidence around how these structures operate and what they can expect when investing into them.

The Tax Institute considers that it would be beneficial for IISA and Treasury to undertake a comprehensive comparison of Australian venture capital vehicles against those in other jurisdictions. Understanding the differences in both tax and non-tax benefits of investment vehicles used in overseas jurisdictions may allow for a better understanding of any potential disincentives for foreign investors in relation to the programs. It is important to ensure that foreign investment is not discouraged due to unfamiliarity or perceived tax disincentives with the features of the Australian investment vehicles. The Tax Institute would be pleased to continue to work with IISA and Treasury to undertake such analysis and consider the interaction of specific features within the Australian tax legislation.

5. To what extent has the operation of the venture capital tax concessions impacted on investments made directly by foreign residents registered under Part 3 of the Venture Capital Act 2002?

Figures 5 and 6 in our response to Question 1 indicate that the program appear to have increased the level of direct investments by foreign residents registered under Part 3 of the *Venture Capital Act 2002*. As discussed in our responses to Questions 1, 3 and 4, the majority of direct foreign investments appear to be concentrated in VCLPs and not in ESVCLPs.

6. To what extent do the programs achieve the broader program objectives as outlined in explanatory memoranda, to:

- **foster a shift towards a culture of innovation and entrepreneurial risk-taking?**
- **provide Australia with a world's best practice investment vehicle for venture capital?**
- **make finance more readily available and cheaper for high risk expanding businesses?**
- **improve funding for promising projects across the economy and in industries beyond the technology sector?**

The Tax Institute considers that the programs have achieved the broader program objectives to varying extents. We provide our comments in respect of each of the broader objectives in the following paragraphs.

Foster a shift towards a culture of innovation and entrepreneurial risk-taking

In our view, sound tax policy and concessional treatment are fundamental to galvanise a culture of innovation and entrepreneurial risk-taking. That said, the programs are only one aspect of the Australian tax system and to truly assess their effectiveness in achieving this objective, they must be considered in tandem with other related aspects of the tax system. These considerations include, among other things, the corporate tax rate, the availability of the research and development (**R&D**) tax incentive, methods of depreciation, and targeted measures such as the proposed patent box regime. Each of these factors is a lever which can be shifted to incentivise or disincentivise investment, and therefore impact the ability to achieve the broader program objectives.

We also acknowledge that while it is an important factor in investment, tax is only one aspect of the decision making involved, and there are many non-tax considerations that come in to play in fostering a culture of innovation and entrepreneurial risk-taking. Research suggests that it is difficult to replicate the innovative intensity and economic activity of innovation hubs, such as Silicon Valley, even when similar conditions and policy interventions have been put in place.[9]

Financial support is just one of the many aspects of the policy framework and broader environment that should be considered in attempting to cultivate innovation and entrepreneurial risk-taking. From a fiscal perspective, the government may directly fund innovative projects through direct funding such as government grants, or through other kinds of indirect funding such as through tax incentives, like the R&D tax incentive, or the programs. The OECD made the following comments about the potential impact of direct and indirect funding methods:[10]

> *Direct support measures appear more conducive towards promoting research whereas tax support is principally associated with heightened levels of experimental development. Additionally, a lower level of corporate income taxation is also associated with more R&D investment, although with a lower incrementality ratio than the more targeted R&D support policy measures. One unit of foregone tax revenue corresponds to a 0.24 unit increase in business R&D expenditure.*

As R&D are both fundamental aspects of the innovation cycle, we recommend that IISA and Treasury consider how the programs operate in tandem with the other funding and financial support measures. The OECD's findings suggest that a mix of grants and tax concessions are needed in order to stimulate a healthy blend of research, development and innovation that translates into a net benefit for the economy.

---

9 Regan & Gene Tunny, 2008. "Venture capital in Australia," Economic Roundup, The Treasury, Australian Government, issue 1, pages 1-13, page 10. Available at https://treasury.gov.au/sites/default/files/2019-03/01_Venture_capital.pdf.

10 Organisation for Economic Co-operation and Development (**OECD**) "The effects of R&D tax incentives and their role in the innovation policy mix: Findings from the OECD microBeRD project, 2016-19", OECD Science, Technology and Industry Policy Papers, No. 92, OECD Publishing, Paris, page 10. Available at https://doi.org/10.1787/65234003-en.

The Tax Institute therefore recommends that IISA and Treasury not only consider the broader tax policy and related regimes, but also the wider social and economic environment in trying to encourage greater innovation and entrepreneurial risk-taking. For example, encouraging more students to undertake studies in Science, Technology, Engineering and Mathematics (**STEM**) courses and investment into the education system would provide the economy with a highly skilled workforce that is able to fill roles or potentially start their own innovative start-ups and businesses. Non-tax measures as such would ensure that there are sufficient policy measures in place to continue promoting innovation, in addition to targeted tax measures.

Provide Australia with a world's best practice investment vehicle for venture capital

At a design level, the programs include characteristics which are desirable to venture capital investors, particularly to those in the US and the UK. These are, specifically, the flow-through treatment of income from the business to the partners, and the flexibility of providing for general and limited partners depending on their desired level of involvement in the business.[11]

However, our members have indicated that the process of establishing an ESVCLP, VCLP or AFOF is complex and esoteric in practice. Based on their experience, there is insufficient guidance on the specific steps or processes that investors should follow when attempting to set up an entity in accordance with the programs. Where investors and advisors have previously been able to successfully establish a structure under the programs, this knowledge tends to be valuable in itself and is generally not shared freely. This degree of uncertainty necessarily gives rise to additional costs which make it all the more difficult for new entrants to benefit from the programs.

The Tax Institute recommends that IISA and Treasury consider publishing clearer guidance around the specific processes and steps involved in order to successfully register and establish an investment vehicle under the program. While each structure may have some degree of nuances, we consider it would be helpful to industry and reduce overall costs to provide guidance, at a minimum, on a basic structure, and the relevant steps involved. We consider that this would facilitate entry into the programs for new entrants, and level the playing field between new and existing participants and advisers. We also recommend that IISA and Treasury work with industry to undertake analysis in respect of the costs involved in establishing compliant structures, and particularly whether there are opportunities to simplify processes to reduce such costs across industry.

Make finance more readily available and cheaper for high risk expanding businesses

As discussed above in our responses to Questions 1 and 3, the level of investments in ESVCLPs and VCLPs has increased throughout the life of the programs to date. In addition, the programs by definition, reduce the tax rates on these businesses, thereby reducing their after-tax cost of capital and making access to finance less expensive.

However, as noted above, the broader economy will not experience the flow-on effects of these benefits until such time that these funds have been invested in businesses and commercialised in the form of products, services or processes driving business.

[11] Andrew Wylie and Steven Yentzer, DLA Piper, "US and English venture capital funds: key features", page 4. Available at https://www.dlapiper.com/en/us/insights/publications/2019/06/english-and-us-venture-capital-funds/.

Improve funding for promising projects across the economy and in industries beyond the technology sector

The table at **Appendix B** has been created by The Tax Institute from ABS data. It shows the total amount of new and follow-up investments in each financial year from FY 14-15 to FY 18-19 in early-stage venture capital and later-stage private equity by industry sector. The data shows that new and follow-on investments have been made in a number of sectors outside the technology sector, including trade and accommodation, health care and social assistance and other industries.

There is insufficient data to conclude whether or not these trends have been driven by the programs. Nevertheless, we note that venture capital funding is available for sectors beyond the technology sector. We consider that further research and analysis may be required to determine the extent to which the programs have improved funding in such sectors.

APPENDIX B

Total new and follow-on investments in early-stage venture capital and later-stage private equity by industry sector from FY14-15 to FY18-19[12]

Industry	FY14-15 ($m)	FY15-16 ($m)	FY16-17 ($m	FY17-18 ($m)	FY18-19 ($m)	Total ($m)
Agriculture, forestry and fishing[13]	-	-	17	11	-	28
Mining	8	305	81	57	-	351
Manufacturing	32	181	287	292	32	824
Construction and utilities	-	-	8	38	-	46
Trade and accommodation	427	508	515	214	427	2,091
Transport, postal and warehousing	-	-	50	9	-	59
Information media and telecommunications	38	110	125	100	38	411
Finance, administrative and support services	26	165	186	48	26	451
Professional, scientific and technical services	77	65	90	238	77	547
Health care and social assistance	299	323	409	129	299	1,459
Other Industries	162	448	532	255	162	1,397
Total	1,545	2,247	2,603	1,452	1,545	9,392

[12] ABS, *Venture Capital and Later Stage Private Equity, Australia*, Table 12.

[13] The ABS notes in the data tables that the data for the agriculture industry in FY14-15 and FY15-16 are not available for publication but has been included in any totals where relevant.

APPENDIX C

About The Tax Institute

The Tax Institute is the leading forum for the tax community in Australia. We are committed to representing our members, shaping the future of the tax profession and continuous improvement of the tax system for the benefit of all, through the advancement of knowledge, member support and advocacy.

Our membership of more than 11,000 includes tax professionals from commerce and industry, academia, government and public practice throughout Australia. Our tax community reach extends to over 40,000 Australian business leaders, tax professionals, government employees and students through the provision of specialist, practical and accurate knowledge and learning.

We are committed to propelling members onto the global stage, with over 7,000 of our members holding the Chartered Tax Adviser designation which represents the internationally recognised mark of expertise.

The Tax Institute was established in 1943 with the aim of improving the position of tax agents, tax law and administration. More than seven decades later, our values, friendships and members' unselfish desire to learn from each other are central to our success.

Australia's tax system has evolved, and The Tax Institute has become increasingly respected, dynamic and responsive, having contributed to shaping the changes that benefit our members and taxpayers today. We are known for our committed volunteers and the altruistic sharing of knowledge. Members are actively involved, ensuring that the technical products and services on offer meet the varied needs of Australia's tax professionals.