

What you need to tell us when your business ceases

This fact sheet provides information on what you need to tell the ATO when your business ceases.

You must tell us if you have registered for an Australian business number (ABN) and your business has ceased or you have never traded. Informing us of changes to your circumstances and keeping your details up-to-date will ensure that any correspondence we send you reflects your current situation.

Before cancelling an ABN you need to ensure you have met all the lodgment, reporting and payment obligations you have to the government agencies you deal with. Your tax obligations may include lodging activity statements and PAYG withholding reports, repaying refunds of GST credits and paying outstanding tax debts.

Activity statements need to be lodged even if there is 'nil' to report because you have not traded during the tax period.

! You need to cancel your ABN if:

- you registered to operate a business but never traded
- you have ceased trading, or
- your business has been sold.

The above is not an exhaustive definition of ceasing business. If you have queries about your circumstances, phone us on **13 28 66** for further advice.

! Cancelling your ABN will also cancel:

- ATO digital certificates and the registration of any representative holding an AUSkey for your business (this may prevent you from using some government online services)
- your registration for GST, luxury car tax, wine equalisation tax and fuel tax credits. For more information, go to www.ato.gov.au/onlineservices

IMPORTANT POINTS TO REMEMBER

- If your business is registered for GST, you must apply for cancellation of registration within 21 days of the day on which you ceased trading.
- If you have an ABN, you need to notify us within 28 days of ceasing business to ensure changes are made to the details shown on the Australian Business Register (ABR).
- If a change in your business structure creates a new entity, you need to apply for a new ABN. If your previous business structure is no longer operating an enterprise, you must cancel the ABN.
- If your business starts to trade again in the future or you start a new business and your business structure remains the same, you can apply to have your ABN reactivated.

PENALTIES

There are penalties for failing to:

- lodge activity statements on time (in addition, the general interest charge accrues on any outstanding balance until the entire amount has been paid)
- notify the Registrar of changes to your circumstances within 28 days.



MORE INFORMATION

You can tell us you are no longer in business:

- if you have an Administrator AUSKey or Primary ATO digital certificate. You may cancel your ABN online at www.abr.gov.au
- by phoning **13 28 66** between 8.00am and 6.00pm, Monday to Friday. You must be recorded with us as being authorised to update details on behalf of the entity
- by contacting your registered tax or BAS agent
- by completing the form *Application to cancel registration* (NAT 2955).

You can order a paper copy of this form:

- through www.ato.gov.au/onlineordering
- by phoning **1300 720 092** 24 hours a day, 7 days a week.

If you do not speak English well and need help from us, phone the Translating and Interpreting Service on **13 14 50**.

If you are deaf, or have a hearing or speech impairment, phone us through the National Relay Service (NRS) on the numbers listed below:

- TTY users, **13 36 77** and ask for the ATO number you need
- Speak and Listen (speech-to-speech relay) users, phone **1300 555 727** and ask for the ATO number you need
- internet relay users, connect to the NRS on www.relayservice.com.au and ask for the ATO number you need.

OUR COMMITMENT TO YOU

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information in this publication and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we must still apply the law correctly. If that means you owe us money, we must ask you to pay it but we will not charge you a penalty. Also, if you acted reasonably and in good faith we will not charge you interest.

If you make an honest mistake in trying to follow our information in this publication and you owe us money as a result, we will not charge you a penalty. However, we will ask you to pay the money, and we may also charge you interest.

If correcting the mistake means we owe you money, we will pay it to you. We will also pay you any interest you are entitled to.

If you feel that this publication does not fully cover your circumstances, or you are unsure how it applies to you, you can seek further assistance from us.

We regularly revise our publications to take account of any changes to the law, so make sure that you have the latest information. If you are unsure, you can check for a more recent version on our website at www.ato.gov.au or contact us.

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