



Do you know if you need to report a TPAR?

The Taxable Payments Annual Report (TPAR) is an annual report required by the Australian Taxation Office (ATO) for specific businesses within the building and construction industry who are required to report the total payments they have made to contractors for services rendered. The TPAR report is due by the 28th of August each year.

The TPAR report is designed to allow the ATO to improve compliance with tax obligations by comparing payments made by one contractor against the tax returns of the business they pay.

This helps the ATO to identify paid contractors who:

- Have not lodged tax returns
- Have not reported all their income in their tax returns.

What types of business need to lodge a TPAR?

You may have to lodge your TPAR if you are a business providing:

- building and construction services
- cleaning services
- courier services
- road freight services
- information technology (IT) services
- security, investigation or surveillance services
- mixed services which is a business that provides one or more of the services listed above)

- Some government entities also need to report the grants they have paid in a TPAR.

How do you fill out a TPAR?

To fill out your TPAR for each contractor, you need the following information:

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

When do you need to lodge a TPAR?

If your total payments are 10% or more of your GST turnover (or if you are primarily in the building and construction industry) – a business must lodge a TPAR based on annual income.

If a business is not registered for GST, it still may be required to lodge a TPAR. All businesses have a GST turnover, regardless of whether or not they are registered for GST.

ITP The Income Tax Professionals help Australian businesses keep the right records to help when their TPAR lodgement is due. Does your business provide mixed services? Speak with a Professional and get help organising your TPAR lodgement.