

AUSTRALIAN BUSINESS NUMBERS FOR LANDCARE GROUPS

ABN - IS IT NEEDED AND WHY

WHAT IS AN ABN?

An Australian Business Number (ABN) is a unique 11-digit identifier that makes it easier for businesses and all levels of government to interact.

DOES MY GROUP NEED AN ABN?

There is no definitive ruling from the Australian Tax Office about whether a not-for-profit group requires an ABN, it is assessed on a case by case basis.

Not all groups need to have an ABN, it doesn't cost anything to apply for an ABN and you don't need to submit any reporting to maintain an ABN.

WHY HAVE AN ABN?

You will need an ABN to:

- operate in the GST system, including claiming GST credits
- avoid pay as you go (PAYG) tax on payments you receive
- confirm your business identity to others when ordering and invoicing
- manage ABN connections or get an AUSkey to transact online with government agencies
- be endorsed as a gift deductible recipient or an income tax exempt charity.

If your group receives payments of more than \$75 such as government grants, contract payments etc without an ABN these payments may be subject to withholding tax at the top tax rate.

More information about ABN available at [here](#)

STATEMENT BY SUPPLIER

If your group receives no or very infrequent small amounts of money

then you probably don't need an ABN and for any payments you do receive you might be able to use a Statement by Supplier form to avoid having PAYG tax withheld from your payments.

Information about Statement by Supplier is available from the Australian Tax Office [here](#)

ABN ENTITLEMENT

Not everyone is entitled to an ABN. You're entitled to an ABN if you're either:

- carrying on or starting an enterprise in Australia or making supplies connected with Australia's indirect tax zone or
- a Corporations Act company.

You can assess your group's eligibility for an ABN [here](#).

APPLY FOR OR CANCEL AN ABN

You can apply for or cancel an ABN, or apply to have an ABN you previously held reissued:

- online using the Australian Business Register
- through your registered tax agent or BAS agent.

The Australian Tax Office has some good information for Not For Profit organisations and groups [here](#)

DISCLAIMER: The information contained in this publication is based on knowledge and understanding at the time of July 2020. However, because of advances in knowledge, users are reminded of the need to ensure that information upon which they rely is up to date and to check currency of the information with the user's independent advisor.



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