



Statement by a supplier not quoting an ABN

Complete this form if you are a supplier and do not quote your Australian business number to an enterprise.

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When a payer makes payments to suppliers for goods or services to the business, those suppliers generally need to quote an Australian business number (ABN). They can quote their ABN on an invoice, or some other document that relates to the goods and services they provide.

If a supplier does not provide its ABN, the payer may need to withhold an amount from the payment for that supply – this is referred to as 'no ABN withholding'.

Certain suppliers are not required to quote an ABN to a payer. In these cases, the suppliers can use the form [Statement by a supplier \(PDF, 145KB\)](#)  to justify the payer not withholding from the payment to the supplier.

Who can complete a Statement by a supplier form?

An individual or a business that supplies goods or services can only complete a *Statement by a supplier* form if one or more of the following applies:

- they are not carrying on an enterprise in Australia
- they are an individual under 18 years and the payment does not exceed \$350 per week
- the payment does not exceed \$75, excluding any goods and services tax (GST)
- the supply that the payment relates to is wholly input taxed
- they are an individual, and a written statement is provided to the payer to the effect that the supply is either
 - made in the course or furtherance of an activity done as a private recreational pursuit or hobby, or
 - wholly of a private or domestic nature
- they are an individual or a partnership without a reasonable expectation of profit or gain
- they are not entitled to an ABN because they are not carrying on an enterprise in Australia
- the whole of the payment is exempt income.

Who can't complete a Statement by a supplier form?

Suppliers **cannot** use this form if any of the following apply:

- they are receiving payments for the supply as an employee
- their activity is not wholly of a private or domestic nature
- they are receiving payments for the supply as a company director or office holder
- they are receiving payments for the supply under a labour hire arrangement or specified payment

- they are receiving payments for the supply as a religious practitioner
- they are entitled to an ABN for the relevant activity.

If the supplier is operating a business or is entitled to register for an ABN, they cannot use the *Statement by a supplier* form.

If the payer has reasonable grounds to believe that the statement the supplier makes is false or misleading, they are required to withhold 47% (from 1 July 2017) from the total payment for the supply.

See also:

Suppliers who need to decide if they are in either a business or a hobby should refer to **Business or hobby?**

Supplies where no withholding applies

Payers may request a written statement from the supplier to justify not withholding if the supply **either**:

- relates to a private recreational pursuit or hobby – for example, a hobby artist receives a prize of \$100 in a shopping centre art show,
or
- is wholly of a private or domestic nature for the supplier – for example, a home owner sells some personal furniture to a second-hand store.

As a minimum, the statement should contain the following:

- the supplier's name and address
- why it was not necessary to withhold
- the supplier's signature.

A [Statement by a supplier \(PDF, 145KB\)](#)  form can be used for this purpose.

If a payer does not withhold because an exception applies, they should keep sufficient records to:

- identify the supply and the supplier
- justify the reason for not withholding.

Payers may choose to obtain a signed statement from the supplier containing the required information or use our form. If we conduct a review and find that the statement was incorrect, payers won't be penalised if we believe it was reasonable for them to rely on the supplier's signed statement.

Examples of where it would not be appropriate to use the form would be:

- A person engaged to deliver occasional training courses. The person does not design or develop the courses, nor organise the participants. They supply their skilled labour and are paid commercial rates on an hourly basis. They are an employee.
- A person engaged to clean premises once a week. They supply all their own equipment and are paid on the basis of the cleaning result achieved. This person is most likely to be a contractor carrying on an enterprise. If they don't quote an ABN, the payer is required to withhold under the no ABN rules.

If the payer has reasonable grounds to believe that the statement the supplier makes is false or misleading, they are required to withhold 47% (from 1 July 2017) from the total payment for the supply. It would be unreasonable to rely on the supplier's signed statement where the payment for the supply is contrary to what is outlined in the statement.

For details about the personal information we collect from you see [Privacy notice – Statement by a supplier](#).

Withholding from payments for supplies

Payers must withhold 47% (from 1 July 2017) from the total payment for a supply unless one of the following applies:

- payers have an invoice or some other document relating to the supply on which the supplier's ABN is quoted
- the ABN of the supplier's agent is quoted (if the supply is made through the agent)
- one of the exceptions to withholding applies, or the supplier is not entitled to an ABN.

Payers may also be required to withhold 47% (from 1 July 2017) from the payment if they have reasonable grounds to believe that the ABN quoted is invalid – for example, it belongs to another entity.

Requirements for quoting an ABN

A supplier must quote their ABN by the time the payment is made, to prevent 47% (from 1 July 2017) being withheld. A supplier may quote their ABN on an invoice or other document relating to the supply.

Documents that an ABN may be quoted on include:

- invoices
- quotes
- renewal notices (such as for insurance or subscriptions)
- order forms
- receipts
- contracts or lease documents
- letterheads, emails or internet records (web pages)
- records of over-the-phone quotation of an ABN
- catalogues (and other promotional documents) the supplier produces.

Payers must keep this information with other records relating to the supply.

Payers do not have to check if the ABN is valid. However, if they suspect that the ABN quoted does not belong to the supplier or the supplier's agent, they can check it by either:

- using ABN lookup
- phoning us on **13 72 26**, seven days a week, 24 hours a day.

If a supplier has applied for an ABN, they may ask their payer to hold back payment until the ABN has been obtained and quoted – this is a matter for the payer and the supplier to work out. However, unless one of the above exceptions applies, payers must withhold 47% (from 1 July 2017) from the payment if it is made before an ABN is quoted. If payers do not withhold from the payment, they may have to pay a penalty equal to the amount they should have withheld.

See also:

[ABN lookup](http://abr.gov.au)  - abr.gov.au

What payers need to do if they are required to withhold


If payers are required to withhold an amount, they must:

- be registered for PAYG withholding – this can be done by phoning **13 28 66** between 8.00am and 6.00pm, Monday to Friday (payers may already be registered if they are withholding from other payments, such as wages to employees)
- withhold 47% (from 1 July 2017) from the payment, unless an exception applies
- report and pay the withheld amounts to the ATO, using their activity statement
- complete a PAYG payment summary – withholding where ABN not quoted (NAT 3283), providing a copy to the supplier at the time of payment or as soon as possible afterwards – suppliers can use the payment summary to claim a credit in their income tax return for the amount withheld
- keep a copy of the payment summary with your records
- complete a PAYG withholding where ABN not quoted – annual report (NAT 3448).

What if the payer does not withhold when they are required to?

Payers may be subject to penalties if they do not withhold an amount when required. The penalty will be equal to the amount that should have been withheld. It is an offence not to withhold, and the payer may be prosecuted in appropriate cases.

Copies of this publication

A printable version of [Statement by a supplier \(PDF, 145KB\)](#)  (NAT 3346) can be downloaded as a PDF.

Find out more


If you need more information about ABNs, you can:

- visit abr.gov.au 

- phone us on **13 28 66** between 8.00am and 6.00pm, Monday to Friday
- speak to your tax adviser.

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

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

- TTY users – phone **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 relayservice.com.au  and ask for the ATO number you need.

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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 and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

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