

ATO RECEIVABLES POLICY

PART D Registration of Entities

Chapter 60

INTRODUCTION TO PART D - THE REGISTRATION OF ENTITIES

The policy in this chapter is to be followed by Tax Office staff. We have made every effort to ensure it is technically accurate, but in the interests of clarity it has been written in 'plain English' and should not be read or interpreted like legislation. If you feel that something in the chapter is wrong or misleading, please advise the Tax Office.

Date of effect: 24 July 2008 (This version replaces the 2006 version.)

Key legislation: Division 23 of the *A New Tax System (Goods and Services) Act 1999*

PURPOSE

1. This chapter sets out the broad principles underlying the Tax Office's approach to the registration of clients on the Australian Business Register (ABR), tax file number (TFN) register and for other roles.

INTRODUCTION

2. The function of registrations is to create unique identifiers and to record information to:
 - enable reliable identification of entities for tax law purposes
 - record core information about a registrant that will be accessed by multiple systems/applications
 - record and manage entitlements and obligations under tax and other laws
 - create an account for recording interactions with the tax system
 - facilitate sharing of information with other bodies as permitted by law.
3. To fulfill these functions, registrations must be maintained to ensure that information is accurate, complete and up to date, that all appropriate entities are registered and that only appropriate entities are registered.
4. There are a number of tax laws which require or entitle an entity to register. In most cases, registration is compulsory while for some (including for goods and services tax for low turnover entities and for the Australian business number) it is optional although there may be significant benefits to registration.

PRINCIPLES

5. Taxation registrants are expected to register as and when required by legislation. They are also expected to:
 - provide sufficient information to enable the Commissioner to accurately identify and contact the registrant and notify changes to the information
 - keep a record of their TFN and maintain its confidentiality
 - advise the tax office when they are no longer eligible for a registration.
6. The Commissioner of Taxation (including when acting as the Registrar of the ABR) is required to:
 - establish and maintain registers and may require registered entities to provide information to update those registers
 - treat TFNs in accordance with the secrecy principles and the Privacy Commissioner's TFN Guidelines
 - notify registrants when making certain changes to details on the register (for example cancelling a registration)
7. From time to time, the tax office may perform checks to ensure that entities on the register are entitled to be included and that the details recorded are correct.
8. The current trend in tax law is to attach registration obligations or entitlements to an entity. The term entity is specifically defined for tax law purposes and is wider than normal concepts such as person and company. Some earlier legislation does not reflect this approach, for example, the TFN provisions contain a specific expanded definition of a person.
9. Where a registration imposes obligations or provides entitlements, the date of effect may be important. Most provisions allow the Commissioner to determine dates of effect and of cancellation although these are generally reviewable decisions.