

# 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 with an Australian Business Number (ABN) providing any of the following services and paying contractors or subcontractors to carry out this work:

- building and construction
- cleaning
- courier or road freight
- information technology (IT)
- security, investigation or surveillance.

If you need to lodge a TPAR it must be lodged by the 28 August due date. Lodging a TPAR is not optional.

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

Doing your TPAR involves the three steps of **preparing, recording and reporting.**

## 1. Prepare

### Work out if you need to report

You may need to lodge a TPAR if you:

- are a business with an ABN and providing any of the services listed above
- make any payments to contractors for those same services.

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

For more information including examples to help you work out if you need to report visit [ato.gov.au/TPAR](https://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:

- ABN, where known
- name
- address
- total 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 your tax return or GST credits in your activity statement.

## 3. Report

### Lodge your TPAR by 28 August

Lodging online is quick and simple. Choose the lodgment option that works for you:

- Check if your business accounting software can create and lodge the TPAR. Talk to your digital service provider if you're not sure.
- Complete and lodge your TPAR through our Business Portal.
- Individuals and sole traders can lodge using a myGov account linked to the ATO.
- Registered tax and BAS agents can also lodge the TPAR on your behalf

For more information about how to lodge visit [ato.gov.au/TPARlodge](https://ato.gov.au/TPARlodge)

## Why we collect 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](https://ato.gov.au/TPAR) or speak to your registered tax agent.

Do you know the difference between employees and contractors?  
[ato.gov.au/employeeorcontractor](https://ato.gov.au/employeeorcontractor)



**Australian Government**  
**Australian Taxation Office**