

<b>Jurisdiction's name:</b>	<b>Australia</b>
<b>Information on Tax Identification Numbers</b>	
<b>Section I – TIN Description</b>	
<p><u>Australian Tax File Number (TFN)</u></p> <p>The TIN in Australia is referred to as the Tax File Number (TFN). The TFN is used by individuals and entities that have a need to interact with the ATO. Examples of such interactions include the need to report information to the ATO, lodge income tax returns or interact in the superannuation (retirement income) system. A TFN can be issued to individuals or non-individual entities (companies, trusts, partnerships, and superannuation funds).</p> <p>A TFN is issued under the <i>Income Tax Assessment Act 1936</i> (ITAA 1936) upon application by the client or as required by the ATO for internal purposes.</p> <p>Applying for a TFN can be completed online or via paper channels and will be issued once sufficient proof of identity has been provided. For an individual this includes one primary document (birth certificate, passport, citizenship certificate) and up to two secondary documents (driver licence, Medicare card, bank statement, firearms licence, student card, proof of age card, student examination certificate). Proof of identity requirements for partnerships, companies and trusts include establishing the identity of the partners, director(s) and public officer and trustee respectively.</p> <p><u>Australian Business Number (ABN)</u></p> <p>Australian businesses use the Australian Business Number (ABN) as a single identifier for all business dealings with the ATO and for dealings with other government departments and agencies. The ABN is also used for tax identification purposes.</p> <p>Businesses need an ABN to register for the goods and services tax and other elements of <i>The New Tax System (Goods and Services Tax) Act 1999</i>.</p> <p>Similar to a TFN, the application process for an ABN can be completed online or via paper channels. Additionally, registration for GST can be completed simultaneously with an ABN application.</p> <p>The Australian Government introduced the ABN in response to the Small Business Deregulation Task Force Report, which called for a single identifier to simplify business dealings with the Australian Government. A client's ABN is available to State, Territory and local government regulatory bodies to streamline registration requirements.</p> <p><b>Automatic issuance of TINs to all residents for tax purposes:</b></p> <p><b>Individual:</b> No</p> <p>If no, instances where individuals are not being automatically issued a TIN are:</p> <p>An Australian TIN (Tax File Number, or TFN) is not automatically issued to all residents. A TFN is obtained by individuals upon application. Individuals generally use a TFN to interact with the Australian Taxation Office for various purposes and therefore most individuals have a TFN. This includes lodging income tax returns, reporting information to the ATO, obtaining government benefits and obtaining an Australian Business Number (ABN) in order to carry on a business. Under Australian law a person cannot</p>	

be compelled to have a TFN or quote it to another person. However, withholding tax at the highest marginal tax rate (49%) generally applies to individuals who do not provide a TFN to third parties such as employers and contractors they receive payments from.

**Entities** (as defined by the CRS): No

Similar to TFNs for individuals, entities and individuals carrying on a business are not automatically issued an ABN. They must apply for one using their TFN. An ABN is required for dealings with the Australian Taxation Office and other government agencies such as registering for goods and services tax and meeting other legal and regulatory obligations, and therefore most entities have an ABN. Failure to quote an ABN to counterparties in business dealings also generally results in the entity or individual being subject to withholding tax at the highest marginal tax rate (49%).

## **Section II – TIN Structure**

The TFN is an eight or nine digit number compiled using a check digit algorithm to allow accurate data capture of the TFN in ATO systems. Generally the TFN is displayed on correspondence as three sets of three numbers (for example XXX XXX XXX) but is stored as an eight or nine number string on internal systems.

The ABN is a unique 11 digit number formed from a nine digit unique identifier and two prefix check digits. The two leading digits (the check digits) will be derived from the subsequent nine digits using a modulus 89 check digit calculation. The check digits will be included to identify common data entry errors such as digit transposition. The ABN will be structured as XX XXX XXX XXX.

For bodies registered under Corporations Law, their ABN will be formed by prefixing two digits to their Australian Company Number or Australian Registered Business Number issued by the Australian Securities and Investment Commission (ASIC). These companies must have their identity established and first register with ASIC prior to the normal registration process for an ABN. The ABN will eventually replace the ACN and the ARBN.

## **Section III – Where to find TINs?**

An individual or entity is advised of their TFN or ABN in writing upon finalisation of the application and the number will be visible in secure online interfaces. A TFN may also be found on employment payment summaries, share statements, health insurance documentation, and superannuation statements. The TFN or ABN may also be used as a reference on certain ATO correspondence and assessments (see sample below).

GPO Box 9990 IN YOUR CAPITAL CITY



Australian Government  
Australian Business Register

Mr

Our reference: ABRRA/XXX  
Contact officer: Chris  
Case ID: 16D16XXX  
ABN: 6889053XXXX

26<sup>th</sup> February 2015

**Australian business number entitlement review**

Dear |

Businesses are encouraged to include ABN details on business stationery, especially invoices. If ABN details are not disclosed, payments from business clients are subject to withholding tax at a rate of 49 per cent.

Businesses with an ABN are identified on the publicly available [Australian Business Register \(ABR\)](#) which can be consulted through the [ABN Lookup](#) tool, among other things, to verify the attribution of an ABN to an account holder for CRS purposes, an Australian business name, or GST status. Only some of the information provided by ABN applicants is publicly available.

#### **Section IV – TIN information on the domestic website**

For more information on TFNs for individuals please visit the [TFN website for individuals](#) on [ato.gov.au](#) (alternatively to reach this website search for ‘QC 22600’ on [ato.gov.au](#)). Similarly, for more information regarding TFNs for non-individuals please visit the [TFN website for non-individuals](#) on [ato.gov.au](#) (alternatively search for ‘QC 31784’).

For more information regarding ABNs please visit [abr.gov.au](#) and search for ‘QC 182’.

Verification of TFN is available to businesses and superannuation funds registered for access to EmployerTICK and SuperTICK respectively. More information on these programs can be found by going to [ato.gov.au](#) and searching for ‘QC 39672’ for Employers and ‘QC 35377’ for superannuation funds.

To search for an ABN or its publicly available information please visit [abr.business.gov.au](#) and use the [ABN Lookup](#) tool.

#### **Section V – Contact point for further information**

The following website contains information about contacting the ATO in relation to TINs and other questions: <https://www.ato.gov.au/About-ATO/About-us/Contact-us/>