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Preparing for the new Director ID regime

As part of its Digital Business Plan, the Government announced the full implementation of the 'Modernising Business Registers' program. This included recently enacted legislation introducing the new **director identification number** ('director ID') regime. The director ID is a unique identifier that a director will need to apply for once and will keep forever. This introduction will create a fairer business environment by helping prevent the use of false and fraudulent director identities to better identify and eliminate director involvement in unlawful activity. Note that **all** directors will need to apply for a director ID, including directors of corporate trustees of self-managed super funds ('SMSFs') and of family trusts.

Varying PAYG instalments due to COVID-19

Taxpayers can vary their pay as you go ('PAYG') instalments throughout the year if they think they will pay too much, compared with their estimated tax for the year. To assist taxpayers who continue to be affected by COVID-19, the ATO has stated that it will not apply penalties or interest on varied instalments for the 2021/22 income year for excessive variations when the taxpayer has taken **reasonable care** to estimate its end of year tax. Note that variations do **not** carry over into the new income year. Therefore, if a taxpayer made variations in the 2020/21 income year, they may need to vary again in 2021/22. The varied amount or rate will apply for all of the remaining instalments for the income year, or until the taxpayer makes another

Individuals will be able to apply for a director ID **from 1 November 2021** on the new Australian Business Registry Services ('ABRS') website (at *abrs.gov.au*) and will need to log in using the myGovID app (set to a 'Standard' or 'Strong' identity strength).

An individual should apply for their director ID before their next annual review date.

Individuals will need to apply for their director ID themselves to verify their identity (i.e., no one can apply for it on their behalf, including agents).

AUSTRAC transaction report information data-matching program

The ATO will acquire transaction report information data from AUSTRAC for the period of 17 June 2021 through to 30 June 2027.

The data elements made available to the ATO will depend on what is captured in the reporting process and can include identifying information of customers and institutions facilitating transactions, identifiers such as ABNs, ACNs and Australian Financial

variation.

The ATO encourages taxpayers to review their tax position regularly and vary their PAYG instalments as their situation changes.

If a taxpayer realises they have made a mistake working out their PAYG instalment, they can correct it by lodging a revised activity statement or varying a subsequent instalment. If a taxpayer is unable to pay an instalment amount, they should still lodge their instalment notice and discuss a payment arrangement with the ATO to ensure they will not have a debt at the end of the year.

Permanent changes to AGMs and electronic communications

The Government has introduced into Parliament a Bill to **permanently** allow companies to use technology to meet their regulatory requirements, and ensure that companies can continue to meet their obligations amid the uncertainty of the COVID-19 pandemic.

Specifically, the new permanent changes will:

Services Licence details, and transaction details (including transaction type, accounts, instruments, amounts and currency). The ATO estimates that records relating to approximately **nine million** individuals will be obtained each financial year. The data will be acquired and matched to ATO data to support the administration and enforcement of tax and superannuation laws, including registration, lodgement, reporting and payment responsibilities.

- ensure that **meetings** can be held physically, as a hybrid, or (if expressly permitted by the entity's constitution) virtually, provided that members, as a whole, are given reasonable opportunity to participate in the meeting;
- ensure that companies (and registered schemes) can meet their obligations to **send documents** in hardcopy or softcopy, and give members the flexibility to receive documents in their preferred format; and
- allow documents, **including deeds**, to be validly executed in technology neutral and flexible manners, including by company agents.

As we welcome you back into our Carlton office & enter the next phase of the pandemic, we wanted to share with you what to expect when you next visit.

Obviously, the safety & health of our staff and clients are our primary concern, so we have made some changes to protect our team and give our clients confidence we are doing everything possible to keep safe for us all.

On Arrival at our Office

On entering our office, please scan your QR code or sign in on the manual sign-in sheet.

It is a requirement to wear face masks, all our staff wear face masks, and we ask that you also do. We will have hand sanitiser available at the entry of our office, we encourage you to use it as you arrive.

While in Our Office

We will manage the number of clients within the office to keep it comfortable for everyone.

Please maintain a 1.5m distance from other clients and staff.

Office Holiday Closing Dates

Close Date

21 December 2021

Open Date

17 January 2022

