



Getting an Australian business number (ABN)

This publication explains what an Australian business number (ABN) is, if you need an ABN for your business and how you can get one.

What is an Australian business number?

An Australian business number, or ABN, is a unique 11 digit number used to identify businesses. You use your ABN to interact with other businesses and government departments and agencies, like the Australian Taxation Office (ATO). Even if your business has the same name as another business, no-one else will have the same ABN.

An ABN does not replace your tax file number (TFN). Your business will usually need its own TFN, unless you are a sole trader - then you can use your personal TFN.

Do you need an ABN?

You do not have to have an ABN, but having one will avoid having amounts withheld from payments to you. It will also make it easier for you to register for goods and services tax (GST) and other business tax registrations such as pay as you go (PAYG) withholding.

What are the benefits of having an ABN?

An ABN:

- allows other businesses to easily confirm your details for ordering and invoicing
- means you don't risk having some of the money other businesses pay you temporarily withheld as part of the PAYG withholding system.

Can anyone get an ABN?

Not everyone is entitled to an ABN. To be entitled to an ABN you must be carrying on a business in Australia. This means that you must have started trading or have undertaken business-like activities towards the commencement of trading.

If you provide services as an employee or undertake activities as a hobby, you are not entitled to an ABN for those services and activities.



If you are a sole trader, you can work out if you are entitled to an ABN by:

- using the ABN entitlement tool, available at www.ato.gov.au/abnentitlement
- phoning us on **13 28 66**.

What should you do if you have been asked to get an ABN before starting a new job?

Not everyone is entitled to or needs to have an ABN. If someone tells you to apply for an ABN, think carefully about whether you are entitled to one.

Sometimes potential employees are asked to apply for an ABN in an attempt for them to be treated as a business or contractor rather than an employee. This can affect your rights as an employee.

Having an ABN and being an independent contractor means you:

- have entered the business tax system and are no longer considered an employee
- may not receive superannuation payments from your employer
- will have to pay your own tax directly to the ATO
- may not be covered by workers' compensation if you are injured at work
- may need to organise your own insurance.



If you believe that you are being incorrectly treated as a contractor rather than an employee, contact the Fair Work Ombudsman on **13 13 94**.

What if you apply for an ABN when you are not entitled to one?

When you apply for an ABN it is important that the information you provide is true and correct.

Penalties of up to \$10,200 can occur for each false or misleading statement made in an ABN application.

Generally there is no liability to a penalty if you either made a:

- genuine mistake and we believe that you took reasonable care not to make the mistake
- voluntary disclosure the false or misleading statement before you are contacted by the Australian Business Register (ABR).



For more information on penalties, refer to Penalties for false or misleading statements made to the Australian Business Register at abr.gov.au

How do you get an ABN?

The quickest way to apply for an ABN is online at the ABR website abr.gov.au

It is free to apply for an ABN. However, if you use a tax practitioner or another service provider to complete your application for you they may charge a fee for their services.

It's important to choose a registered tax agent or BAS agent. Using a registered agent means they are qualified and experienced with tax and only a registered agent can legally charge you a fee.



You can check that your tax or BAS agent is registered by looking at the list on the Tax Practitioners Board's website tpb.gov.au or phoning them on **1300 362 829**

As part of the online ABN application process, you can:

- apply for a national business name
- get an AUSkey – a digital certificate that allows you to log in to a variety of government online services
- register for taxes including GST and PAYG withholding.

You will only have to complete your details online once as your information will be pre-filled from one registration to the next.

If you do not apply for these registrations at the same time as your ABN application, you will need to do so directly with the other government agencies who manage those registrations. We manage AUSkey, GST and PAYG registrations. The Australian Securities & Investments Commission (ASIC) manages national business name registrations.

Provided you are entitled and your details can be verified you will receive your ABN when you apply for it. We will then send you written confirmation. If you don't give us all the information we ask for or your details cannot be verified, we will process your application manually which could take up to 28 days.

What are your obligations as an ABN holder?

If you hold an ABN, legally you must notify the ABR within 28 days of any changes, such as changes to your name, address and other contact details.

If the ABR writes to you requesting information about your ABN entitlement or to confirm your identity or other details in the register, you must comply with this request.

If you are no longer in business you need to request to have your ABN registration cancelled. You should do this once you have met all of your tax obligations.



If you have an AUSkey, you can check and update your details online at the ABR website abr.gov.au or you can phone them on **13 28 66** between 8.00am and 6.00pm (AEST), Monday to Friday.



Need more information?

For more information in English, visit the ABR website at abr.gov.au

You can phone us on **13 28 66** between 8.00am and 6.00pm, Monday to Friday.

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, 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.

If you would like further information about the National Relay Service, phone **1800 555 660** or email helpdesk@relayservice.com.au