

Registered Tax Agents – Roles and Responsibilities

Inland Revenue Division (IRD)

What this Guide is about

From 1 January 2023 only tax agents registered with the Inland Revenue Division (IRD) can legally charge a fee to prepare a tax return, lodge an objection or conduct a tax service for a taxpayer. This Guide provides information about the registration procedure, and what tax agents must do after they have been registered. To be registered a person must be an individual, be a member of the Institute of Solomon Islands Accountants (ISIA) and meet other requirements.

Tax Agent registration

To become a registered tax agent complete the IRD form (available on the website or enquiry counter) and return it to the IRD with copies of the documentation required. The conditions of being registered are:

- You must be a member of the Institute of Solomon Islands Accountants (ISIA);
- You must have a Tax Identification Number (TIN);
- You must not be insolvent;
- You must not be a government employee or office holder;
- You must have no history of serious offending (previously convicted of an offence carrying a maximum sentence of 12 months or fine of \$20,000 in the Solomon Islands or overseas);
- You must have never committed an offence against the tax or customs laws;
- You must be tax compliant (all your tax filing and payments up to date, or a payment arrangement in place);
- You must be a fit and proper person; and
- You must have a good knowledge of the tax laws.

In relation to this last point, the Commissioner will form a view based on your ISIA membership, qualifications, experience before 1 January 2023 and other information you provide to support your view.

Although only individuals can be tax agents, you may wish to conduct your tax agent business as a sole trader, partnership or company.

Who does not need to register as a tax agent?

The following people do not need to register as tax agents:

- a legal practitioner to the extent that the legal practitioner performs a legal service for a taxpayer in relation to that person's rights or obligations under a tax law; or
- a person to the extent that he or she is providing a service relating to tax for his or her employer as taxpayer;
- a person who is an employee of a tax agent; and prepares a tax return, objection, or other tax service under the supervision of the tax agent; and meets the list of conditions described in the 'Tax agent registration' section of this Guide.

If you have authorised employees (who are not registered tax agents in their own right) please list their names, addresses, and qualifications in the schedule to the tax agent registration. If you have new employees or an employee leaves your business, you must notify the IRD within 21 days.

Send your completed form to the IRD enquiry counter, mail to PO Box G9 Honiara or email to: taxeducationteam@mof.gov.sb

Effect of registration

Once the IRD has processed your application, IRD will send you a letter advising if your tax agent registration has been approved. If approved, your tax agent certificate (numbered) will be sent to you. You must display the

certificate at a prominent place in your business premises where clients can become aware of it. You may choose to quote your registration status and number on business stationery.

If your application is refused, this will be advised in a letter with reasons. This is a tax decision which you can object against.

If your application is approved, you have been placed in a position of trust by the IRD. We expect you to act in the best interest of your clients while at the same time upholding the tax laws in terms of filing, payment, time-to-pay arrangements, objections and appeals, and all other matters.

A person is registered as a tax agent for 3 years unless registration is earlier cancelled.

Note: Only a registered tax agent can sign a tax return, lodge an objection, or other tax service; not an authorised employee of a tax agent.

Cancellation of registration

The Commissioner must cancel the registration of a person as a tax agent if:

- (a) the person makes a written request for cancellation; or
- (b) the person ceases to carry on business as a tax agent; or
- (c) the person is not or has ceased to be eligible for registration; or
- (d) the person does not notify the Commissioner in writing of any changes in the information contained in their application within 21 days after the change has occurred; or
- (e) the Commissioner is satisfied that the person has failed to adequately supervise an authorised employee; or
- (f) the Commissioner is satisfied that the person has prepared and filed a tax return knowing that it was false in a material particular; or
- (g) the Commissioner is satisfied that the person is not or has ceased to be competent to act as a tax agent.

Penalties and offences relating to tax agents or persons not registered as tax agents:

Administrative penalties	Penalty
A registered tax agent who fails to display the tax agent's certificate of registration at his or her business premises.	\$5,000

Offences	Penalty
A person must not, for a fee or other remuneration, do any of the following things unless that person is registered as a tax agent: (a) prepare a tax return for a taxpayer; (b) prepare an objection on behalf of a taxpayer; (c) otherwise advise or act for a taxpayer in relation to that person's rights or obligations under a tax law.	\$20,000 fine or imprisonment for 12 months, or both
A person who falsely holds out or otherwise represents that he or she is a registered tax agent	\$20,000 fine or imprisonment for 12 months, or both
A registered tax agent who breaches a condition of his or her registration.	\$20,000 fine or imprisonment for 12 months, or both