

ABN Registration: Requirements for non-residents

Many of our overseas clients write to us to clarify the registration and compliance requirements of undertaking business in Australia. Obtaining an ABN is a key component of that, and this guide aims to clarify the additional steps and timelines involved for overseas businesses and business associates.

INTRODUCTION TO BUSINESS IN AUSTRALIA

For a foreign company looking to do business in Australia they generally have the following options:

1. Apply for an ABN (Australian Business Number) and also register for GST (Goods and Services Tax) if required;
2. Incorporate a subsidiary company in Australia (separate legal entity), which can then register for an ABN and GST in its own right; or
3. Register as a Foreign Company with ASIC, and then apply for an ABN and GST as needed (akin to establishing a branch);

The first option is the most straightforward and least expensive – however it is only generally available in circumstances where the client can demonstrate they are not ‘carrying on a business in Australia’ as defined under the Corporations Act. This may suit businesses who do not intend to have a permanent establishment in Australia or only have limited business activities planned.

Regardless of the preferred business structure, it is very likely that any business will want to apply for an ABN.

APPLYING FOR AN ABN

An Australian Business Number (ABN) is a unique 11-digit number that identifies your business to the public, the Australian Taxation Office (ATO), and other government agencies.

Non-residents may be entitled to an ABN if they're:

- ☑ Carrying on or starting an enterprise in Australia; or
- ☑ Making supplies connected with Australia's indirect tax zone

When applying for an ABN, non-residents have certain requirements for providing identity evidence and can meet these requirements by providing either:

- ☑ Their Australian Tax File Number (TFN); or
- ☑ Proof of Identity (POI) documents and a statement of their intended business activities here in Australia.

Non-resident individuals and businesses will not likely have been issued with an Australian TFN previously, and as such will be required to provide the requisite POI documents as outlined on the following pages of this guide.

GOODS AND SERVICES TAX (GST)

Goods and services tax, often known as GST, is a broad-based tax of 10% on most goods, services and other items sold or consumed in Australia. GST applies to most Australian businesses and it's highly likely that your business will be affected by the tax.

If your business is registered for GST, you'll have to collect some extra money (one-eleventh of the sale price) from your customers and pay it to the Australian Taxation Office (ATO) when it is due. You will also be able to claim credits for the GST included in the price of goods and services you buy for your business.

You must register for GST if your business has a GST turnover of A\$75,000 or more.

If required, we can assist with registering your business for GST at the same time as we complete your ABN application.

TAX FILE NUMBER (TFN)

A Tax File Number (TFN) is a unique number issued by the Australian Taxation Office (ATO) to individuals and organisations to help manage tax and other government services. If you are required to lodge a tax return in Australia for your business, then you will need a TFN.

A TFN can be obtained at the same time as an Australian Business Number (ABN).

STEPS TO APPLYING FOR AN ABN

To successfully register for an ABN in Australia with us you will need to follow the below steps carefully:

1. Contact us on admin@profinvestaccounting.com to discuss your requirements and ensure that applying for an ABN is the right course of action for your business.
2. Complete our online ABN registration form at www.profinvestaccounting.com You can elect to register for Goods and Services Tax (GST), and a Tax File Number (TFN) at the same time if required.
3. Mail the requisite Proof of Identity (POI) documents (as outlined on the following pages) to our offices at:

Profinvest Pty Ltd
PO Box 3165
Loganholme, QLD, 4129
Australia

4. Once received we will then lodge the ABN application and identity documents with the ATO on your behalf. The ATO can take up to 28 days to issue your business with its ABN. Your ABN does not need to be renewed each year (ie it is a onetime application).

POI REQUIREMENTS FOR NON-RESIDENT COMPANIES OR ORGANISATIONS

To establish the identity of a non-resident company or organisation, you must provide:

- A certified copy of a certificate of incorporation or registration from the relevant authority in your country of origin;
- Certified proof of identity documents for up to three nonresident directors / office bearers; and
- Uncertified identity documents for any additional non-resident directors / office bearers

Where any individual director (or officer bearer) of the company or organisation is non-resident they will need to provide the individual proof of identity documents as described in the next section.

POI REQUIREMENTS FOR NON-RESIDENT INDIVIDUALS

Individual non-residents must provide certified copies of two current documents for tax purposes. One must be a primary document.

Primary Documents

The following are acceptable primary proof of identity documents:

- Foreign (or Australian) passport
- Foreign (or Australian) birth certificate

Secondary Documents

The following are acceptable secondary proof of identity documents

- National photo identification card
- Foreign government identification
- Marriage certificate – note if this document is provided to authenticate change of name, it will not be recognized as a secondary document
- Drivers license – the address on the license must match the home address provided.

If you've changed your name, one of the following documents need to be also provided to support your application:

- Marriage certificate
- Deed poll
- Affidavit of name change

HOW DO I CERTIFY DOCUMENTS?

The following people are authorized to certify your identity documents outside Australia:

- Notary publics
- Staff at your Australian
 - Embassy
 - High commission
 - Consulate

An authorised certifier in the presence of the applicant should certify that each copy is a true and correct copy of the original document, by:

- Stamping, signing and annotating the copy of the documents to state *'I have sighted the original document and certify this to be a true and correct copy of the original document sighted'*
- Initialing each page
- Listing their name, date of certification, telephone number and position

DOCUMENTS IN LANGUAGES OTHER THAN ENGLISH

If you provide documents that aren't written in English, you must also provide an English translation made by an approved translation service.

All translations must include a statement from the authorised translator that it is a *'true and correct translation made from the document sighted'*. The translation should also display an official stamp, or similar showing the certifier's accreditation.

Translations should also be accompanied by a certified copy of the original document in the language of origin, which has been stamped and signed as a true and correct copy by an approved certifier.

If you are obtaining the translation from overseas – contact your nearest Australian embassy, high commission, or consulate to determine approved translators in your country. For a listing of these offices by country, visit the Australian Department of Foreign Affairs and Trade website at dfat.gov.au.

CONTACT US AND SUPPORT

If you would like to know more about applying for an ABN in Australia, please contact us by:

- email admin@profinvestaccounting.com
or calling +61 487 766 626.

ABN Australia provides a comprehensive range of company formation, business registration, corporate secretarial, and accounting and tax services meaning we can offer a true turnkey solution to launching your business in Australia.

More information is available on our website at:

www.profinvestaccounting.com