

The *Taxable payments annual report* – important information for businesses and contractors

You may need to lodge a *Taxable payments annual report* (TPAR) if you're a business or contractor providing the following services:

- building and construction
- cleaning
- courier.

The TPAR reports the payments you make to contractors (or subcontractors) for services.

Your TPAR is due by 28 August each year. Penalties may apply if you don't lodge your TPAR on time.

Your TPAR is important. It helps us to identify people who are not doing the right thing and reporting their income incorrectly. Payments made to you by other businesses may also be reported to us. Make sure you report accurately when it's time.

Doing your TPAR involves three steps: **Prepare, Record and Report.**

1. Prepare

Work out if you need to report

You'll need to lodge a TPAR if you:

- are a business providing any of the services listed above, and
- make any payments to contractors for those same services. For example, your business provides courier services and pays a contractor to carry out courier services for your business.

You may need to lodge a TPAR even if these services are only part of your business.

For examples to help you work out if you need to report visit ato.gov.au/TPAR

2. Record

Check you're keeping the right records

Keeping good records as you go will make it easier to complete your TPAR.

Check you're recording the right information for each contractor, including:

- Australian business number (ABN), where known
- name
- address
- gross amount you paid to them during the financial year (including any GST).

These details are generally found on the invoices contractors give you. It's the same information you need when claiming deductions for contractor expenses.

Use the simple worksheet on the back of this page to keep track of contractor payments information. You can also download the worksheet from ato.gov.au/TPARworksheet

3. Report

Lodge your TPAR by 28 August

If you have compatible business software, you can use it to capture the information you need to report and lodge your TPAR online.

If you're unable to lodge online you can use a TPAR form (NAT 74109). You can order this form online or by phoning our publications ordering service on **1300 720 092**.

For more information about how to lodge visit ato.gov.au/TPARlodge

Why the ATO collects information about payments to contractors

We use the information provided on the TPAR to identify contractors who have:

- not included all their income on their tax return
- not lodged tax returns or activity statements
- not registered for GST where they are required to do so
- quoted the wrong ABN on their invoices.

➤ For more information visit ato.gov.au/TPAR or speak to your registered tax agent.



Australian Government
Australian Taxation Office

Taxable payments reporting – worksheet

Details of payments to contractors for services

This worksheet may help you record details of payments you make to contractors for services. You can use the details you record in this worksheet to help you complete your *Taxable payments annual report* (TPAR).

This worksheet is for your records only – do not send it to the ATO.

Financial year	
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Contractor's name

Contractor's address

Contractor's ABN

Contractor's contact number

Date paid <i>(eg 02/07/18)</i>	Details <i>(eg invoice number, labour and materials, etc)</i>	Total tax withheld where ABN not quoted	GST amount paid <i>(eg \$100.00)</i>	Total amount paid (including GST) <i>(eg \$1,100.00)</i>
Total				