



Australian Government
Payment Times Reporting Regulator

Payment Times Reporting Regulator

ARCHIVED GUIDANCE MATERIAL

Valid: 1 January 2021 - 31 December 2022

© Commonwealth of Australia 2023

This publication is available for your use under a [Creative Commons Attribution 3.0 Australia](https://creativecommons.org/licenses/by/3.0/au/legalcode) licence, with the exception of the Commonwealth Coat of Arms, the Treasury logo, photographs, images, signatures and where otherwise stated. The full licence terms are available from <http://creativecommons.org/licenses/by/3.0/au/legalcode>.



Use of Treasury material under a [Creative Commons Attribution 3.0 Australia](https://creativecommons.org/licenses/by/3.0/au/legalcode) licence requires you to attribute the work (but not in any way that suggests that the Treasury endorses you or your use of the work).

Treasury material used 'as supplied'.

Provided you have not modified or transformed Treasury material in any way including, for example, by changing the Treasury text; calculating percentage changes; graphing or charting data; or deriving new statistics from published Treasury statistics — then Treasury prefers the following attribution:

Source: The Australian Government the Treasury.

Derivative material

If you have modified or transformed Treasury material, or derived new material from those of the Treasury in any way, then Treasury prefers the following attribution:

Based on The Australian Government the Treasury data.

Use of the Coat of Arms

The terms under which the Coat of Arms can be used are set out on the Department of the Prime Minister and Cabinet website (see www.pmc.gov.au/government/commonwealth-coat-arms).

Other uses

Enquiries regarding this licence and any other use of this document are welcome at:

Manager
Media and Speeches Unit
The Treasury
Langton Crescent
Parkes ACT 2600
Email: media@treasury.gov.au

Contents

Document purpose	6
About	7
About the scheme	7
How the scheme works	7
Payment Times Reporting Regulator	7
Glossary	7
Regulatory resources.....	7
Also see.....	7
The portal	7
The register	7
Small business policy	7
About the Payment Times Reporting Scheme	8
Payment Times Reporting Scheme	8
Guidance to understand the scheme	8
How the Payment Times Reporting Scheme works	9
Who has to report	9
Payment times reports.....	9
Small Business Identification Tool.....	9
Payment Times Reporting Regulator	9
Payment Times Reports Register	10
The Payment Times Reporting Regulator.....	11
Role of the Regulator	11
Payment Times Reports Register	11
Glossary	12
Regulatory resources.....	18
Information sheets	18
Reports	18
Who must report	29
Eligibility criteria	29
Income threshold	29
Group structures	29
Mergers and acquisitions	29
Volunteer reporting entities.....	29
Ceasing to report.....	29
Also see.....	29
Compliance.....	29
Reporting requirements.....	29
Eligibility criteria	30
Reporting entities.....	30

Constitutional corporation	30
Foreign entities.....	31
Corporate Commonwealth entity or company	31
Entities that carry on an enterprise in a territory	31
Body corporate incorporated or registered in a territory.....	32
State, territory and local government.....	34
Joint ventures, trusts and partnerships.....	34
Income threshold	36
Threshold for reporting.....	36
Most recent income year	36
Total income.....	36
Determining total income	36
Examples.....	38
Check if your business is a reporting entity	40
Group structures	42
Member entities.....	42
Controlling corporation.....	42
Group level reporting	43
Mergers and acquisitions	44
Reporting requirements.....	44
Examples.....	44
Treatment of total income for mergers and acquisitions	45
Volunteer reporting entities.....	47
Volunteer to report	47
Ceasing to report.....	48
Reasons to cease reporting.....	48
Apply to cease reporting.....	48
Approval to cease reporting.....	48
When you don't need to apply.....	48
Reporting requirements	49
What is in a report.....	49
Reporting periods.....	49
Invoices to report	49
Also see.....	49
Compliance	49
How to report.....	49
What is in a report.....	50
Invoice payments to report.....	50
Values in a report	50
Payment times report template.....	50
Items to report	50
Record keeping requirements.....	58

- Reporting periods 59
 - The 2 reporting periods 59
 - Reporting window 59
 - Income year 59
 - Record keeping after a reporting period 60
- Invoices to report 61
 - Invoice payments to report 61
 - Entity responsible for reporting 61
 - Invoice issue (receipt) day 62
 - Paid invoice 63
 - Disputed invoices 64
 - Recipient created tax invoices 66
 - Rebates 66
 - Credit notes 66
 - What not to report 66
- How to report 67**
 - Payment Times Reporting Portal 67
 - Preparing your report 67
 - Small Business Identification Tool 67
 - How to identify your small business suppliers 67
 - Setting up for group reporting 67
 - Frequently asked questions 67
- Also see 67
 - Compliance 67
- Payment Times Reporting Portal 68
 - Reporting through the portal 68
 - Portal registration 68
 - Small Business Identification Tool 68
 - Volunteer reporting 68
 - Reporting Portal troubleshooting 68
 - Troubleshooting in the Payment Times Reporting Portal 69
- Preparing your report 72
 - Registering in the reporting portal 72
 - Payment times report template 72
 - Completing a report 73
 - Submitting a report 74
 - Applying for an extension 74
 - Revising a report 74
- Small Business Identification Tool 76
 - How the SBI Tool works 76
 - Small businesses under the scheme 76
 - Updating your details in the SBI Tool 76
 - Updating another business's details in the SBI Tool 76

Small businesses opting in or out of the SBI Tool	76
Providing feedback on the SBI Tool.....	77
How to identify your small business suppliers	78
About the SBI Tool.....	78
When to use the SBI Tool	78
How to use the SBI Tool	78
Setting up for group reporting	80
Your organisational structure.....	80
How to register your entity as part of a group.....	80
Changes to how you link group members.....	80
How to add head and member entities	80
Frequently asked questions.....	82
Who must report.....	82
When to report.....	82
How to report.....	83
Compliance and enforcement.....	85
Compliance and enforcement tools.....	85
Penalties for non-compliance.....	85
Reviewing a decision	85
Also see.....	85
How to report.....	85
Regulatory resources.....	85
The Regulator	85
Compliance and enforcement tools	86
Education and guidance	86
Guidance letter.....	86
Publishing non-compliance	87
Audits for non-compliance	87
Infringement notice process	87
Monitoring and investigations	88
Penalties for non-compliance.....	89
Different penalties apply.....	89
Civil penalties	89
Mistake of fact.....	90
Failure to report	90
Providing a false or misleading report	90
Failure to keep records.....	90
Failure to comply with a notice to appoint an auditor and provide an audit report.....	90
Failure to provide the auditor with all reasonable facilities and assistance necessary	91
Infringement notice penalties.....	91
Reviewing a decision	92
Reviewable decisions	92
Applying for reconsideration.....	92

Reconsideration of the decision.....	92
Independent review	92
How to view reports	93
About the register	93
How to use the register dashboard.....	93
What's in the register	93
Also see.....	93
Payment Times Reports Register	93
Payment Times Reports Register now available	93
About the register	94
What's in the register	94
Who can use the register	94
What we publish in the register	94
What we don't publish	94
When we publish.....	95
Register dashboard	95
What is in the register	96
Report information.....	96
Reporting entities.....	96
Register data	96
Can't find a report or business?	97
What isn't in the register.....	98
How to use the register dashboard.....	100
About the Payment Times Reports Register	100
View register data in the dashboard	100
Provide feedback.....	101

Document purpose

On 28 October 2022 the Payment Times Reporting Regulator published updated [guidance](#) materials.

Information about the [guidance consultation](#) and changes to guidance materials is available on the [Payment Times Reporting Scheme website](#).

The updated Guidance notes and Information Sheets provide principles-based guidance to help reporting entities meet their obligations and understand the expectations of the Regulator when administering the [Payment Times Reporting Act 2020](#).

As a result of this new guidance material, information published on the Payment Times Reporting Scheme website required an update.

This document is a copy of web content prior to it being updated for archival purposes.



About

The Payment Times Reporting Scheme aims to improve payment outcomes for small businesses. Learn about the background to the scheme, how the scheme works and the role of the Payment Times Reporting Regulator.

About the scheme

The purpose of the Payment Times Reporting Scheme and how this site can help you.

How the scheme works

Get an overview of the reporting process, reporting tools and how the scheme is enforced.

Payment Times Reporting Regulator

Learn about the role of the Regulator and how we monitor and enforce compliance.

Glossary

Understand the terms used in the Payment Times Reporting Scheme.

Regulatory resources

Find guidance to help comply with your obligations and understand how we administer the Act.

Also see

The portal

Read about the Payment Times Reporting Portal – where entities submit their reports.

The register

Find out about the Payment Times Reports Register – where you can access reported information.

Small business policy

Learn how we provide advice and oversight on small business policy issues and programs.



About the Payment Times Reporting Scheme

The Payment Times Reporting Scheme aims to improve payment outcomes for small businesses. It creates transparency around the payment practices of large businesses.

Payment Times Reporting Scheme

Under the Payment Times Reporting Scheme, large businesses must report every 6 months on their payment times and terms to small businesses. These reports are made publicly available on the [Payment Times Reports Register](https://register.paymenttimes.gov.au/) (<https://register.paymenttimes.gov.au/>).

This gives small businesses (and members of the public) access to information on large businesses' payment performance. This helps small businesses make informed decisions about who they do business with. Making payment information available to the public also encourages large businesses to improve their payment times. The scheme doesn't set any payment terms or mandate payment times for large businesses.

The scheme commenced on 1 January 2021. We administer the scheme under the *Payment Times Reporting Act 2020* (<https://www.legislation.gov.au/Series/C2020A00091>), *Payment Times Reporting Rules 2020* (<https://www.legislation.gov.au/Series/F2020L01472>) and the *Payment Times Reporting (Form and Manner for Giving Report) Instrument 2021* (<https://www.legislation.gov.au/Series/F2021N00071>).

Guidance to understand the scheme

This website provides information about the Payment Times Reporting Scheme including:

- who must report
- reporting requirements
- how to report
- how to view submitted report information
- how we monitor and enforce compliance.

There is also more detailed guidance on our [Regulatory resources](#) page to assist reporting entities to comply with their obligations and understand how we administer the Act.

Where appropriate, you should seek independent legal advice to ensure you comply with any requirements. The Regulator cannot provide you with advice on:

- how to comply with the scheme
- whether you need to report.

We update this guidance from time to time. Make sure you're referring to the latest version.



How the Payment Times Reporting Scheme works

The Payment Times Reporting Scheme requires reporting entities – mostly large businesses – to report on their payment terms and practices for their small business suppliers.

Who has to report

Businesses required to report on their payment practices are those that:

- are constitutionally covered
- run a business in Australia
- earn over \$100 million in total annual income.

Other entities that must report are:

- those earning over \$10 million total annual income that are members of a controlling corporation with over \$100 million combined income
- Commonwealth companies and corporate entities that earn over \$100 million total income a year.

Constitutionally covered entities that don't meet these requirements can volunteer to report.

Entities that are registered under the *Australian Charities and Not-for-Profits Commission Act 2012* (<https://www.legislation.gov.au/Series/C2012A00168>) don't have to report, but may volunteer to.

Payment times reports

Payment times reports are due every 6 months of a business's income year. Businesses submit their reports through the [Payment Times Reporting Portal](https://portal.paymenttimes.gov.au/) (<https://portal.paymenttimes.gov.au/>). They must submit them within 3 months from the end of the reporting period.

The first reporting period for businesses with common income years was 1 January 2021 to 30 June 2021. So, first submission of reports was due 30 September 2021. A common income year may be an Australian financial year or a calendar year.

The payment times report:

- identifies the business
- provides data on the business's payment terms and practices
- includes other relevant information about the business
- must be approved by either a responsible member of the entity or its controlling corporation.

Small Business Identification Tool

The [Payment Times Reporting Small Business Identification \(SBI\) Tool](#) helps large businesses to identify, and report on, their small business suppliers.

Large businesses can upload their suppliers' Australian Business Numbers (ABNs) to the SBI Tool. The tool then returns a list of small business supplier ABNs that they must report on.

Payment Times Reporting Regulator

Our role is to provide a reliable and transparent source of information about payment terms and performance of large businesses to their small business suppliers operating in Australia

We publish this information to allow small businesses to make more informed decisions when supplying large businesses and to incentivise large businesses to improve payment terms and practices.

Payment Times Reports Register

We publish the information from payment times reports on the [Payment Times Reports Register](#) (<https://register.paymenttimes.gov.au/>).

The register is available in a downloadable Excel file that we update regularly. You can also use an interactive dashboard to search for and view register data.



The Payment Times Reporting Regulator

The Payment Times Reporting Regulator was established under the *Payment Times Reporting Act 2020 (Act)* (<https://www.legislation.gov.au/Series/C2020A00091>).

Role of the Regulator

Our core functions are to receive payment times reports from large businesses every 6 months and publish those reports. These functions are designed to encourage improved large business times by:

- providing transparency on payment terms and performance
- enabling small businesses to assess large businesses performance before agreeing to supply goods or services

It is not our role to mandate or enforce payment terms and times by large businesses.

We have a range of powers to ensure compliance by reporting entities, including powers to:

- publish details of non-compliance
- undertake an investigation or compliance audit
- issue an infringement notice
- pursue civil penalties.

In addition to our core functions, we must assist large businesses to identify small businesses.

The Regulator publishes an annual report on the operation of the *Payment Times Reporting Act 2020* (<https://www.legislation.gov.au/Details/C2021C00531>). This is part of the Treasury's annual report (<https://treasury.gov.au/the-department/corporate-publications/annual-report>).

Read more about our approach to regulation

Payment Times Reports Register

The Regulator maintains the Payment Times Reports Register (<https://register.paymenttimes.gov.au/>). This public register shows how each reporting entity is paying their small business suppliers.



Glossary

Payment Times Reporting Scheme terms and concepts explained.

Term	Definition
ABN	Australian Business Number, a unique 11-digit number that identifies businesses to the government and the community.
the Act	The <i>Payment Times Reporting Act 2020</i> (https://www.legislation.gov.au/Series/C2020A00091).
Body corporate	The term body corporate covers any artificial legal entity having a separate legal personality. These entities have perpetual succession. They also have the power to act, hold property, enter into legal contracts and sue and be sued in their own name.
Carrying on an enterprise	The meaning given by section 5 of the Act. Includes doing anything in the course of the commencement or termination of the enterprise. See also Enterprise.
Commonwealth	Commonwealth of Australia.
Constitutionally covered entity (CCE)	Constitutionally covered entity (CCE) has the meaning given by section 6 of the Act. CCEs are: <ul style="list-style-type: none"> • a constitutional corporation (a trading or financial corporation formed within the limits of the Commonwealth) • a foreign entity • a corporate Commonwealth entity or a Commonwealth company, within the meaning of the <i>Public Governance, Performance and Accountability Act 2013</i> (https://www.legislation.gov.au/Series/C2013A00123) • an entity, other than a body politic, that carries on an enterprise in a territory • a body corporate that is incorporated in a territory • a body corporate that is taken to be registered in a territory under section 119A of the <i>Corporations Act 2001</i> (https://www.legislation.gov.au/Series/C2004A00818).
Contract	A contract can be written, oral or partly written and partly oral. A contract may be defined as an agreement between 2 or more parties that is intended to be legally binding.
Controlling corporation	Controlling corporation has the meaning given by section 5 of the Act and is drawn from concepts in the <i>Corporations Act 2001</i> (https://www.legislation.gov.au/Series/C2004A00818). Controlling corporation refers to an Australian body corporate that is not a subsidiary of another body corporate that is incorporated in Australia.



Term	Definition
Disputed invoice	<p>A disputed invoice is where:</p> <ul style="list-style-type: none"> • a large business raises a formal dispute over the goods or services provided by a small business supplier and the large business withholds or only makes a partial payment, pending resolution of the dispute • a small business supplier raises a dispute in relation to a partial or incomplete payment.
Enforcement day	<p>Enforcement day has the meaning given by subsection 37(2) of the Act.</p> <p>The day occurring 12 months after the commencement of the Act when the civil penalty provisions of the Act begin to apply (on 1 January 2022).</p>
Enterprise	<p>Enterprise has the meaning given by section 5 of the Act.</p> <p>An enterprise is an activity or series of activities done:</p> <ul style="list-style-type: none"> • in the form of a business • in the form of an adventure or concern in the nature of trade • on a regular or continuous basis, in the form of a lease, licence or other grant of an interest in property • by the trustee of a fund covered by subdivision 30-B of the <i>Income Tax Assessment Act 1997</i> (https://www.legislation.gov.au/Series/C2004A05138) to which deductive gifts can be made • by the trustee or a person who manages a complying superannuation fund (see section 45 of the <i>Superannuation Industry (Supervision) Act 1993</i> (https://www.legislation.gov.au/Series/C2004A04633)) • by a charity • by the Commonwealth, a state or a territory, or by a body corporate established for a public purpose under a law of the Commonwealth, a state or a territory • by a trustee of a fund covered by item 2 of the table in section 30-15 of the <i>Income Tax Assessment Act 1997</i> (https://www.legislation.gov.au/Series/C2004A05138) or of a fund that would be covered by that item if it had an ABN.
Goods and services	<p>For the purposes of the scheme:</p> <ul style="list-style-type: none"> • goods are items that are usually tangible and articles of trade, wares or merchandise, such as office equipment, machinery and food • services are activities provided by other people, such as medical providers, trade persons and delivery people.
Group structure of a controlling corporation	<p>A collection of member entities and the controlling corporation.</p>



Term	Definition
Income year	Income year has the meaning given by section 5 of the Act. The financial year used by businesses for tax purposes including where the Commissioner of Taxation allows an entity to adopt an accounting period ending on a day other than 30 June. Where income tax is not payable by the reporting entity, they may use a standard financial year as their income year.
Issue day	The date an invoice is received by an entity in accordance with the invoicing requirements of the relevant contract, regardless of any other date entered into a software system for the entity.
Invoice date	The date which is marked on an invoice as the 'invoice date'.
Invoice paid	An invoice is paid when money has been debited from the procuring business's applicable account. For cash and cheque payments, it is paid on the day the cash or cheque is given to the supplier.
Member	Member has the meaning given by section 5 of the Act. A subsidiary of a controlling corporation is a member of the controlling corporation's group (unless it is also a subsidiary of another body corporate because the body corporate meets the requirement in subparagraph 46(a)(i) or (ii) of the <i>Corporations Act 2001</i> (https://www.legislation.gov.au/Series/C2004A00818) in relation to the subsidiary; and the other body corporate is not a member of the group).
the Minister	The Minister responsible for the Act.
Payment Times Reports Register	A publicly available register of published payment times reports.
Payment times report	Payment times report has the meaning given by section 5 of the Act. A report which must be given to the Regulator in accordance with the Act.
Payment Times Small Business Identification Tool	Payment Times Small Business Identification (SBI) Tool means the tool developed for large businesses to identify their small business suppliers for the purposes of preparing a payment times report.
Principal governing body	Principal governing body has the meaning given by section 5 of the Act. The body, or group of members of the entity which are primarily responsible for the governance of the entity, such as the board of a company.
Recent income year	The most recent income year for an entity will be its previous income year and, if relevant, the previous year of its controlling corporation's group.



Term	Definition
the Regulator	<p>The Regulator has the meaning given by subsection 24(3) of the Act.</p> <p>The Payment Times Reporting Regulator is a Senior Executive Service employee who is responsible for administering, monitoring and enforcing compliance with the Act.</p>
Reporting entity	<p>Reporting entity has the meaning given by section 7 of the Act.</p> <p>A reporting entity is any of the following:</p> <ul style="list-style-type: none"> • Entities that are constitutionally covered, carry on an enterprise in Australia, and <ul style="list-style-type: none"> > the total income for the entity for the most recent income year was more than \$100 million > if the entity is a controlling corporation, the combined total income of the controlling corporation's group for the most recent income year was more than \$100 million > if the entity is a member of a controlling corporation's group that has a combined income of more than \$100 million for the most recent income year, the total income for the entity for the most recent income year was at least \$10 million • Entities that are constitutionally covered entities and before the start of the relevant income year give the required notice to elect to become reporting entity (a volunteering entity) at the start of that income year.
Reporting period	<p>Reporting period has the meaning given by section 8 of the Act.</p> <p>The first 6 months of each income year for the reporting entity and the remainder of each such income year.</p>
Reporting window	<p>The 3-month period in which the reporting entity must submit their payment times report for each reporting period.</p>
Responsible member	<p>Responsible member has the meaning given by section 5 of the Act.</p> <p>A responsible member of an entity may be any of the following:</p> <ul style="list-style-type: none"> • an individual member of the entity's principal governing body who is authorised to sign the payment times report, for example as a member of a company's board of directors • the sole trustee of a trust • the individual constituting the corporation of a corporation sole • the administrator of an entity under administration within the meaning of the <i>Corporations Act 2001</i> (https://www.legislation.gov.au/Series/C2004A00818).
the Rules	<p>Has the meaning given by section 5 of the Act.</p> <p>A legislative instrument, made by the Minister, which prescribes matters necessary or convenient for carrying out or giving effect to the Act.</p>

Term	Definition
Small business	<p>Small business has the meaning given by section 5 of the Act.</p> <p>An entity that is described as a small business by the Payment times Small Business Identification Tool.</p> <p>The tool identifies businesses (including subsidiaries of a larger business) as small businesses if they carry on an enterprise in Australia, have an ABN and their annual turnover was less than \$10 million for the most recent income year.</p> <p>Commonwealth, state and territory government entities are excluded from the small business definition so don't need to be reported on.</p>
Small business invoice	<p>Small business invoice has the meaning given by section 5 of the Act.</p> <p>A document issued to an entity that notifies them of an obligation to pay an amount to a small business supplier.</p>
Small business supplier	<p>Small business supplier has the meaning given by section 5 the Act.</p> <p>A small business supplier means a small business that supplies goods and services to the entity.</p>
Standard payment period	<p>A supply payment period on offer for inclusion in the entity's contracts with small business suppliers. Where there is no supply payment period on offer, it's the supply payment period most commonly included in the entity's contracts with small business suppliers.</p> <p>The contract can be written, oral, or partly written and partly oral.</p>
Supply chain finance arrangement	<p>An arrangement under which the procuring entity undertakes to pay the supplier's invoice, themselves or through a third-party intermediary, before the end of the relevant payment term if the supplier agrees to accept a discount on the payment.</p>
Supply payment period	<p>The period within which payment is required to be made for the supply of goods or services, disregarding any applicable supply chain finance arrangement.</p>
Territory	<p>Includes the Australian Capital Territory, Northern Territory, Jervis Bay or an external territory of Australia.</p>
Total income	<p>Total income has the same meaning as in section 3C of the Taxation Administration Act 1953 (https://www.legislation.gov.au/Series/C1953A00001).</p> <p>The scheme applies this meaning of total income to all individual entities. It's not limited to entities that lodge tax returns. In some cases this means an entity that wouldn't ordinarily calculate its 'total income' – for example, if it's part of a tax consolidated group structure, lodges a non-corporate income tax return or doesn't lodge any income tax return at all – will need to calculate its notional 'total income' to determine if it meets the relevant income threshold.</p> <p>Total income is an accounting system amount and generally corresponds to the total of the relevant amounts in an entity's financial statements or financial records for the income year, prepared in accordance with Australian accounting standards.</p>



Term	Definition
Trade credit arrangement	An arrangement where a procuring entity and supplier agree that payment for the supply of goods or services to the supplier is to be made after the supply has occurred.
Volunteer reporting entities	CCEs, with less than \$100 million total annual income, that have elected to participate in the scheme as volunteer reporting entities.



Regulatory resources

These regulatory resources are to assist reporting entities to comply with their obligations and understand how we administer the *Payment Times Reporting Act 2020* (<https://www.legislation.gov.au/Series/C2020A00091>).

Guidance notes provide detailed guidance and practical examples to assist reporting entities to comply with their obligations and understand how we interpret the law.

Information sheets are short guidance documents on a specific process or function.

Information sheets

Number	Title	Download
1	Information sheet 1: Our approach to regulation	Information sheet 1 [PDF 583.93 KB]
2	Information sheet 2: Regulator decisions – Your rights	Information sheet 2 [PDF 218.25 KB]

Reports

Title
Regulator's update July 2022
Liaison Forum Presentation - Regulator's Update - July 2022



Our approach to regulation

Information sheet 1

[Download](#)

Our role

Our role is to provide a reliable and transparent source of information about payment terms and performance of large businesses to their small business suppliers operating in Australia.

We publish this information to allow small businesses to make more informed decisions when supplying large businesses and to incentivise large businesses to improve payment terms and practices.

Our functions

The Payment Times Reporting Regulator was established under the *Payment Times Reporting Act 2020* (<https://www.legislation.gov.au/Series/C2020A00091>) (the Act). Our core functions are to receive payment times reports from large businesses every 6 months and publish those reports.

These functions are designed to encourage improved large business payment times by:

- providing transparency on payment terms and performance
- enabling small businesses to assess large businesses performance before agreeing to supply goods or services.

It is not our role to mandate or enforce payment terms and times by large businesses.

We have a range of powers to ensure compliance by reporting entities, including powers to:

- publish details of non-compliance
- undertake an investigation or compliance audit
- issue an infringement notice
- pursue civil penalties.

In addition to our core functions, we must assist large businesses to identify small businesses.

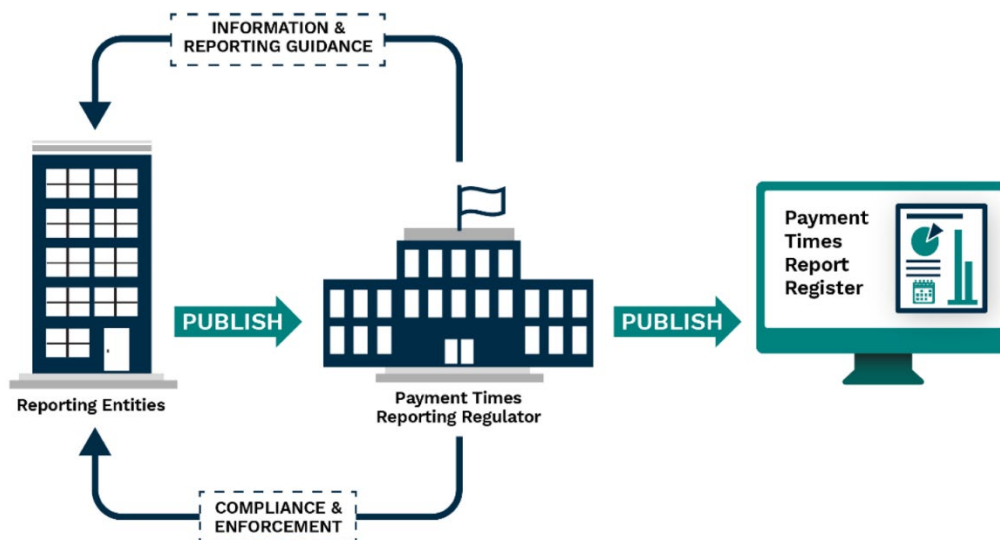


Figure 1: The function of the Payment Times Reporting Regulator.

Regulator principles

Our objectives when regulating payment times reports are to:

- **Encourage voluntary compliance by making it easy to comply.** Our aim is to make compliance easy by helping entities understand reporting requirements, submit payment times reports, and identify small business suppliers. We look to continually improve the experience and reduce the burden for entities to comply with their obligations.
- **Provide a Payment Times Reports Register that is accessible and complete.** We recognise the benefits of a Payment Times Reports Register that is reliable, complete, and easy to use. We look to continuously improve and update the register with the most complete information available to help small businesses make informed decisions. This may include publishing non-compliance by entities with reporting obligations.
- **Provide a Payment Times Reports Register that is reliable.** Reporting entities are responsible for providing us accurate information to publish on the register. We will undertake routine and targeted compliance and data quality activities to ensure information published on the register is accurate.
- **Promote improved payment times to small businesses.** We seek to improve payment times for small business by providing transparency of payment times performance by large business. We do not mandate or enforce payment times but may publish information concerning the payment terms and performance of specific entities, sectors, or industries.
- **Ensure entities with obligations under the Act take those obligations seriously.** This includes taking compliance and enforcement action to deter non-compliance, with a focus on continuous, repeated, or intentional non-compliance.

We continuously assess our performance to ensure best practice regulation as provided under the [Regulator Performance Guide \(https://deregulation.pmc.gov.au/priorities/regulator-best-practice-and-performance\)](https://deregulation.pmc.gov.au/priorities/regulator-best-practice-and-performance). In accordance with the guide, we are committed to:

- **Continuous improvement and building trust.** We look to deliver our functions with an understanding of issues faced by reporting entities when reporting, and to make compliance as easy as possible. We also engage transparently with reporting entities on how we intend on delivering our functions, including during compliance and enforcement activities.
- **Being risk-based and data driven.** Payment times reports come from a wide range of entities, many with existing reporting obligations under other regulatory regimes. We use data collected under the Act and by other government agencies to reduce regulatory burden by ensuring compliance is targeted efficiently.
- **Collaboration and engagement.** We understand the complexity and effort needed to meet obligations under the Act will vary for different reporting entities. We welcome feedback from reporting entities and other users of the register to help us improve the delivery of our functions. This includes providing avenues for stakeholder feedback and broad consultation on regulatory guidance.

Maintaining the Payment Times Reports Register

Transparency of reporting

Under the Act we must publish payment times reports and we believe it is important for small business to have transparent access to information as supplied by reporting entities.



Reporting entities may provide details that give a small business context or insight into their payment terms or performance. Where possible, we publish payment times reports in the form they are received from a reporting entity.

Redaction of reports

There are circumstances where we may redact information provided by a reporting entity in a payment times report. We may not publish certain information where the publication is not in the public interest. This typically includes information that:

- is defamatory, slanderous, or blasphemous
- provides comments or details of specific transactions or suppliers
- contains personal information regarding individuals that are not associated with the reporting entity
- is clearly erroneous or misleading
- passes opinions or comments on the purpose, policies, or requirements for payment times reporting
- is otherwise not in the public interest to publish.

If information is not in the public interest to publish it may be redacted in part or in full.

Other information not published

Some information in payment times reports may not be published because it does not relate to payment terms or performance. For example, we collect contact details of the individual submitting payment times reports for administrative purposes.

We will continuously update our [privacy policy](#) and guidance materials, and clearly identify information we do not intend to publish to the register.

Register updates and availability

During ordinary periods we publish payment times reports as soon as practicable.

In peak reporting periods, usually September and March each year, we receive a high volume of reports. To ensure fairness to reporting entities, where we receive a high volume of reports for the same reporting period, publication may be delayed until reports can be released together.

The register is only maintained online and will be provided in multiple formats, including as a downloadable data file and accessible by interactive search tools.

Approach to non-compliance

Non-compliance penalties and enforcement

We do not have powers to modify or reduce the requirements or obligations of reporting entities. We expect entities to take their obligations under the Act seriously and to comply with requirements.

We may take compliance or enforcement action to address non-compliance detected in our compliance activities with a focus on conduct where non-compliance is:

- repeated
- not remediated in a timely manner
- the result of indifference or carelessness by a reporting entity to its obligations
- intentional.

In these cases, we may publish details of non-compliance, undertake an investigation, require a reporting entity to undergo a compliance audit, issue an infringement notice, or commence civil penalty action.

We take an escalating approach to use of our compliance and enforcement tools. Where entities act in good faith and demonstrate a willingness to comply, we will facilitate compliance and remediation.



Figure 2: The Payment Times Reporting Regulator's approach to compliance and enforcement.

Publication of non-compliance

Our objectives when maintaining the register include that it be accessible, complete, and reliable.

We intend on using powers to publish details regarding non-compliance to provide small business with as much information as possible to make an informed decision. We believe it may be relevant to small business when deciding to supply a large business that it has not been transparent regarding its historical payment terms and performance.

If non-compliance by a reporting entity is not remediated in a timely manner, we may publish details of the non-compliance to inform users of the register while continuing to consider escalation and the use of other compliance and enforcement tools.

This may mean reporting a entity will have details of its non-compliance published before commencement of other compliance and enforcement activities, such as investigations and audits. It may also mean that details of historical non-compliance may continue to be publicly available after remediation.

Report quality and assurance

To ensure information published on the register is accurate and reliable, we will undertake data-driven quality and assurance programs. These programs will be aimed at identifying and remediating inaccurate or misleading reports.

We may use compliance powers for these programs to ensure payment times reports are accurate by verifying the calculation and preparation process used by a reporting entity. These programs are retrospective and may apply to reports already published on the register.

If a report is identified as misleading, we may take additional compliance or enforcement steps regarding the report.

Support for reporting entities

An entity may be required to give a payment times report because of its legal structure and meeting certain financial thresholds or because it has opted-in to report under the scheme. This means the size and circumstances of reporting entities can vary.

We understand the complexity of reporting obligations affects reporting entities differently and we undertake to continuously improve guidance material and reporting systems, including the reporting portal and Small Business Identification Tool, based on feedback from reporting entities.

When practicable, we ensure guidance materials are available for public consultation prior to implementation. We aim to ensure guidance is timely and helpful for reporting entities while also clear and transparent on the requirements of the Act and our expectations.

We will also maintain publicly available channels for reporting entities to make enquiries on the interpretation of policies and guidance, however we will not provide legal or other professional advice.



Figure 3: The support options available to reporting entities.

Applications

We have powers to assist reporting entities to achieve compliance by:

- accepting revised payment times reports
- giving an extension of time to provide a report
- redacting certain information from a report.

When reviewing applications to use these powers we will consider whether the request is within the scope of our powers and the mandatory considerations of the Act. In some cases, powers may be limited to specified circumstances.

When making an application requesting we use these powers, reporting entities should be fulsome, clear and transparent on the reasons for the application and ensure it is made in a timely manner. Where applications are made with insufficient information or outside of statutory time limits, we may not be able to provide the relief sought.

Engagement with the Regulator

Stakeholder engagement

When engaging with reporting entities, small businesses and their respective advisors and representatives, we use the following guidelines:

- Ensure engagements concerning policies, guidance and our regulatory approach are broad and inclusive.
- Provide opportunities for liaison with stakeholders to collect feedback to drive continuous improvement.

- Provide avenues for feedback and enquiries from reporting entities and their advisors for report-related queries. Prioritise businesses seeking to comply with their obligations.
- Where practicable, undertake public consultations on policies and guidance materials prior to implementation.
- Where possible, provide advanced notice of system limitations, including when services may be unavailable for upgrades or other reasons.

Reports of non-compliance

We encourage reports of non-compliance from small businesses, company officers and employees, and members of the public. We will assess and triage reports of non-compliance from any source, even when made anonymously via our support mailbox support@paymenttimes.gov.au.

Protected information

Protected information obtained under the Act that is included in payment times reports may be published on the register. However, the use or disclosure of protected information in other circumstances may be restricted. We will only share protected information in accordance with the requirements of the Act and, in the case of protected information that is personal information, in accordance with Treasury's privacy policies.

We may be limited in some cases on the information we can share with reporting entities and the public regarding the scheme.

Review of decisions

Reporting entities can apply for a review of certain decisions. For more information on how to request a review of a decision please visit [Reviewing a decision](#).

Last updated: 15 June 2022



Regulator decisions – Your rights

Information sheet 2

[Download](#)

Decisions by the Regulator

Our decisions

We make decisions in administering the *Payment Times Reporting Act 2020* (<https://www.legislation.gov.au/Series/C2020A00091>) (the Act) including decisions about:

- registration of payment times reports (reports), including revised reports
- redaction of reports
- applications for extensions of time to give a report
- applications to cease to be a reporting entity
- publication of non-compliance to the Payment Times Reports Register
- other matters in administering the Act.

Before we decide to publish information about an entity's non-compliance with its obligations under the Act on the [Payment Times Reports Register](https://register.paymenttimes.gov.au/) (<https://register.paymenttimes.gov.au/>), we must invite the entity to make a written submission. Where appropriate, we may also contact affected entities prior to making other decisions to seek additional information.

Information about a decision

We must provide reasons for certain decisions under the Act. We aim to give written reasons for a decision whenever the decision may have adverse impacts on a reporting entity.

If you have been affected by a decision of the Regulator without being given the reasons for the decision, you may be entitled to ask for this information in writing. You can submit a request for the reasons in writing to support@paymenttimes.gov.au.

You may also request documents regarding a decision under the *Freedom of Information Act 1982* (<https://www.legislation.gov.au/Series/C2004A02562>). For information on making a freedom of information request visit the [Freedom of Information](https://treasury.gov.au/the-department/accountability-reporting/foi) (<https://treasury.gov.au/the-department/accountability-reporting/foi>) page on the Treasury website.

Review of decisions

Reviewable decisions under the Act

Subsection 52(2) of the Act gives persons who are affected by a **reviewable decision** the right to apply for an internal review of the decision. The following are reviewable decisions:

- a decision not to determine that an entity has ceased to be a reporting entity
- a decision not to allow further time to give a payment times report
- a decision to publish the identity of an entity or details of non-compliance.

Reconsideration of a reviewable decision is an internal review by either:

- the individual occupying the statutory role of Payment Times Reporting Regulator
- a delegate of the Regulator who was not involved in the original decision and occupies a position that is at least the same level as the person who made the original decision.



The individual reviewing the decision must do one of the following:

- affirm the decision
- vary the decision
- set the decision aside and substitute a new decision.

We will provide notice of the review decision in writing, including the date it takes effect and the reasons for the decision.

If you do not receive notice within 90 days of applying for a review decision, the original decision is deemed to have been affirmed.

Applying for reconsideration

You must apply in writing for reconsideration of a reviewable decision within 14 days after receiving the decision. You must set out the reasons for seeking reconsideration of the decision in your application. There is no application fee.

The easiest way to apply for reconsideration of a reviewable decision is via the [Payment Times Reporting Portal](https://portal.paymenttimes.gov.au/) (<https://portal.paymenttimes.gov.au/>).

Independent review

Our decisions may be reviewable by the Administrative Appeals Tribunal (AAT). The AAT may do one of the following:

- affirm the decision
- vary the decision
- set the decision aside and substitute a new decision.

Applications for an AAT review must be made in writing, usually within 28 days of receiving the decision that you want the AAT to review. You may need to pay an [application fee](https://www.aat.gov.au/apply-for-a-review/other-decisions/fees) (<https://www.aat.gov.au/apply-for-a-review/other-decisions/fees>). For more information visit the [AAT website](https://www.aat.gov.au/) (<https://www.aat.gov.au/>).

Decision queries and complaints

If you have queries regarding a decision or a complaint about the handling of a matter, we encourage you to [contact us](#). This may result in escalation of your matter to a more senior member of staff.

You may also make a complaint to the [Commonwealth Ombudsman](https://www.ombudsman.gov.au/) (<https://www.ombudsman.gov.au/>).

Issue date: 20 June 2022



Regulator's update | July 2022

Download

Read our July 2022 update on the Payment Times Reporting Scheme with insights from the latest report data.

Summary

The *Payment Times Reporting Act 2020* (<https://www.legislation.gov.au/Series/C2020A00091>) (the Act) has been in operation for over 12 months, with 8,885 reporting entities reporting under the scheme and 16,801 payment times reports received as at 30 June 2022.

About the Regulator's update

The Regulator releases an update on the Payment Times Reporting Scheme following major releases of reports to the Payment Times Reports Register.

Read the updates to find out about scheme progress, insights from the latest payment times reports, updates to guidance and our plans for the next 6 months.



Liaison Forum Presentation - Regulator's Update - July 2022

Download

View the presentation from the July 2022 Liaison Forum giving an update on the Payment Times Reporting Scheme with insights from the latest report data.

Summary

The *Payment Times Reporting Act 2020* (<https://www.legislation.gov.au/Series/C2020A00091>) (the Act) has been in operation for over 12 months, with 8,885 reporting entities reporting under the scheme and 16,801 payment times reports received as at 30 June 2022.

About the Liaison Forum

The Liaison Forum will be held after every major release of reports to the [Payment Times Reports Register](https://register.paymenttimes.gov.au/) (<https://register.paymenttimes.gov.au/>). It provides an opportunity for stakeholders to hear from the Regulator and leadership team first hand about the latest report data and activities being undertaken by the Regulator.



Who must report

Eligible businesses must report if their income is above a certain level. Other businesses can volunteer to be a part of the Payment Times Reporting Scheme.

Eligibility criteria

Find out which entities have to report on their payment times to small business.

Income threshold

Understand when an entity or group is over the income threshold for having to report.

Group structures

Learn about payment times reporting for groups with a controlling corporation.

Mergers and acquisitions

Check when an entity has to report after merging or acquiring a business.

Volunteer reporting entities

Read how entities can volunteer to report payment times.

Ceasing to report

Find out when a business is no longer a reporting entity and how to get approval to stop reporting.

Also see

Compliance

Learn how the regulator monitors and enforces compliance.

Reporting requirements

Check the reporting requirements, what goes in a report and when to report.



Eligibility criteria

If a large business or other entity meets certain eligibility criteria they're called a 'reporting entity' and must submit payment times reports.

Reporting entities

The reporting requirement applies to large businesses that:

- are constitutionally covered entities
- carry on an enterprise in Australia
- have a total income which exceeds a certain [income threshold](#).

A controlling corporation and some or all of the members of the controlling corporation's group can be 'reporting entities'.

A constitutionally covered entity (CCE) is:

- a constitutional corporation (a trading or financial corporation formed within the limits of the Commonwealth)
- a foreign entity
- a corporate Commonwealth entity or a Commonwealth company within the meaning of the *Public Governance, Performance and Accountability Act 2013* (<https://www.legislation.gov.au/Series/C2013A00123>)
- an entity, other than a body politic, that carries on an enterprise in a territory
- a body corporate incorporated in a territory
- a body corporate registered in a territory under section 119A of the *Corporations Act 2001* (<https://www.legislation.gov.au/Series/C2004A00818>).

CCEs could include private/public companies, trusts, partnerships, joint ventures and sole traders. Businesses may have a wide array of corporate structures. They should seek professional advice as to whether their particular structure falls under the CCE definition.

A CCE that is a reporting entity will need to report on their small business payment terms and practices.

For example, an entity may be a CCE because it carries on an enterprise in a territory. If so, it needs to report on all its business activities in Australia not just on those conducted in the territory.

An entity that isn't constitutionally covered or that's registered under the *Australian Charities and Not-for-Profits Commission Act 2012* (<https://www.legislation.gov.au/Series/C2012A00168>) is not a reporting entity.

Reporting entities must report, even if they don't have any invoices to report or small business suppliers.

Constitutional corporation

The Australian Constitution defines constitutional corporations as 'foreign corporations, and trading or financial corporations formed within the limits of the Commonwealth'. A foreign corporation does not need to be formed within the limits of the Commonwealth or be a trading or financial corporation to be classified as a constitutional corporation.

These constitutional corporations can include publicly listed companies in Australia. They may also include private companies, incorporated joint ventures and corporate trustees.



In determining whether an entity is a trading and/or financial corporation, an entity should first consider whether it is incorporated.

An entity should then apply the 'activities test'. This considers:

- whether the entity is engaged in trading and/or financial activities
- whether the trading and/or financial activities are a substantial and not merely peripheral activity of the entity.

'Trading' is the activity of providing, for reward, goods or services, and extends to business activities carried on with a view to earning revenue. An example of a trading activity may include a transport or health authority providing transport or health services for a fee, although possibly not if the fee is set by statute.

'Financial' is the activity of commercial dealing in finance, including transactions in which the subject is finance, such as borrowing and lending money.

If the income an entity receives from trading or financial activities is substantial, it may be considered to be a constitutional corporation. This is even if the income is only a small proportion of the entity's overall income.

An incorporated entity engaged in trading or financial activities that generates a significant or substantial income is likely to be a trading and/or financial corporation.

Foreign entities

A foreign entity, that is an entity formed outside Australia, is a CCE. As a CCE, a foreign entity may be a reporting entity where it meets the income threshold and carries on an enterprise in Australia.

Whether a foreign entity is carrying on an enterprise in Australia depends on each particular case, with relevant considerations being whether the entity has a physical presence in Australia, or otherwise provides goods or services to persons located in Australia.

Where a foreign entity is subject to income reporting to the Australian Taxation Office, this may indicate that the entity is carrying on an enterprise in Australia for the purposes of the scheme.

Corporate Commonwealth entity or company

Refers to a Commonwealth corporate entity or a Commonwealth company under the *Corporations Act 2001* (<https://www.legislation.gov.au/Series/C2004A00818>) that the Commonwealth controls.

Entities that carry on an enterprise in a territory

Entities that carry on an enterprise in a territory are a CCE. This may cover partnerships, superannuation funds that are trusts, sole traders, etc. that operate in a territory.

Territories include:

- the Australian Capital Territory
- the Northern Territory
- Jervis Bay
- an external territory.

Carrying on an enterprise in a territory includes doing anything in the commencement or termination of the enterprise. This includes activities done in the form of a business, as well as some other activities (for example, trade of goods or services in a territory to generate income).



In most cases, if an entity is formed in and has a physical presence in a territory, it will be considered to be carrying on an enterprise in a territory.

If you're unsure if your entity is carrying on an enterprise in a territory, you should seek professional advice.

Body corporate incorporated or registered in a territory

The term body corporate covers any artificial legal entity having a separate legal personality. These entities have perpetual succession. They also have the power to:

- act
- hold property
- enter into legal contracts
- sue and be sued in their own name.

These are entities that are a legal entity formed under a territorial jurisdiction that's registered in a territorial jurisdiction.

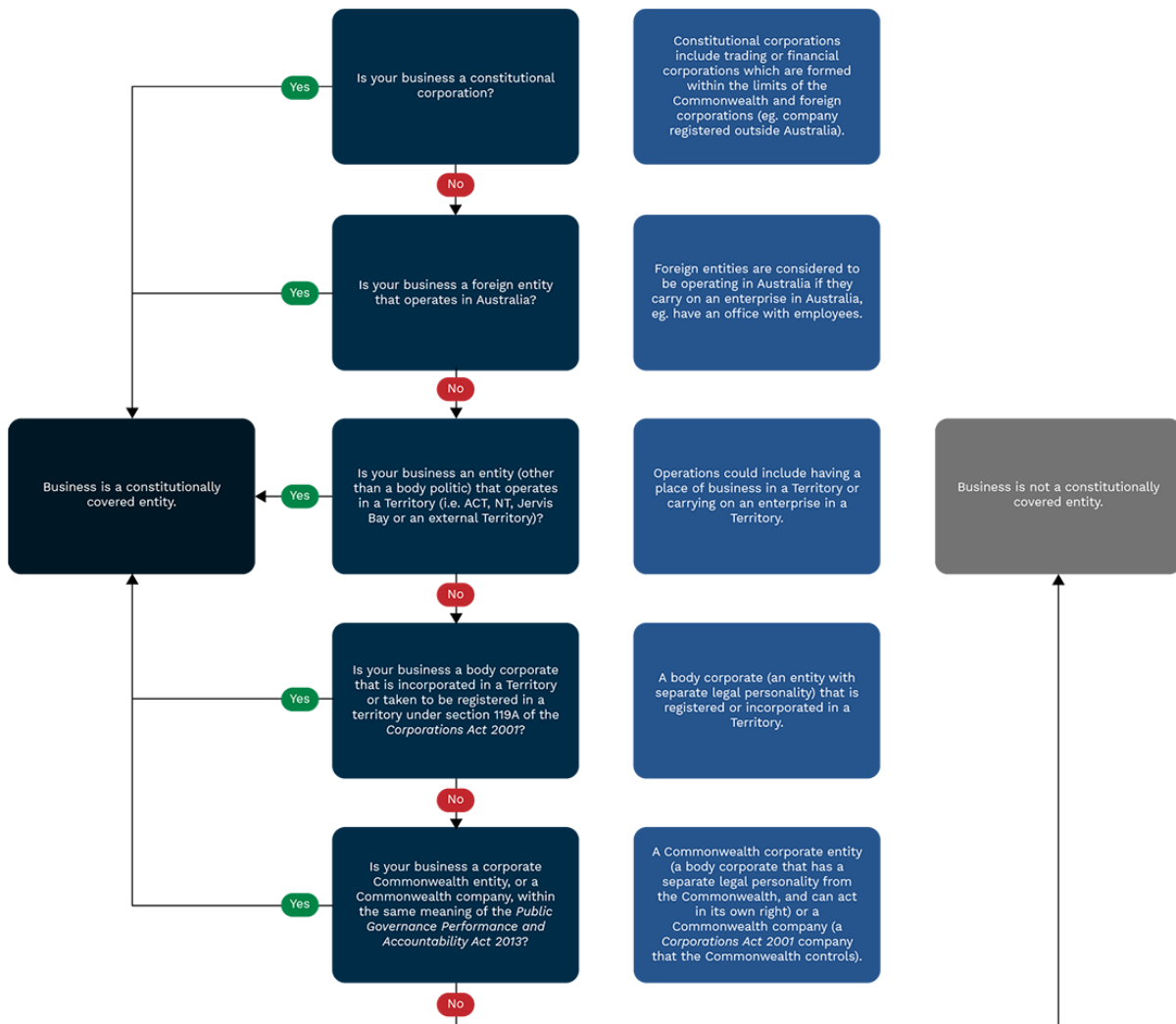


Image: Flowchart with the following 5 questions to help determine if business is a constitutionally covered entity.

Question 1. Is your business a constitutional corporation?

Constitutional corporations include trading or financial corporations which are formed within the limits of the Commonwealth and foreign corporations. For example, a company registered outside Australia.

If answer is:

- yes – business is a constitutionally covered entity
- no – go to question 2.

Question 2. Is your business a foreign entity that operates in Australia?

Foreign entities are considered to be operating in Australia if they carry on an enterprise in Australia. For example, they have an office with employees.

If answer is:

- yes – business is a constitutionally covered entity
- no – go to question 3.

Question 3. Is your business an entity (other than a body politic) that operates in a territory such as the Australian Capital Territory, Northern Territory, Jervis Bay or an external territory?

Operations could include having a place of business in a territory or carrying on an enterprise in a territory.

If answer is:

- yes – business is a constitutionally covered entity.
- no – go to question 4.

Question 4. Is your business a body corporate that is incorporated in a territory or taken to be registered in a territory under Section 119A of the *Corporations Act 2001*?

A body corporate (an entity with separate legal personality) that is registered or incorporated in a territory.

If answer is:

- yes – business is a constitutionally covered entity.
- no – go to question 5.

Question 5. Is your business a corporate Commonwealth entity, or a Commonwealth company within the same meaning of the *Public Governance, Performance and Accountability Act 2013*?

A Commonwealth corporate entity (a body corporate that has a separate legal personality from the Commonwealth and can act in its own right) or a Commonwealth company (a *Corporations Act 2001* company that the Commonwealth controls).

If answer is:

- yes – business is a constitutionally covered entity.
- no – business is not a constitutionally covered entity.

[end image description]



State, territory and local government

A state or territory government entity may be a CCE if they are a **constitutional corporation**. They need to be incorporated and significantly involved in either trading or financial activities.

Government entities most likely to be constitutional corporations are:

- government business enterprises
- partly privatised government entities.

Under the scheme, government departments aren't CCEs.

Local government bodies aren't considered to be CCEs, but business entities owned by local government may have to report if they are CCEs and meet the eligibility criteria.

Joint ventures, trusts and partnerships

Joint ventures

A joint venture that creates an **incorporated joint venture entity** is likely a CCE. It will also have its own ABN. An incorporated joint venture entity will be a reporting entity if it also:

- carries on an enterprise in Australia
- meets the income thresholds.

An incorporated joint venture entity that is a controlling corporation is also a reporting entity if it meets these requirements.

An **unincorporated joint venture** (UJV) is not an entity within the meaning of *Payment Times Reporting Act 2020* (<https://www.legislation.gov.au/Series/C2020A00091>). It's not a CCE or a reporting entity.

While a UJV isn't a reporting entity, its manager or members may be if they meet the requirements. If they do, they must submit their own payment times reports. They wouldn't report on behalf of the UJV.

The UJV may appoint a manager or operator for its day-to-day operations. In this case, the entity may have to report on transactions in its capacity as manager of the UJV. This depends on the contractual relationship of the UJV.

If 2 or more UJV members have a joint contract with a small business supplier and pay the supplier from a joint bank account, they must report on their agreed proportion of invoice payments to the supplier. That is, the amount that has been attributed to their entity through the agreed UJV arrangements. It is the amount they have a legal obligation to pay. For example, it may be 50% of all invoice payments to the supplier.

An appointed manager may hold the contract for the UJV. They therefore have the contractual obligation to make the payment. In this case, if they are a reporting entity they would report on the payment(s) made under that contract. They would not need to attribute amounts provided by UJV members.

In determining if a UJV operator or manager meets the income threshold for the scheme, they should only include income distributions from other UJV members if these amounts are included in their financial statements. More specifically, if they are in their company tax returns at label 6S. If they are, these amounts could count towards their total income calculation for whether they are a reporting entity.

Read more about [total income](#).

Trusts and trustees

Both a trust and the trustee(s) can be reporting entities if they meet the eligibility requirements by:

- being a CCE
- carrying on an enterprise in Australia
- meeting the [income threshold](#).

Trusts and trustees should be considered as separate entities when determining if they're eligible to report. The total income of a trust shouldn't be assigned to the trustee when determining the trustee's total income.

A trust can be a CCE if it's either:

- a foreign entity, or
- carries on an enterprise in a territory.

While a trust may be required to report, the Act imposes the reporting obligation on the trustee(s). This is because the trust itself does not have a legal personality.

A trustee may also be a CCE where it's incorporated (a corporate trustee).

To meet the reporting requirements, the corporate trustee would report on its own payment information. By contrast, a trustee reporting on behalf of the trust would report on the payment information of the trust.

A corporate trustee can be a member of a controlling corporation's group. It can also be a controlling corporation. This applies where it is a body corporate and is not a subsidiary of any other Australian body corporate.

By contrast, a trust cannot be a controlling corporation. This is because it does not meet the criteria of being a body corporate. It can also not be a member of a controlling corporation's group.

An unincorporated trustee (an individual trustee) is not an entity within the meaning of Act, so isn't a CCE or reporting entity.

Partnerships

A partnership may be a CCE where it's one of the following:

- an incorporated partnership
- a foreign partnership
- a partnership that carries on an enterprise (other than a body politic) in a territory.

As a CCE, a partnership may be a reporting entity where it also:

- carries on enterprise in Australia
- meets the income thresholds.

While the partnership may be required to report, the Act imposes the reporting obligation on the individual partners. This is because the partnership itself does not have a legal personality.



Income threshold

Certain entities must report under the Payment Times Reporting Scheme if their annual income is above a certain level.

Threshold for reporting

A constitutionally covered entity (CCE) becomes a reporting entity under the Payment Times Reporting Scheme at the start of an income year if it carries on an enterprise in Australia and for its most recent income year:

- its total annual income was more than \$100 million
- for an **entity that's a controlling corporation**, the combined total income of the members of the controlling corporation's group was more than \$100 million
- for an **entity that's a member of a controlling corporation's group** that has a combined income of more than \$100 million, the total income for the member was at least \$10 million.

Most recent income year

The most recent income year for an entity is its previous income year. If relevant, it's also the previous income year of its controlling corporation's group.

Examples

An entity has a total income of over \$100 million in its 2020 to 2021 income year and it meets the other eligibility criteria. It must report in its 2021 to 2022 income year.

An entity has a total income of over \$10 million in its 2020 to 2021 income year and its controlling corporation's group has a combined total income of over \$100 million in the same income year. The entity must report in its 2021 to 2022 income year.

An entity begins operation and meets the eligibility criteria within its first income year. The first year of business will be treated as its most recent income year and it must start reporting in its second income year.

Total income

Total income has the same meaning as in section 3C of the *Taxation Administration Act 1953* (<https://www.legislation.gov.au/Series/C1953A00001>).

The scheme applies this meaning of total income to all individual entities. It's not limited to entities that lodge tax returns. An entity that wouldn't ordinarily calculate its 'total income', needs to notionally determine it. For example, it may be part of a tax consolidated group structure, lodge a non-corporate income tax return or doesn't lodge any income threshold. They would need to determine what they would include in a tax return if they were going to submit one.

Determining total income

Total income is an accounting system amount. It generally corresponds to the total of the relevant amounts in an entity's financial statements or financial records for the income year, as prepared in accordance with Australian accounting standards.



For companies, 'total income' in a given year is explained in the Australian Taxation Office's [Company tax return instructions \(https://www.ato.gov.au/Forms/Company-tax-return-instructions-2021/\)](https://www.ato.gov.au/Forms/Company-tax-return-instructions-2021/) on the Australian Taxation Office website. Key features for the purposes of the scheme are:

- Total income is a gross figure calculated in Australian dollars. It's not gross assessable income, taxable income or net accounting profit. It may include exempt income, other non-assessable income and foreign source income. Including these amounts increases total income relative to taxable income and accounting profit.
- Total income includes foreign source income and/or intra-group income. This applies where this income is included in the entity's actual or notional total income recorded at label 6S of their company tax return.
- Total income does not include the effect of accounting expenses. The total income figure is not reduced by the costs of earning the income or carrying out the entity's activities.

For individual entities that aren't part of a Tax Consolidated Group (TCG), total income generally corresponds to the income it records at label 6S of the company tax return, as prepared in accordance with the ATO's company tax return instructions.

Entities that don't submit a company or other tax return

For entities that aren't required to submit an individual company or other tax return (for example, an entity that is a member of a TCG, a foreign member entity of a controlling corporation's group, or for any other reason):

- total income generally corresponds to the entity's notional total income that it would record at label 6S of the company tax return if it was required to prepare one
- each entity, including a controlling corporation, needs to determine its notional 'total income'. This means the income it would report as 'total income' if it was required to submit an individual tax return. This includes any intra-group transfers where these are included as income.

Entities that aren't required to or don't submit an individual company or other tax return, may need to go through the motions of completing one to determine their notional total income. Entities should also seek professional advice to determine their notional total income.

For other types of entities that submit non-company income tax returns (such as partnerships and trusts):

- Total income generally corresponds to the total of the relevant amounts in the entity's financial statements or financial records for the income year, as prepared in accordance with Australian accounting standards.

Controlling corporations and their members

Under the scheme, total income is individually determined for each entity. If the entity is a controlling corporation, the combined total income of all members of the group is determined. This is regardless of whether the member is a CCE or a reporting entity. The group's combined total income is the total of each entity's notional total income. Intra-group transfers aren't eliminated.

The combined total income of the controlling corporation's group should include the relevant portion of any new member's total income. This is determined from when it was acquired or became part of the group during the most recent income year.

Where an entity was a member of a group during the most recent income year, but isn't at the start of the next income year, their income isn't included in the group's combined total income. This is because it's not a

member of the group at the time of the calculation. Find more information on [treatment of total income for mergers and acquisitions](#).

Assess income annually

Entities should assess their total income on an annual basis to determine if they need to report under the scheme. For an existing reporting entity that falls below the total income threshold, they may apply to stop reporting. They continue to be a reporting entity until the Regulator determines that they can **cease to be a reporting entity**.

Entities may need to seek professional advice in determining their total income under the scheme.

Examples

Australian entities

Australian entities that are CCEs and carry on an enterprise in Australia are subject to the income test.

Controlling corporation is a reporting entity, members aren't

An Australian controlling corporation has a total income of \$5 million (not a tax consolidated group). There are 15 members in its group, each with a total income of \$9 million. The combined total income of the group is \$140 million.

Even though the controlling corporation's own total income is \$5 million, it's a reporting entity because the group's combined total income is above the threshold of \$100 million. The \$10 million total income threshold doesn't apply to the controlling corporation as it's not a member. The member entities aren't reporting entities as they each had a total income of \$9 million. This is below the income threshold for member entities.

Controlling corporation and member entities are all reporting entities

An Australian controlling corporation (of a tax consolidated group) has a notional total income of \$15 million. Two members of its group, each have a notional total income of \$70 million. The combined total income of the group is \$155 million.

The controlling corporation is a reporting entity because the group's combined total income is greater than the income threshold of \$100 million. The member entities are also reporting entities as they each have a total income of \$70 million which is above the member income threshold of \$10 million.

Controlling corporation with foreign income and member entity are both reporting entities

An Australian controlling corporation (not a tax consolidated group) earns \$50 million in the USA. It also earns \$40 million in Australia, which it reported as total income in its Australian tax return in accordance with the ATO's company tax return instructions. Its subsidiary business earns \$20 million in Australia. The group (the corporation and its subsidiary) has a combined total income of \$110 million.

As the controlling corporation is a CCE and the group has a combined total income above the income threshold of \$100 million, the controlling corporation is a reporting entity. Its subsidiary is also a reporting entity as it's a member entity with a total income above the member income threshold of \$10 million.

Controlling corporation and member entities aren't all reporting entities

An Australian controlling corporation (of a tax consolidated group) has a notional total income of \$15 million. Entities X and Y are members of its tax consolidated group. Entity X has a notional total income of \$90 million and Entity Y has a notional total income of \$8 million. The controlling corporation reports a combined total income for the tax consolidated group of \$105 million as reported at label 65 of the tax



return (eliminating intercompany transfers as required). However, under the scheme, it determines the combined total income for the group is \$113 million. This is the sum of the notional total income of the controlling corporation, Entity X and Entity Y.

The controlling corporation is a reporting entity because the group's combined total income was \$113 million, which is above the income threshold of \$100 million. Member Entity X is a reporting entity as it had a notional total income of \$90 million which is more than the member income threshold of \$10 million. Member Entity Y is not a reporting entity as it had a notional total income of \$8 million which is below the member income threshold of \$10 million.

Trusts with corporate trustees

A trust, which is a CCE because it's carrying on an enterprise in a territory, has a corporate trustee (a company that acts as trustee). The trust's reporting obligations are fulfilled by the corporate trustee. While the corporate trustee is reporting on behalf of the trust, the trust's income is not assigned to the trustee. The corporate trustee may also have reporting obligations in relation to its own total income. The corporate trustee does not combine its income with the trust's income when assessing whether it has separate reporting obligations.

Foreign entities

Foreign entities are CCEs and may be reporting entities if they meet the scheme's income test and activity tests. A foreign entity will meet the activity test if, while based overseas, it carries on an enterprise in Australia. For example, through an Australian-based office.

Foreign head entity isn't a reporting entity, but local Australian operation is

A foreign entity has a local Australian operation in an Australian corporation operating in the ACT. The foreign entity's total income was \$5 million. This was earned in Australia. The local operation had a total income of \$150 million. While the foreign entity isn't a controlling corporation, it is a CCE and carries on an enterprise in Australia. It isn't a reporting entity as its income threshold is below \$100 million. The local operation is a reporting entity as its income is above the threshold of \$100 million.

Foreign head entity is a reporting entity, but local subsidiary isn't

A foreign corporation earns \$50 million in the USA and \$140 million in Australia. Its Australian subsidiary earns \$20 million in Australia.

The group earns a combined total income of \$210 million. However only \$140 million was recorded as total income in the foreign corporation's Australian tax returns at label 6S and \$50 million was recorded as income in the USA.

Under the Act, the foreign corporation can't be a controlling corporation as it's formed outside of Australia and is not a body corporate incorporated in Australia. Because it's not a controlling corporation, the group's combined total income isn't considered.

The foreign corporation is a reporting entity because it's a CCE carrying on an enterprise in Australia with total income above \$100 million. The subsidiary isn't a reporting entity because its total income is below the scheme's \$100 million income threshold.



Check if your business is a reporting entity

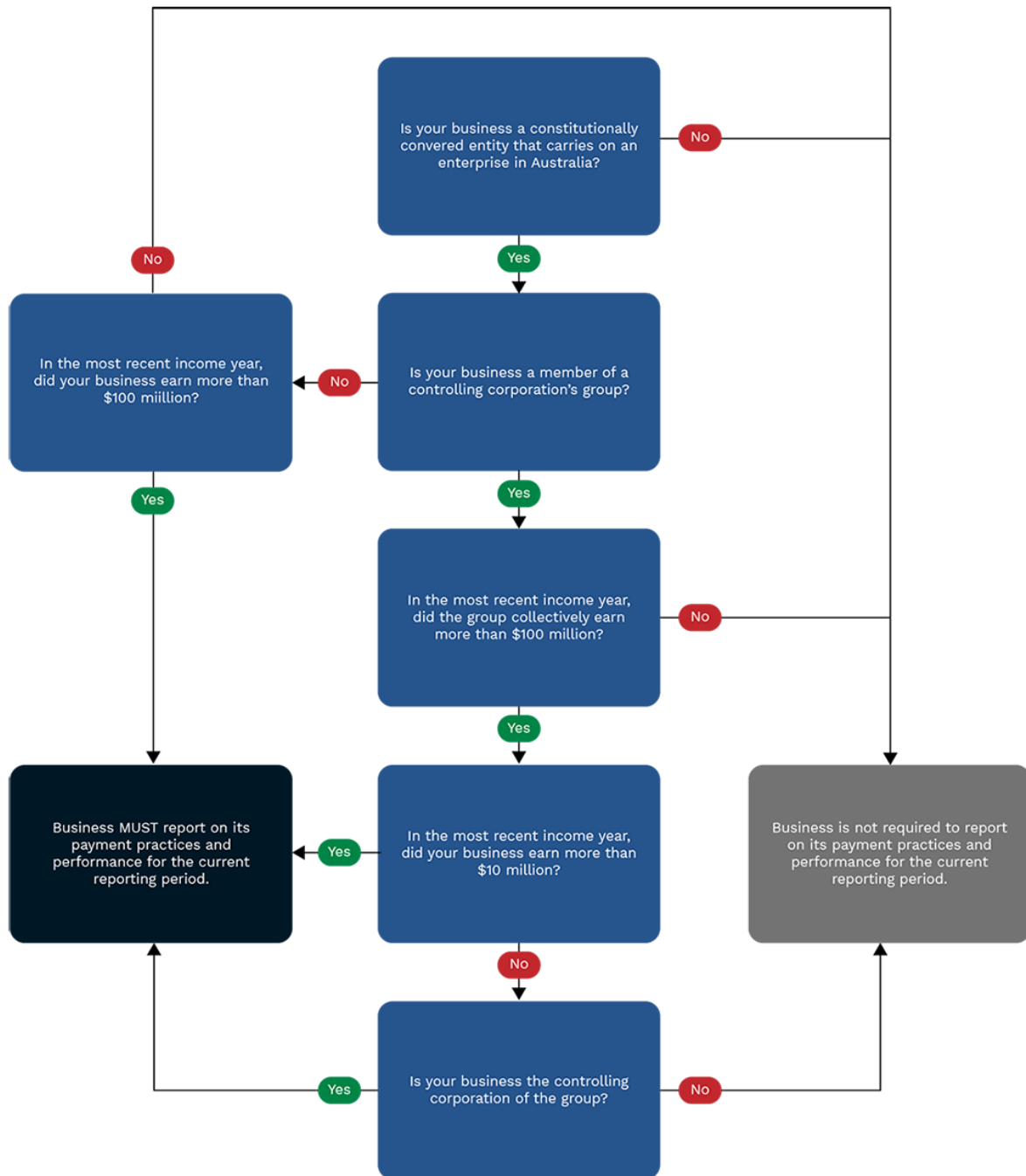


Image: Flowchart to assess whether a business is a reporting entity under the Payment Times Reporting Scheme.

[Image description]

Flowchart with 6 questions to help assess whether a business is a reporting entity.

Question 1. Is your business a constitutionally covered entity that carries on an enterprise in Australia?

If answer is:

- yes – go to question 2
- no – your business is not required to report on its payment practices and performance for the current reporting period.

Question 2. Is your business a member of a controlling corporation's group?

If answer is:

- yes – go to question 4
- no – go to question 3.

Question 3. In the most recent income year, did your business earn more than \$100 million?

If answer is:

- yes – your business must report on its payment practices and performance for the current reporting period
- no – your business is not required report on its payment practices and performance for the current reporting period.

Question 4. In the most recent income year, did the group collectively earn more than \$100 million?

If answer is:

- yes – go to question 5
- no – your business is not required report on its payment practices and performance for the current reporting period.

Question 5. In the most recent income year, did your business earn more than \$10 million?

If answer is:

- yes – your business must report on its payment practices and performance for the current reporting period
- no – go to question 6.

Question 6. Is your business the controlling corporation of the group?

If answer is:

- yes – your business must report on its payment practices and performance for the current reporting period
- no – your business is not required report on its payment practices and performance for the current reporting period.

[end image description]



Group structures

All group members that are reporting entities under the Payment Times Reporting Scheme must complete a payment times report.

Member entities

A group consists of member entities and their controlling corporation. A member entity is a subsidiary of the controlling corporation's group.

This is unless it is also a subsidiary of another body corporate. This is because the body corporate meets the requirement in subparagraph 46(a)(i) or (ii) of the *Corporations Act 2001* (<https://www.legislation.gov.au/Details/C2021C00465>) in relation to the subsidiary and the other body corporate is not a member of the group.

The scheme's reporting requirements capture all members of a group:

- with at least \$10 million in total income
- where the group's combined total income is more than \$100 million.

Example

A controlling corporation's total income is \$80 million. It has 3 members. Subsidiary A's total income is \$50 million. Subsidiary B's total income is \$40 million. Subsidiary C's total income is \$5 million. The total of the group's combined income is \$175 million which is above the group threshold of \$100 million.

The controlling corporation and its subsidiaries are all [constitutionally covered entities \(CCEs\)](#) and carry on an enterprise in Australia. The controlling corporation and Subsidiary A and B are reporting entities. This is because the combined total income of the group is \$175 million and Subsidiary A and B have total incomes above \$10 million. They all have to complete their own payment times report.

Subsidiary C has a total income of less than \$10 million. It's not a reporting entity.

Controlling corporation

A controlling corporation is a body corporate that is:

- incorporated in Australia
- not a subsidiary of another body corporate that is incorporated in Australia.

A controlling corporation is determined with reference to the concepts in the *Corporations Act 2001* (<https://www.legislation.gov.au/Series/C2004A00818>).

A controlling corporation must report if it:

- is a CCE
- carries on an enterprise in Australia
- has a combined total income for all members of the group greater than \$100 million.

This is irrespective of its own individual total income.



Group level reporting

The scheme requires businesses to report at an individual entity level rather than at a group level. This is so small businesses can know the payment performance of individual businesses in the group.

One reporting entity within a group may submit compliant reports on behalf of all member entities. In other words, each entity needs to complete a report but they can submit them together.

Read about [setting up for group reporting](#).



Mergers and acquisitions

Reporting requirements under the Payment Times Reporting Scheme can change after a merger or acquisition.

Reporting requirements

The effect of a merger or acquisition on reporting requirements depends on whether it resulted in a change in the entity's ABN status.

A new constitutionally covered entity (CCE) with a new ABN created as a result of a merger or acquisition, that satisfies the requirements to be a reporting entity in its first income year, will need to report in its second income year. This is because its first income year is its most recent income year for determining its total income.

A CCE involved in a merger or acquisition that continues to operate with an existing ABN, may be required to report if it meets the eligibility requirements (the scheme's income and activity tests). The entity may meet these requirements in its own right or as a member entity of a controlling corporation.

An entity that ceases to exist because of an acquisition by or merger with another entity, will cease to be a reporting entity. It's no longer required to report.

Examples

Acquisition of a business that continues to trade

On 31 December:

- Business X recorded a total income of \$110 million
- Business Z recorded a total income of \$150 million.

Both have standard financial years (1 July to 30 June).

Business X was acquired by Business Z on 1 January and continues to trade. Business Z is the controlling corporation.

At the end of the financial year on 30 June:

- Business X recorded a total income of \$50 million for the period after it was acquired
- Business Z recorded a total income of \$300 million.

Both businesses are reporting entities because the combined total income of the group was greater than \$100 million. Business X also has a total income above the member threshold of \$10 million. They both need to submit a payment times report for 1 January to 30 June.

Business ceases to exist after merger

Business X had a total income of \$110 million in its most recent income year. Business Z had a total income of \$500 million in its most recent income year.

Business X was acquired by Business Z before the end of its most recent income year. Business X ceases to exist under its existing ABN and will now only trade as Business Z.

Because Business X is no longer an entity, it isn't required to submit a payment times report and is no longer a reporting entity. It doesn't have to apply to the Regulator to cease being a reporting entity.

As Business Z continues to trade with an existing ABN, it will need to submit a payment times report.

Treatment of total income for mergers and acquisitions

When an entity satisfies the other reporting requirement, it becomes a reporting entity at the start of an income year based on its total income in its most recent income year (the previous income year).

To determine the combined total income of the members of a group, the controlling corporation must consider whether an entity in their group has merged, been acquired or ceased to exist in the most recent income year.

Entity no longer in group

To calculate the combined total income of a group, only the total income of member entities that are in the group at the start of the current income year are included. An entity in a group in the most recent income year but no longer in that group, isn't included in the calculation of all the member entity's most recent total income. This is because it isn't a member of the controlling corporation's group at the time of the calculation.

New member

If there was a new member of a group in the most recent income year (for example, through a merger or acquisition) its total income for the time they were a member is included in the group's combined total income. For example, an entity that was a member of the group for the last 3 months of the most recent income year should have that 3-month period of total income included in the controlling corporation's group combined total income.

An entity that became a member of a controlling corporation's group in the most recent income year should assess its income against the income threshold based on when it was a member. For example, if it was a member of the group for the last 6 months of its most recent income year it should consider its total income calculated for that 6-month period.

If it's not possible to determine the actual total income earned for the period the new member was part of the group, then they should estimate it based on a proportion of their total income for the most recent income year. For example, if the new member was a part of the controlling corporation's group for the last 6 months of the most recent income year, their total income should be 50% of their total income for that income year.

Example

Business Z (a non-reporting entity) and Business X (a non-reporting entity) have standard financial years.

At 30 June 2021:

- Business Z recorded a total income of \$25 million
- Business X recorded a total income of \$40 million.

Business Z acquires Business X on 1 January 2022. It becomes a group and Business X continues to operate.

On 30 June 2022:

- Business Z has a total income of \$50 million
- newly acquired Business X has a total of \$40 million before the acquisition. It also has \$40 million after the acquisition (a total of \$80 million).



Only the total income earned after Business X was acquired is used to determine the group's combined total income (presuming Entity Z is now a controlling corporation), that is \$40 million.

- The group does not initially meet the combined total income threshold. This is because its most recent combined total income would be \$90 million (rather than the total \$130 million). Therefore, both Business X and Z would not be reporting entities in that income year.
- The group may meet the combined total income threshold in the next income year. For example, if the group earns a combined total income of \$130 million in the next income year and Business X has a total income of at least \$10 million. If so, both businesses become reporting entities under the Payment Times Reporting Scheme in that income year.



Volunteer reporting entities

Businesses that don't have to report can volunteer to be a reporting entity under the Payment Times Reporting Scheme.

Volunteer to report

If you're a constitutionally covered entity that isn't eligible for the scheme, you can apply to be a volunteer reporting entity through the [reporting portal \(https://portal.paymenttimes.gov.au/\)](https://portal.paymenttimes.gov.au/).

Volunteer reporting entities:

- have the same obligations as other reporting entities
- continue to be reporting entities until they apply to stop reporting.

They become a volunteer reporting entity at the start of the income year after the one they apply in.



Ceasing to report

Reporting entities that want to stop reporting under the Payment Times Reporting Scheme must apply to the Regulator.

Reasons to cease reporting

An entity will cease to be a reporting entity if the Regulator is satisfied that one of the following applies:

- Their total annual income was below \$100 million in each of the 2 most recent income years.
- They're a controlling corporation or member of a controlling corporation's group with a combined total annual group income below \$100 million in each of the 2 most recent income years.
- They're a volunteer that no longer wants to report.

Apply to cease reporting

If you're a reporting entity that wants to stop reporting, apply to the Regulator through the [reporting portal \(https://portal.paymenttimes.gov.au/\)](https://portal.paymenttimes.gov.au/).

You'll need to give the reason and date that you want to cease reporting. You'll also need to provide supporting documentation including:

- your latest lodged tax returns
- advice from an independent and suitably qualified auditor about your entity's total income
- evidence of a change in business structure if you've ceased to be a constitutionally covered entity.

Approval to cease reporting

The Regulator will assess your application and decide whether you can cease reporting.

The Regulator may reject your application. If they do, you can request a review through an internal review process. If you're not satisfied with this review, you can apply for a review to the [Administrative Appeals Tribunal \(https://www.aat.gov.au/\)](https://www.aat.gov.au/).

When you don't need to apply

You may cease reporting without applying to the Regulator if:

- you're a member of a controlling corporation's group, and
- for each of the last 2 years, your entity had a total income of less than \$10 million.

This is to reduce the regulatory burden of small entities seeking decisions from the Regulator on their reporting status. However, you must notify the Regulator that you're no longer a reporting entity in your final payment times report.

Reporting requirements

Large businesses and other reporting entities must provide certain information in their payment times reports about invoices paid to their small business suppliers.

What is in a report

See what information entities must include in their reports.

Reporting periods

Find out when entities must report and how we determine their reporting periods.

Invoices to report

Understand which invoices and transactions entities must report.

Also see

Compliance

Learn how the Regulator monitors and enforces compliance.

How to report

Read our guidance on how to submit a payment times report.

What is in a report

Payment times reports must contain certain information. Find out what items large businesses must provide when they report.

Invoice payments to report

A reporting entity must report on an invoice payment if all of the following apply.

- The invoice relates to supply of a good or service from a small business supplier.
- The entity procured the good or service from the small business supplier under a trade credit arrangement.
- The reporting entity is contractually obliged to pay the invoice.

Some reporting entities don't buy from small business suppliers. Although they don't pay any small business invoices in a reporting period, they still need to complete a payment times report and include nil values where applicable.

For more information on invoice reporting requirements visit our [invoices to report](#) page.

Values in a report

Unless otherwise stated, reported values are:

- to the nearest whole number
- in Australian dollars
- inclusive of GST.

To calculate the value of an invoice, it's the actual amount shown on the invoice. Disregard any discount or rebate that's applied at payment – the invoice represents the obligation to pay. Read more about [invoices](#).

Payment times report template

You can access the **Payment times report template** from the [reporting portal](#) (<https://portal.paymenttimes.gov.au/>). Registered entities can get the template prepopulated with their entity information by logging in to the portal.

The template comes in 2 parts:

- a .csv file to input the payment information
- a word file for signatures and associated declarations.

Instructions for the report including information on the data validation requirements, are available at the [reporting portal](#) (<https://portal.paymenttimes.gov.au/>).

Items to report

Payment times reports require the items in the following table.

Table 1: Items in a payment times report

Item	Details
Entity name and ABN	This is the entity's business name as registered on the Business names register (https://connectonline.asic.gov.au/RegistrySearch/faces/landing/bn/SearchBnRegisters.jspx?_adf.ctrl-state=v9gbxxikq_20) and their ABN (https://abr.business.gov.au/) if it has one. Some entities such as foreign entities may not have an ABN.
Entity's controlling corporation name and ABN	This is the entity's controlling corporation's business name as registered on the Business names register (https://connectonline.asic.gov.au/RegistrySearch/faces/landing/bn/SearchBnRegisters.jspx?_adf.ctrl-state=v9gbxxikq_20) and their ABN (https://abr.business.gov.au/).
Entity's head entity name and ABN	This is the name of the partnership, trust or entity type (other than a controlling corporation) which is the head entity and their ABN (https://abr.business.gov.au/).
Entity's primary industry	<p>The primary industry of the entity is based on the ATO's Business industry codes (https://www.ato.gov.au/Calculators-and-tools/Business-industry-code-tool/). This is the entity's primary, or main business activity. For example:</p> <ul style="list-style-type: none"> • if most employees work in one section of the organisation, the day-to-day duties of this section would be the main activity • if most income is from a particular industry, this would be the main activity. <p>An entity that operates in multiple industries, should report the code that best describes their main business activity. For example, if 60% of employees work in one section of the business, the day-to-day duties of this section would be the main activity.</p> <p>In most cases, the business industry code is the one used in tax returns. Reporting entities that don't submit a tax return should check the ATO website to get the most appropriate code.</p>
Reporting period	<p>This is the period the report is for.</p> <p>There are 2 reporting periods in each income year, the first 6 months and the second 6 months of each income year.</p> <p>Under the scheme, reporting entities must report on the income year they use for tax purposes. This might be a standard income year from 1 July to 30 June. It could also be a non-standard income year such as a calendar year. Where income tax isn't payable by the reporting entity, they may use a standard financial year as their income year.</p>
Details of the person who	This includes the person's name, role, phone number and email address. We don't publish this personal information.



Table 1: Items in a payment times report

Item	Details
submitted the report	
Approver of the report	<p>This includes the name of the responsible member who approved the report and the date the report was signed as approved.</p> <p>The responsible member is an individual member of the entity's principal governing body who is authorised to sign the payment times report. For example, if the entity is:</p> <ul style="list-style-type: none"> • a constitutional corporation – a member of the principal governing body (for example, the board) who has the company's express or implied authority to sign the report on behalf of the company • a partnership – a partner with authority to act on behalf of the partnership • a superannuation fund – the trustee, which may be an individual or a corporation (the same as that of the constitutional corporation) • a trust – the trustee, which may be an individual or a corporation (the same as that of the constitutional corporation) • a sole trader – they are the responsible member • under administration – the administrator is the responsible member. <p>A person acting for a responsible member under a Company Power of Attorney or similar delegation, may also sign a payment times report.</p> <p>It's a reporting entity's responsibility to ensure a report is signed by someone who is, or is formally acting as, a responsible member. Whether a delegation satisfies the requirements of a responsible member depends on the terms of the reporting entity's delegation arrangements.</p> <p>A responsible member of a controlling corporation can also be the signatory for the payment times reports of the entire group of member entities.</p> <p>A report must be signed off using the responsible member template available at the portal. See How to report.</p> <p>Where a person is acting for a responsible member under a Company Power of Attorney or similar delegation, they must state this arrangement next to their position title in the responsible member template.</p> <p>Electronic signatures are acceptable and should identify the signatory in a reliable manner (see the <i>Electronic Transactions Act 1999</i> (https://www.legislation.gov.au/Details/C2011C00445)). The signature may be an image of an individual's handwritten signature, a digital signature, or a typed name accompanied by the word 'signed'.</p> <p>Personal information about the responsible member provided in a payment times report won't be made publicly available.</p>

Table 1: Items in a payment times report

Item	Details
<p>Entity’s principal governing body</p>	<p>This includes the name of the principal governing body of the entity.</p> <p>The principal governing body is the body, or group of members of the entity, with primary responsibility for the governance of the entity. For example, if the entity is:</p> <ul style="list-style-type: none"> • a constitutional corporation – the board • a partnership – the partners • a trust or superannuation fund – the trustee, which can be an individual or corporation. If it's a corporation, it's the board.
<p>Declaration by a responsible member</p>	<p>A responsible member of the entity must declare that they will provide the report to the principal governing body of the reporting entity. This must include the date it will be provided.</p> <p>This declaration is made using the responsible member template available from the portal. See How to report for more information.</p> <p>It's best practice to provide the payment times report to the entity’s principal governing body at the earliest opportunity. This is generally before the next payment times report is due.</p>
<p>Standard payment periods</p>	<p>Entities must report:</p> <ul style="list-style-type: none"> • the standard payment period they offer to small business suppliers (at the beginning of the reporting period) • the shortest and the longest standard payment periods offered to their small business suppliers • any changes made to these periods during the reporting period (at the end of the reporting period). <p>This gives small businesses transparency on how quickly they might be paid if they contract with a reporting entity. There are no penalties under the scheme for not paying suppliers in the agreed payment periods.</p> <p>The supply payment period is when the payment is required to be paid, disregarding any supply chain finance arrangements.</p> <p>Standard payment periods may be in a written contract or verbally agreed with the small business supplier. When a business buys goods or services from another business, both parties generally enter into (or act under) a contract that includes payment terms. This contract or agreement is intended to be legally binding.</p> <p>The standard payment period is the supply payment period on offer for inclusion in the entity’s contracts with small business suppliers. That is, what an entity would offer small</p>



Table 1: Items in a payment times report

Item	Details
	<p>business suppliers if they were to contract them as at the beginning of the reporting period.</p> <p>If there's no single standard payment period on offer, it's the payment period most commonly included or the majority period used in the entity's contracts with small business suppliers (in existing contracts). If there aren't any existing contracts, it's the standard payment period most commonly included in previous contracts.</p> <p>The 'most commonly included' supply payment period is based on the number of contracts entered into with small businesses suppliers, not the value of contracts entered into.</p> <p>In other cases, there may be no longest or shortest standard payment period on offer – there may only be a single standard payment period. In this case, the standard payment period is also the longest and shortest standard payment period.</p> <p>If the standard payment period on offer is a date range or period, this must be reported as the highest number of calendar days in the date range or period. For example, a standard payment period of 30 to 60 days is reported as 60 days. Similarly, a standard payment period of 'payable within 30 days of the end of the month' is reported as 61 days.</p> <p>Standard payment periods example</p> <p>Entity X offers 3 payment periods to its small business suppliers (per the contract) in its first reporting period:</p> <ul style="list-style-type: none"> • perishable goods: payment terms of 15 calendar days • long life goods: payment terms of 20 calendar days • repair services: payment terms of 30 calendar days. <p>Most of the entity's contracts are with small business suppliers that supply long life goods. They want to improve the payment terms for small businesses halfway through the reporting period. To do this, the entity changes all its payment terms for long life goods. It changes it to 15 calendar days with all its active contracts with small business suppliers.</p> <p>The entity would report the following standard payment periods in its payment times report. It would also include an explanation for the changes in their standard payment terms:</p> <ul style="list-style-type: none"> • standard payment period = 15 calendar days • shortest payment period = 15 calendar days • longest payment period = 30 calendar days. <p>The standard payment period changed from 20 calendar days to 15 calendar days during the reporting period.</p>



Table 1: Items in a payment times report

Item	Details
<p>Small business invoices paid</p>	<p>The proportion, determined by total number and total value, of small business invoices paid by the entity during the reporting period in each of the following:</p> <ul style="list-style-type: none"> • within 20 days after the issue day • 21 to 30 days after the issue day • 31 to 60 days after the issue day • 61 to 90 days after the issue day • 91 to 120 days after the issue day • more than 120 days after the issue day. <p>The proportion, by total number and total value, of small business invoices paid by the reporting entity needs to be reported, in aggregate, against each of these day bands. These proportions should be expressed as a percentage.</p> <p>Days refer to calendar days. For example, weekends and public holidays must be included in these day bands.</p> <p>Issue day refers to when the invoice was received.</p>
<p>Small business procurement</p>	<p>The total proportion (by value) of invoice payments during the reporting period that was from Australian small business suppliers. The entity must provide data on the total proportion of all invoice payments during the reporting period that was from small business suppliers compared to all invoices paid.</p> <p>For example, if an entity paid \$50 million in small business invoices and paid \$200 million invoices in total the proportion reported as a percentage is 25%.</p> <p>To calculate the proportion of invoices paid, a reporting entity that is a member of a controlling corporation should exclude invoices from any business that is also a member entity of their group. This includes invoices from small businesses who are a member of the same group.</p> <p>Invoices from small businesses that are part of another controlling corporation or group or identified by the Small Business Identification tool are included.</p> <p>A reporting entity should also refer to invoices that are paid for the supply of goods and services under a trade credit arrangement in calculating their total procurement. This includes invoice payments for good and services made outside Australia.</p> <p>Invoice payments that relate to the procurement of the following may also be excluded:</p> <ul style="list-style-type: none"> • Payments which do not have trade credit arrangements. For example, payments for rental leases that are pre-paid and travel expenses (including airfares, hotels, taxi, etc.) and restaurant or cafe expenses.



Table 1: Items in a payment times report

Item	Details
	<ul style="list-style-type: none"> • Payments related to employees, whether through payroll or through reimbursements. <p>To calculate the value of invoices paid using foreign currency, entities may use the 'Foreign exchange rates Translation (conversion) to Australian dollars – foreign currency exchange rates to use' guidance available on the ATO's website (https://www.ato.gov.au/Rates/Foreign-exchange-rates/).</p> <p>As the value of a foreign currency invoice (in Australian dollars) is determined at the time of payment, the payment date should be used to determine the value. This will be the amount in Australian dollars that forms part of the total proportion (by value) of business procurement.</p>
<p>Use of supply chain finance</p>	<p>Details of the use of supply chain finance including whether the entity offers these arrangements for small business suppliers. If used, report the proportion (by value and number) of small business invoices paid under these arrangements during the reporting period. This includes information on any benefits the entity received from providers of those arrangements.</p> <p>For the purpose of the scheme, supply chain financing is defined as any arrangement in which a reporting entity undertakes or agrees to pay a small business invoice before the agreed supply period, in exchange for the small business accepting a discount on the payment. The payment could be made by the reporting entity or through a third party.</p> <p>Supply chain financing is also known as settlement discounts, reverse factoring or dynamic discounting. For example, it can include:</p> <ul style="list-style-type: none"> • settlement discounts, where a supplier offers a reporting entity a discount in exchange for early payment • dynamic discounts, where a reporting entity offers and funds early payment in exchange for a discount, typically after an invoice has been received • reverse factoring, where a reporting entity offers a supplier early payment in exchange for a discount, with early payment funded by a third party. <p>It can involve:</p> <ul style="list-style-type: none"> • a third-party financier • a broker • direct negotiation between the large business and the small business supplier. <p>The entity must provide details of any supply chain finance that is provided or used with their small business suppliers. These include:</p> <ul style="list-style-type: none"> • details and a description of the type(s) of supply chain finance



Table 1: Items in a payment times report

Item	Details
	<ul style="list-style-type: none"> • a statement of the proportion, determined by total number and total value, of small business invoices paid using these arrangements • details of whether a small business is required to sign up to use supply chain financing to receive payment or be eligible to supply to a reporting entity • whether the reporting entity receives any benefit, such as payment or commission, from providing supply chain finance. This relates only to benefits provided by third party providers of supply chain finance. <p>To calculate the value of invoices paid through supply chain finance, the actual amount shown on the invoice should be used. This is disregarding any discount that may be subsequently applied in the payment to the small business supplier. This is because the invoice represents the obligation for an entity to make a payment. If the discounted amount is what is invoiced then this will be the relevant amount.</p>
Small business invoicing arrangements	<p>Details of any practices or arrangements under which small business invoices must be provided to the entity.</p> <p>The entity must report whether or not they have arrangements for accepting invoices. For example:</p> <ul style="list-style-type: none"> • only accepting invoices on certain days of the month or at the end of the month • requiring a total amount to be spent before an invoice will be paid • imposing arrangements for progress payments • making payments dependent on the entity selling the goods or services provided by the small business. <p>Entities are not required to report on the extent that these arrangements are used.</p>
Small business practices or arrangements	<p>Details of any practices or arrangements where a small business is required to pay an amount to participate in the entity’s procurement processes.</p> <p>This could include a subscription or membership fee, payments to lodge a tender, or to lodge an invoice for payment.</p>
Notifiable events	<p>Details of any notifiable event that has occurred since the last payment times report.</p> <p>Notifiable events include:</p> <ul style="list-style-type: none"> • changes to an entity’s accounting period for income tax purposes • changes to their business name as registered on the business names register • where a reporting entity is member of a controlling corporation’s group and its income falls below \$10 million for two income years and will cease to be a reporting entity.



Table 1: Items in a payment times report

Item	Details
Additional information	<p>Any additional information to provide context or explanation in relation to the information provided in the report.</p> <p>The entity can include any additional information to explain the information provided in the report. As the reports will be publicly available, entities should ensure the information would not raise any concerns.</p> <p>The Regulator will not publish information that is commercially sensitive or includes personal information.</p>

Record keeping requirements

Reporting entities must retain all information and documentation used to prepare a payment times report.

The information and documentation must be retained for at least 7 years after the end of the relevant reporting period.

Reporting periods

Large businesses and other reporting entities must provide a payment times report twice a year, one for each reporting period.

The 2 reporting periods

Payment times reports are due every 6 months of a reporting entity's income year. There are 2 reporting periods covering the:

- first 6 months of the entity's income year
- second 6 months of the entity's income year.

Reporting window

All reporting entities have a 3-month period after the end of a reporting period to submit their payment times report for the reporting period. This is the reporting window.

Income year

An entity's income year is based on the financial year they use for tax purposes.

This can be:

- a standard income year from 1 July to 30 June
- a non-standard income year such as a calendar year.

The Commissioner of Taxation may allow an entity to use an accounting period that doesn't end on 30 June. That accounting period is the entity's income year.

If a reporting entity doesn't have to pay income tax, its financial year is its income year for the purposes of reporting.

Examples

Financial and calendar years

If your entity's income year ended on either 30 June 2021 or 31 December 2021, the reporting arrangements would be as follows:

Reporting period	Report due
First: 1 January 2021 to 30 June 2021	Any time between 1 July 2021 and 30 September 2021
Second: 1 July 2021 to 31 December 2021	Any time between 1 January 2022 and 31 March 2022
Third: 1 January 2022 to 30 June 2022	Any time between 1 July 2022 and 30 September 2022

Non-standard end of financial year

If your entity's income year ended on a **non-standard date in the first half of 2021**, your reporting arrangements would have commenced at the start of your income year. For example, if your income year ended 29 February 2021, the reporting arrangements would be as follows:

Reporting period	Report due
First: 1 March 2021 to 31 August 2021	Any time between 1 September 2021 and 30 November 2021
Second: 1 September 2021 to 28 February 2022	Any time between 1 March 2022 and 31 May 2022
Third: 1 March 2022 to 31 August 2022	Any time between 1 September 2022 and 30 November 2022

If your entity's income year ended on a **non-standard date in the second half of 2021**, your reporting arrangements would have commenced halfway through your income year. For example, if your income year ended on 31 October 2021, the reporting arrangements would be as follows:

Reporting period	Report due
First: 1 May 2021 to 31 October 2021	Any time between 1 November 2021 and 31 January 2021
Second: 1 November 2021 to 30 April 2022	Any time between 1 May 2022 and 31 July 2022
Third: 1 May 2022 to 31 October 2022	Any time between 1 November 2022 and 31 January 2023

Record keeping after a reporting period

Reporting entities must keep information used to prepare a payment times report for at least 7 years after the end of the reporting period.

Invoices to report

Understand which invoice payments are included in payment times reports, who's responsible for reporting and when an invoice is considered paid.

Invoice payments to report

Reporting entities must report on an invoice payment if all of the following apply.

- The invoice relates to supply of a good or service from a small business supplier.
- The entity procured the good or service from the small business supplier under a trade credit arrangement.
- The reporting entity is contractually obliged to pay the invoice.

If an invoice covers a number of payments to be made under different contracts, it should be counted separately. If one of the contracts wasn't in scope of reporting, the payment won't need to be included in a payment times report.

Goods and services

For the purposes of the scheme:

- **goods** are items that are usually tangible and articles of trade, wares or merchandise, such as office equipment, machinery and food
- **services** are activities provided by other people, such as medical providers, trades persons, and delivery people.

Trade credit arrangements

A trade credit arrangement is a broad term. It's where a business and a supplier agree that payment will be made after supply of goods or services.

The agreement can be:

- a written contract
- an oral agreement
- partly written and partly oral.

It's any agreement between 2 or more parties that's intended to be legally binding.

If an entity and the supplier have an arrangement where they agreed that payments will be made after supply, but payment is made at the time or before supply, the payment is still part of a trade credit arrangement.

If an entity and the supplier have an arrangement where they agreed payment is to be made at the time, or before, the goods are supplied, the payment isn't part of a trade credit arrangement.

Entity responsible for reporting

Under the Act:

- reporting entities must report on invoice payments for goods and services they've procured from small business suppliers under a trade credit arrangement



- a small business invoice is a document issued to an entity that notifies them of an obligation to pay an amount for supply of the goods and services.

Entities must report on the small business invoices that they have a legal responsibility to pay. This responsibility rests with the entity that contracted a small business supplier to procure a good or service. This applies even if an administrative arrangement or the contract allows another entity to make the payment.

For some reporting entities this involves reporting on small business invoices they've paid directly. For others it involves reporting on small business invoices paid on their behalf through another entity. The paying entity may be an agent, broker, shared service entity or special purpose vehicle.

An agent, broker or special purpose vehicle may contract with a small business supplier and distribute the goods to other entities. In this case they report on the invoice payments. This is because they're the contracting party and have the legal obligation to pay.

A group of entities may have a central agency agreement with its small business suppliers. If the entities engage with these suppliers through a purchase order, the purchase order represents the contractual agreement with the supplier. It activates the procurement of goods and services, so establishes the obligation to pay. The entity that engages the supplier through the purchase order must report on the invoice payments.

Example

Entity X procures goods from a supplier and agrees that Shared Service Entity Y will pay the invoice. Entity X must report on the invoice. This is because they procured the goods from the supplier so are contractually obliged to pay. Entity Y doesn't report on the invoice payments as they didn't contract the supplier.

Invoice issue (receipt) day

The invoice issue day, also called the receipt date, is when an invoice is received by the reporting entity.

An invoice is 'received', and the payment clock starts when it's received by the entity in accordance with the contract's invoicing requirements (either written or oral).

This could include contractual arrangements for payments to be made. For example, having to provide the invoice to a particular email address or requiring that the invoice includes a purchase order number and ABN.

The contractual arrangements may also deal with matters such as the treatment of backdated or incorrect invoices.

The date of receipt of an invoice is not:

- when the invoice is entered into the entity's accounting or information systems
- when the invoice is authorised.

That is, unless these processes happen on the same day the invoice is received.

If the receipt date is unknown or can't be established (for example, the entity receives paper invoices), then the date of the invoice can be used as the date of receipt.

In accepting an invoice from a small business supplier (as meeting the contractual arrangements), a reporting entity accepts the obligation to pay the supplier the invoiced amount.

Examples

Incorrectly received invoice

An employee of a large business receives an invoice from a small business. The 2 businesses have a contractual arrangement. The arrangement states invoices will only be accepted if they're submitted to the large business's shared inbox.

Until that invoice is received in the shared inbox, the invoice isn't 'received'. The payment clock for this invoice hasn't started yet.

Invoice received date isn't known

A reporting entity receives invoices in various ways, including electronically and by post. Invoices received electronically have information available on when the invoice was received.

Invoices received in the post aren't date stamped. They may be processed into the entity's accounting system a few days after the invoice was received in the mail.

In this case, the entity can use the date marked on the invoice. This is because it's unable to provide the date the invoice was received.

Paid invoice

When calculating payment times for a small business invoice that isn't using supply chain finance arrangements, the invoice is paid as follows:

- **direct debit** – when the amount has been debited from the bank account
- **credit or procurement card** – when the amount has been debited from the credit or procurement card account
- **cheque** – when the cheque has been given to the supplier
- **cash transactions** – when the money has been given to the supplier.

If an invoice is paid before it's received, and there's a trade credit arrangement in place, it has a zero-payment time. This is included in a report under the bracket of payments made within 20 days.

Supply chain finance arrangements

Where supply chain finance arrangements are used, the invoice is considered paid at the end of the relevant supply payment period.

This is intended to ensure that a large business calculates payment times where supply chain finance arrangements are used on the basis of the standard payment period. That is, the payment time that would ordinarily have occurred had supply chain financing not been used.

For example:

- if the standard payment term is 30 days and after being offered a dynamic discount of 2% the supplier elects to receive payment in 10 days, the reporting entity must use 30 days when calculating its payment times for reporting purposes
- if the standard payment term is 30 days but the supplier and reporting entity have negotiated a settlement discount where the supplier will accept a 2% discount for the invoice to be paid within 5 days, the reporting entity must use 30 days when calculating its payment times for reporting purposes.



This ensures payment times are reported transparently and not obscured by supply chain finance arrangements.

Example

A large business enters a contractual arrangement with a small business supplier. The contract specifies that the supplier will be paid 60 days after receipt of a correctly rendered invoice.

The contract also states that the large business can have a 3% discount on the invoice value if they pay within 20 days. The reporting entity records the date of invoice receipt. The payment time starts from this day.

The large business accepts the 3% discount offered in the contract and pays the invoice on day 20.

This arrangement meets the definition of a supply chain finance arrangement under the scheme. The large business records the payment time as 60 days. This is the end of the relevant supply payment period.

Partially paid invoice

Invoices can be partially paid by mutual agreement, for example, in monthly instalments. The payments can be reported as having been paid in full providing the instalments are made on time. In this instance, the receipt of invoice date for the next instalment will be the day after the latest instalment was due.

Invoices that are partially paid without the agreement of the supplier can't be recorded as having been paid until the invoice is paid in full.

Example

A large business receives an invoice on 1 June 2021. Payments can be made in 2 monthly instalments on the 30th of each month. They make a payment on 30 June 2021 and then on 30 July 2021.

For the purposes of reporting, the payment clock commences and ends as follows:

First payment:

- invoice received: 1 June 2021
- invoice instalment due: 30 June 2021
- invoice paid: 30 June 2021
- reported as: payment made within the 21 to 30 day band.

Second payment:

- invoice received: 1 July 2021 (although no second invoice was received, the receipt of invoice is the day after the latest instalment was due)
- invoice instalment due: 30 July 2021
- invoice paid: 30 July 2021
- reported as: payment made within the 21 to 30 day band.

Disputed invoices

Disputed invoices must be included in the calculation of a payment time if the dispute occurs after the invoice has been accepted by the reporting entity as meeting contractual requirements.

The time taken to resolve an incorrect invoice should be included in a payment times calculation where the invoice has already been accepted as meeting contractual requirements.

Reporting entities may outline the requirements for accepting invoices in their contract with a small business. This may include how they intend to deal with incorrect or disputed invoices. For example, if a supplier contract specifies that an invoice cannot be accepted by the reporting entity if it's incorrect, the payment times clock will not start until a correct invoice is received.

If the invoice does meet the contractual requirements, the payment times clock will continue. This is whether or not a dispute occurs, or the invoice is incorrect.

Disputed invoices that are paid in a reporting period must be reported in the relevant payment bracket to reflect when they were paid. For example, within 20 days, 21 to 30 days, 31 to 60 days, 61 to 90 days, 91 to 120 days or 120 days plus.

Disputed invoices are considered resolved when the earlier of the following occurs:

- Both parties reach an agreement over the dispute and payment is made.
- The small business supplier hasn't raised a dispute and the contractual dispute period has ended.

Invoices partially paid without the supplier's agreement should be reported the same way as disputed invoices. For example, from when the invoice was received until when it was paid in full in accordance with the agreement.

Reporting entities can give context or explanation in relation to their disputed invoices. This is done in a free text field in the payment times report.

Information included in this field should be broad and general in nature. The Regulator can refuse to publish certain information if it:

- is personal information
- is commercial-in-confidence
- is irrelevant to the objectives of the scheme.

Examples

Payment of invoice disputed during dispute period

A large business receives an invoice for 100 units of a product. In reconciling the goods they found 10 units of the product were defective. The large business accepts the goods. It pays for 90 units of the product (instead of 100 units), 30 days after it received the invoice.

Under its contract, the small business supplier can raise a dispute within 30 days of receiving payment. The small business supplier disputes the payment within this timeframe. The matter is resolved 55 days after the invoice was received.

The large business must report this payment in the 31 to 60 day band.

Payment of an invoice not disputed within dispute period

A large business receives an invoice for 100 units of a product. In reconciling the goods they found 10 units of the product were defective. The large business accepts the goods and pays for 90 units of the product (instead of 100 units), 30 days after it received the invoice.

Under its contract, the small business supplier can raise a dispute within 30 days of receiving payment. The small business supplier doesn't dispute the payment within this timeframe. The matter is considered resolved.

The large business must report this payment in the 21 to 30 day band.



Recipient created tax invoices

Recipient created tax invoices (RCTIs) are a method of receiving supplier invoices. This is common practice in the construction industry. They should be reported the same way as standard invoices.

RCTIs are generated by the entity (recipient) in accordance with its contractual arrangements with the suppliers. For example, it specifies the date of invoice issue, credit terms and payment dates.

Rebates

Where a supplier provides rebates, the invoiced amount should be used in calculations for payment times and practices.

For example, a supplier receives \$10 per item for every item up to a total of 10,000 items. They then receive \$8 per item after that. Information provided by reporting entities should be based on the actual item price invoiced.

Credit notes

A credit note can be used to offset the value of an invoice, either partially or in full. That's because a credit note reduces the amount that an entity owes to a small business supplier and is therefore obliged to pay.

Invoices that don't require any payment because they're covered by a credit note, don't need to be included in a payment times report.

If an invoice is partly covered by a credit note, the entity should report on the invoice amount they are required to pay. For example, if the invoice is for \$100 and a credit note of \$20 is applied to the invoice, the entity reports the invoice value as \$80.

It's up to the reporting entity how and when they apply a credit note to a small business invoice. When they do and it offsets the value of the invoice, they report the net value in their payment times report.

What not to report

The following items are excluded from payment times reporting:

- payments to other members of the controlling corporation's group or corporate group
- payments which don't have trade credit arrangements. For example, payments for rental leases that are pre-paid, travel expenses (including airfares, hotels, taxi, etc.) and restaurant or cafe expenses
- payments related to employees, through payroll or reimbursements
- royalty payments to an Australian state or territory government for use of natural resources
- invoices that don't require any payment because they're covered by a credit note.



How to report

If you're an eligible reporting entity, you must prepare and submit reports through the Payment Times Reporting Portal.

Payment Times Reporting Portal

Read about the portal – where you'll submit reports.

Preparing your report

Learn how to prepare your report and the reporting template.

Small Business Identification Tool

Find out about the SBI Tool and how to change business details in the tool.

How to identify your small business suppliers

Learn how to use the SBI Tool to identify small businesses for reporting.

Setting up for group reporting

Find out how to set up your organisational structure in the portal.

Frequently asked questions

Get answers to some of our frequently asked questions about reporting.

Also see

Compliance

Learn how the Regulator monitors and enforces compliance.



Payment Times Reporting Portal

The Payment Times Reporting Portal is where reporting entities submit payment times reports. Find out about the portal and how to access it.

Reporting through the portal

Businesses report on their payment times and terms for small business suppliers through the [Payment Times Reporting Portal](https://portal.paymenttimes.gov.au/) (<https://portal.paymenttimes.gov.au/>).

To submit a payment times report, they:

- fill in a template with their payment times information
- complete a declaration by someone authorised to approve the report
- upload these files and any other relevant information to the portal.

We publish payment times reports on the [Payment Times Reports Register](https://paymenttimes.gov.au/how-view-reports/) (<https://paymenttimes.gov.au/how-view-reports/>). The register is publicly available and free to use.

Portal registration

Before they can submit reports, businesses need to register their business details by creating a profile in the portal. This process is a self-assessment and registers their details only.

It's the business's responsibility to determine whether they [have reporting obligations](#) under the scheme.

Small Business Identification Tool

The [Small Business Identification \(SBI\) Tool](#) helps large businesses identify which suppliers to report on. The tool is available to reporting businesses through the Payment Times Reporting Portal.

If a small business doesn't want to be included in the SBI Tool, they can opt out of the tool by registering and updating their details in the portal. Creating a profile in the portal allows small businesses to opt out and opt in to the scheme at any time. If they opt out, large businesses won't report on payment times and terms to that business.

Learn how to use the SBI Tool to identify small business suppliers.

Volunteer reporting

Businesses that aren't required to report can still volunteer to report under the Payment Times Reporting Scheme. To volunteer a business needs to log in to the portal and register their business details.

Find out more about [volunteer reporting entities](#).

Reporting Portal troubleshooting

Occasionally reporting entities experience issues with logging into the reporting portal or undertaking some activities. There are a range of troubleshooting options such as clearing the cache that may assist.

Find [troubleshooting information for the reporting portal](#).

Troubleshooting in the Payment Times Reporting Portal

Read our common troubleshooting resolutions if you are experiencing issues accessing or using the Payment Times Reporting Portal (<https://portal.paymenttimes.gov.au/>).

Error when accessing the Payment Times Reporting Portal

If you are experiencing errors with accessing the Portal, you may need to do a hard reset of your browser i.e., clear your cache. This will ensure you have the latest version of the reporting Portal site.

Common instructions for clearing your cache:

- Google and Chrome (<https://support.google.com/accounts/answer/32050?hl=en&co=GENIE.Platform%3DDesktop>)
- Microsoft Edge (<https://support.microsoft.com/en-us/search?query=edge%20clear%20cookies%20and%20cache>)
- Safari (<https://support.apple.com/en-au/guide/safari/sfri47acf5d6/mac>)

If this does not resolve the issue, please try an alternate browser on another operating system.

Setting up your Digital Identity and RAM

Setting up your Digital Identity

To access the Payment Times Reporting Portal, you need to log in with your Digital Identity.

myGovID is the Australian Government's Digital Identity app.

Set up your myGovID in 3 easy steps:

1. Download the myGovID app from Google Play (<https://play.google.com/store/apps/details?id=au.gov.ato.mygovid.droid>) or the App Store (<https://itunes.apple.com/au/app/mygovid/id1397699449?mt=8>) to your compatible smart device. Only download the myGovID app from the official app stores. Non-genuine versions of the myGovID app may be available from other sources.
2. Enter your details – open the myGovID app and follow the prompts to enter your full name, date of birth and a personal email address.
3. Verify your identity – to access the reporting portal you will need at least a Standard identity strength.

Check the myGovID website (<http://www.mygovid.gov.au/help>) for help setting up your myGovID.

Check the Digital Identity website (<https://www.digitalidentity.gov.au/>) for more information on Digital Identity.

Setting up the Relationship Authorisation Manager (RAM)

How you link your Digital Identity to an ABN using RAM (<https://info.authorisationmanager.gov.au/>) depends on your role.

Principal authority

A principal authority is a person responsible for the entity. They need to link to the entity in RAM first. Find out how to link as a principal authority (<https://info.authorisationmanager.gov.au/principal-authority>).

Once linked, the principal authority can authorise others to access government online services like the reporting portal on behalf of the entity. When **authorising others** (<https://info.authorisationmanager.gov.au/setup-authorisations>), make sure to select **The Treasury (full access)** under agency access.

Authorised user or administrator

An authorised user or administrator is someone who acts on behalf of an entity.

A principal authority or authorisation administrator needs to authorise you before you can access the reporting portal on behalf of an entity. You will use your Digital Identity to log into RAM and accept the authorisation request.

Find out more about accepting an authorisation request (<https://info.authorisationmanager.gov.au/authorised-users-and-administrators>).

Check the Relationship Authorisation Manager (RAM) (<https://info.authorisationmanager.gov.au/help>) website for help linking.

Fixing payment times reports to avoid error messages

If you are receiving an error message, you may not have followed the template instructions for:

- cell formatting
- total calculations or
- data validations.

Read the template instructions carefully before completing each field in the reporting template.

It has clear explanations and data requirements, including handy tips about how to make sure your report will validate in the Portal.

Download the PTRS Reporting – Template Instructions from the **Payment Times Reporting Portal** (<https://portal.paymenttimes.gov.au/>).

The upload button is greyed out

If you're ready to submit a report and the upload button is greyed out:

1. Under **Select Report(s)** click the arrow next to the entity name.
2. Tick the box for the report you want to submit.
3. Check you've entered the entity's financial year.

Different report statuses

After you submit your report in the portal, it will show one of the following statuses as it moves through each stage in the assessment process.

- **Submitted** – means we've received the report you uploaded
- **Submitted - In Progress** – means we're screening your report
- **Approved** – means we've approved your report.

Once your report status is submitted you don't usually need to do anything else. After we approve your report, we'll publish it in the next release of the **Payment Times Reports Register** (<https://register.paymenttimes.gov.au/>). During ordinary periods we publish payment times reports as soon as we can. In peak reporting periods, we may delay publication until we can release reports for the same reporting period together.

Revising reports and details

Revising a report

If you've identified an error in your report that is **Approved** in the portal, you can apply to submit a revised report. We can't revise your existing report.

To do this, follow the steps below.

1. Prepare the revised report and responsible member declaration.
2. Log in to the reporting portal (<https://portal.paymenttimes.gov.au/>).
3. Click the **Submit and View Payment Times Reports** tile.
4. Click on the **Completed** tab.
5. Select the drop-down arrow under **Entity Name**.
6. Select the drop-down arrow next to the **Reporting Period**.
7. Click the **Resubmit** button.
8. Fill out the **Rationale for Resubmission** and **Summary of changes** for the revised report.
9. Click the **Upload Completed Payment Times Report** button.
10. Upload the revised report and declaration – you must upload both documents.
11. Complete the approver details and declaration.
12. Click the **Submit** button.

The Regulator may publish the revised report on the [Payment Times Reports Register](https://register.paymenttimes.gov.au/) (<https://register.paymenttimes.gov.au/>) if they're satisfied it's necessary to correct substantial errors or omissions.

You can only submit a revised report for one entity at a time. If you're part of a group that previously reported in one template, you need to submit revised reports separately.

Change nominated contact details

If your nominated contact has changed, follow these steps to update details in the portal.

1. Log in to the reporting portal (<https://portal.paymenttimes.gov.au/>).
2. Click on the person icon at the top right and select **Manage profile** from the drop-down.
3. Proceed through the self-assessment questions to page 4.
4. At **Your Entity's Preferred Contact** select **Add new**.
5. Update the contact details for your nominated contact.
6. Tick the declaration and save.



Preparing your report

This page helps you prepare and submit payment times reports in the Payment Times Reporting Portal.

Registering in the reporting portal

To log in to the reporting portal, create a Digital Identity with at least a **Standard** identity strength and link it to an ABN in Relationship Authorisation Manager (RAM).

The **principal authority** (<https://info.authorisationmanager.gov.au/principal-authority>), that is the person responsible for the business, needs to set up the initial link to the ABN in RAM.

myGovID is the Australian Government's Digital Identity app. Find out how to **set up your myGovID** (<http://www.mygovid.gov.au/setup>) and link it to an ABN in RAM (<https://info.authorisationmanager.gov.au/get-started>).

Once linked, the principal authority can authorise others to access the reporting portal on behalf of the entity. When **authorising others** (<https://info.authorisationmanager.gov.au/set-up-authorisations>), make sure to select **The Treasury (full access)** under agency access.

Find out more about setting up Digital Identity and RAM.

Entities unable to access the portal

If your principal authority – the person responsible for the business – doesn't have the required documents to set up a Digital Identity with at least a Standard identity strength, check if another principal authority can. Review your list of associates on the **Australian Business Register (ABR)** (<https://www.abr.gov.au/>) – if another principal authority can set up a Digital Identity, they can link to the business instead.

Your **entity type determines the role** (<https://www.abr.gov.au/business-super-funds-charities/applying-abn/what-you-need-your-abn-application/associates-details>) that the principal authority must have in the business. For some entities, the public officer is a type of principal authority. A public officer doesn't need to be a director of the company. To access our online services, you may be able to appoint a trusted individual in your business, that lives in Australia, or has the required Australian documentation as a public officer. This will enable them to set up a Digital Identity with at least a Standard identity strength and link the ABN. Be aware that there may be other responsibilities associated with this role though.

If no principal authority can achieve a Standard identity strength, **contact us** (<https://paymenttimes.gov.au/contact>) outlining the reasons your entity can't meet the access requirements.

Registering multiple reporting entities

An individual can register one or more entities in the reporting portal at the same time. They must however have the required myGovID (<https://www.mygovid.gov.au/>) authority to act on behalf of the entities they are registering.

Once registered, the entities can be linked together in the reporting portal in their **group structure**. Information on how this is done is in the reporting portal's 'Manage your organisational structure' feature.

Payment times report template

The payment times report comes in 2 parts:

1. A **csv file to input the payment information, called the 'PTR template'**



- a word file for signatures and associated declarations. This is called the 'Responsible member declaration template'

Access the templates on the portal (<https://portal.paymenttimes.gov.au/>).

Registered entities can access the PTR template prepopulated with their entity information through the reporting portal.

To submit a payment times report to the Regulator, reporting entities will:

- populate the PTR template with their payment times information
- complete the 'Responsible member declaration template'
- upload these report templates and any other relevant information or documentation to the reporting portal.

The Regulator will then publish reports on the [Payment Times Reports Register](#).

Completing a report

You can download template instructions from the [portal](https://portal.paymenttimes.gov.au/) (<https://portal.paymenttimes.gov.au/>) to help complete the templates, including information on the template data validation requirements.

A payment times report should include aggregate data only. A reporting entity should not report on individual invoices or individual suppliers.

To populate a PTR template, a reporting entity should add data from row 3. Rows 1 and 2 are both heading rows and should not be edited. They provide context for the information to add in row 3.

If PTR template is being completed for one reporting entity, that entity will only need to add data in row 3.

A single reporting entity can also complete the PTR template for multiple reporting entities in the same group. To complete the template, the entity must add data for each entity using a new row. For example, entity one on row 3, entity two on row 4, and so on.

The 'Responsible member declaration template' can be completed for a single reporting entity. It can also be completed for multiple reporting entities in the same group.

If you use electronic signatures, make sure they identify the person signing in a reliable way (see the *Electronic Transactions Act 1999* (<https://www.legislation.gov.au/Details/C2011C00445>)). The signature may be an image of the person's handwritten signature, a digital signature, or their typed name accompanied by the word 'signed'.

There's information about who can sign the responsible member declaration on our [What's in a report](#) page.

Check [what to do if you don't have any payments to report or small business suppliers](#).

Accessing a pre-populated template

A partially pre-populated PTR template including relevant entity information is available through the reporting portal. A reporting entity can access the pre-populated template through the reporting portal's 'Submit payment times reports' feature.

Through this feature, the entity can also select multiple entities to include in the pre-populated template. The entity must simply click the drop down arrow next to the relevant entity name(s). They can then tick the check box next to the entity to select them. Each entity must have its financial year end date recorded to be included.



The pre-populated PTR template can be downloaded by clicking the 'Download pre-populated template' button in the reporting portal (<https://portal.paymenttimes.gov.au/>).

Submitting a report

Reporting entities must submit a report within 3 months of the end of each 6-month reporting period.

The end of a reporting period could be a weekend, public holiday or during Christmas shutdown. These periods do not impact the reporting timeframe.

A reporting entity can submit a report by selecting the reporting portal's 'Submit payment times reports' feature. They can then select the entity(s) for which they are submitting a report(s). Each entity must have its financial year end date recorded to be included.

A reporting entity can upload a completed report by clicking on the 'Upload completed payment times report' button.

The PTR template and the Responsible member declaration template must be submitted together. This completes the reporting obligation for the relevant entity(s).

Applying for an extension

You can apply for an extension if there are exceptional circumstances or circumstances outside of your control and you need more time to report. You must apply within 3 months of the end of the reporting period. To apply:

1. Log in to the reporting portal (<https://portal.paymenttimes.gov.au/>).
2. Select **Submit and View Applications** on the home page.
3. Select **Extension of Time Application** on the applications page.

Your application will need to set out the circumstances why an extension is needed and provide supporting evidence. We may ask for more information if your application has insufficient information or supporting evidence.

The Regulator may grant an extension if satisfied the circumstances are exceptional or outside the entity's control. The amount of time the Regulator may grant depends on:

- the severity of the circumstances
- the strength of the evidence included in the application.

The Regulator will email you the results of your application. If an extension is granted, the portal will update with your new due date.

If we don't grant an extension, you can apply to have the decision reconsidered via [the reporting portal \(https://portal.paymenttimes.gov.au/\)](https://portal.paymenttimes.gov.au/). After review, our original decision may be affirmed, varied or set aside in place of a new decision. If you're still not satisfied with our decision, you may have the right to seek further review by applying to the [Administrative Appeals Tribunal \(https://www.aat.gov.au/\)](https://www.aat.gov.au/).

Revising a report

Reporting entities may apply to have a revised version of a payment times report published. This can be done via the reporting portal.

The application must include:

- the date of the revision

- a description of the changes made to the revised report.

The Regulator may publish the revised report on the [Payment Times Reports Register](#). They will do this if they are satisfied that the revisions were necessary to correct substantial errors or omissions.



Small Business Identification Tool

The Small Business Identification (SBI) Tool helps reporting entities identify their small business suppliers. Find out how it works and how to change tool details.

How the SBI Tool works

The SBI Tool helps reporting entities to identify which suppliers they need to report on. It's only available for reporting entities – not the general public. The tool is available from the [Payment Times Reporting Portal \(https://portal.paymenttimes.gov.au/\)](https://portal.paymenttimes.gov.au/).

The tool works by a process of elimination. It contains a database of ABNs of:

- large businesses
- medium sized businesses
- small businesses that have [opted out of the tool](#).

When reporting entities use the tool, they provide a list of their supplier ABNs. The tool compares this list to the database of ABNs. ABNs that don't have a match in the database are small businesses for reporting purposes.

The tool returns a text file that separates out the ABNs of small businesses that need to be included when preparing payment times reports.

Find out how to use the SBI Tool to [identify your small businesses suppliers](#).

Small businesses under the scheme

The SBI Tool identifies businesses as small businesses if they:

- carry on an enterprise in Australia
- have an ABN
- had annual turnover below \$10 million for the most recent [income year](#).

This also applies to businesses that are subsidiaries of a larger [business group](#).

Updating your details in the SBI Tool

If the SBI Tool has incorrectly identified the size of your business, please notify us by email at support@paymenttimes.gov.au. Please ensure you outline the actual size of your business and provide evidence of your business's income.

Updating another business's details in the SBI Tool

If you believe a supplier or entity in your corporate group shouldn't be identified as a small business, you can complete an SBI Tool update form (statutory declaration) [[PDF 190KB](#) | [DOCX 25KB](#)]

Email the completed form to support@paymenttimes.gov.au

Small businesses opting in or out of the SBI Tool

Small businesses can opt in or out of the SBI Tool.

All reports include aggregate data and do not report on individual small business invoices. If your small business opts out, reporting entities won't include payment times and terms for your small business in their reports.

To remove your small business from the SBI Tool:

1. Set up a **Digital Identity** (<https://www.mygovid.gov.au/>) with at least a **Standard** identity strength and link it to an ABN in RAM (<https://info.authorisationmanager.gov.au/get-started>) to act on behalf of the business.
2. Register your entity in the portal using your Digital Identity.
3. Log in to the portal (<https://portal.paymenttimes.gov.au/>).
4. On the portal home page, select the option to opt out of the SBI Tool.
5. Follow the instructions in the portal.

If you decide to opt back in later, follow the same process but select to opt in instead.

If your small business doesn't have an ABN (for example, if you're a foreign entity) it won't be included in the tool or in payment times reports.

Providing feedback on the SBI Tool

If you have feedback on the SBI Tool, let us know through our [online form](https://paymenttimes.gov.au/contact) (<https://paymenttimes.gov.au/contact>).



How to identify your small business suppliers

Find out how to use the Small Business Identification (SBI) Tool to identify your small business suppliers for payment times reporting.

About the SBI Tool

The SBI Tool identifies which of your suppliers are small businesses for payment times reporting. The tool is available through the [Payment Times Reporting Portal \(https://portal.paymenttimes.gov.au/\)](https://portal.paymenttimes.gov.au/).

To use it, you'll need a list of your suppliers' Australian Business Numbers (ABNs). The tool compares your list to its database and returns a text file with small businesses to report on. This won't include any small businesses that have opted out of the SBI Tool.

Our [SBI Tool](#) page has more information on how the tool works, how to opt out as a small business and how to change business details in the tool.

When to use the SBI Tool

To comply with reporting requirements you'll need to use the SBI Tool during the 3-month [reporting window](#). This ensures you identify any new small business suppliers you engaged during the reporting period.

If you're part of a reporting group, the head entity can run the SBI Tool for its group members. You'll just need to make sure all group members:

- are set up as a group in the portal
- [prepare individual reports](#)
- keep their own SBI Tool records for 7 years.

How to use the SBI Tool

You can only use the SBI Tool if you're a reporting entity.

Step 1: Create a list of your suppliers' ABNs

To use the SBI Tool, first create a list of your suppliers' ABNs.

Exclude ABNs for any entities in your controlling corporation's group such as your head entity or small business subsidiaries. You don't have to report on group members.

You can only check up to 10,000 supplier ABNs in the tool at a time. To check more than this, you'll need to run the tool more than once.

Step 2: Save your list of ABNs

When you use the tool, you can either paste your list of ABNs directly into it or you can upload a file. The tool will only accept .csv or .txt files.

To create a .csv file, put your list of up to 10,000 ABNs into a single column in Excel without any spaces. Make sure all the ABNs are on one worksheet with one ABN per cell. Only enter the 11 digit ABNs – don't include any letters or special characters in the spreadsheet.

Save the list in Excel as a .csv file.



Step 3: Log in to the portal

Log in to the portal (<https://portal.paymenttimes.gov.au/>). You should see an option to use the SBI Tool on your home screen.

The SBI Tool is only visible to reporting entities. If you're a reporting entity but can't see it, you may have registered incorrectly. Check your profile by clicking on the person icon or your name at the top right of your screen. The portal identifies you as a reporting entity if you select:

- income above either \$100 million or above \$10 million if you're a member of a controlling corporation's group with combined income over \$100 million
- that you're a constitutionally covered entity
- that you're **not** registered as a charity/not-for-profit.

Step 4: Provide your supplier ABNs to the SBI Tool

Open the SBI Tool and either:

- upload a .csv or .txt file with your supplier ABNs
- copy and paste your supplier ABNs directly into the tool.

Step 5: Get your list of small businesses

After you submit your list, the SBI Tool will separate it on screen into small businesses you must report on and businesses not to report on.

You must download and keep a record of the separated list. Check your downloads for a text file with your SBI Tool results and save it to your preferred location.

Step 6: Keep SBI Tool records

Each reporting entity must keep their own information used to prepare a payment times report. This includes SBI Tool input and output information. Make sure you keep these records for 7 years after the end of the reporting period, even if your head entity ran the report for you.

Setting up for group reporting

How to set up your organisational structure in the portal so you can submit payment times reports as a group.

Your organisational structure

If you want to submit reports as a group, you must set up your organisational structure in the reporting portal.

This allows your head entity (or controlling corporation) to submit a single report template for multiple entities in your group. Each group member must prepare a report, but you'll be able to submit them together in one reporting template. When setting up your organisational structure, only add entities that have reporting obligations.

How to register your entity as part of a group

The details you provide in your entity profile in the portal determine if you're part of a group. This applies to both the head entity and its subsidiaries.

When you first register in the [portal \(https://portal.paymenttimes.gov.au/\)](https://portal.paymenttimes.gov.au/) and enter your entity details, make sure you answer 'yes' to the question 'Are you part of a corporate group?'

If you've already registered and can't see the tile **Manage your organisational structure** on the portal home page, you may need to update your entity details.

To do this:

1. Log in to the [portal \(https://portal.paymenttimes.gov.au/\)](https://portal.paymenttimes.gov.au/) and click your profile name at the top right of the first page (or the person logo).
2. Select **Manage profile** from the drop-down that appears.
3. Answer the questions and make sure you select 'yes' when asked if you're part of a group.

You should now be able to see the **Manage your organisational structure** tile on the home screen.

Changes to how you link group members

We've changed the way you manage your organisational structure in the portal.

You now need to email us and we'll update the portal for you. Follow the instructions below to:

- add or change the head entity for your group
- add member entities to your group – if you're the head entity.

How to add head and member entities

To add or change the head entity of your group in the portal, email support@paymenttimes.gov.au with the following information:

- name of person requesting the change
- reason for requesting the change
- organisational name of the new head entity
- the entity's Australian Business Number (ABN)



- the entity's Australian Company Number (ACN)
- preferred contact first and last name
- preferred contact email address and phone number
- whether the head entity is a controlling corporation.

If you're the new head entity and would like to add other member entities, we need their information, including:

- reason for requesting the change
- organisational name of the member entity
- the entity's Australian Business Number (ABN)
- the entity's Australian Company Number (ACN)
- preferred contact first and last name
- preferred contact email address and phone number.

Include the declaration

Copy and paste the following declaration into your email authorising the changes.

I declare that I am authorised to provide this information for this entity and the information I have given is true and correct.

What happens next?

We'll email you once we've made your requested changes.



Frequently asked questions

Select from the topics below for answers to some of our frequently asked questions about the Payment Times Reporting Scheme.

Who must report

Do I have to report?

You must report if your business is:

- constitutionally covered
- carries on an enterprise in Australia
- has a total income above a certain [income threshold](#).

You must also report if your business has volunteered to report under the scheme.

You don't have to report if your business is registered under the *Australian Charities and Not-for-profits Commission Act 2012* (<https://www.legislation.gov.au/Details/C2021C00415>).

You'll need to self-assess whether your business is required to report. Check our [Who must report](#) topic for detailed information about reporting obligations and the income thresholds.

If you're still not sure, you may need to seek professional advice. We can't give you legal advice.

What if I don't have any invoices or small business suppliers?

If you're required to report under the scheme you must report, even if you don't have any:

- payments or invoices to report
- small business suppliers.

When you fill in the reporting template, report '0' in the columns that require payment times data.

What happens if I don't report?

Penalties may apply if you fail to report or don't report on time. These can be applied for each day your business doesn't comply.

If you need more time due to exceptional circumstances or circumstances outside of your control, you can [apply for an extension](#) during the 3-month reporting window.

Find out what the [penalties](#) are and when they apply.

When to report

When do I need to report?

This depends on your entity's income (financial) year. There are 2 reporting periods per year covering the first and the second 6 months of your income year.

At the end of each reporting period, you have a 3-month reporting window to submit your report.

Read more about [Reporting periods](#).



How do I apply for an extension?

You can apply for an extension if there are exceptional circumstances or circumstances outside of your control and you need more time to report. To apply:

1. Log in to the reporting portal (<https://portal.paymenttimes.gov.au/>).
2. Select **Submit and View Applications** on the home page.
3. Select **Extension of Time Application** on the applications page.

Your application will need to set out the reasons for seeking an extension and attach evidence of circumstances that are exceptional or outside your entity's control.

You must apply within 3 months of the end of the reporting period.

Read more about [applying for an extension](#).

How long will my application take to get assessed?

We begin processing your application when we receive it through the portal.

The amount of time taken to assess applications varies.

It may take longer to process your application if we need to request additional information or evidence.

The amount of time the Regulator may grant for an extension depends on:

- the severity of the circumstances
- the strength of the evidence in your application.

The Regulator will email you the results of your application. If approved, the portal will update with your new due date.

Read more about [applying for an extension](#).

How to report

How do I fill in the reporting template?

If you're reporting for:

- **one entity** – only add data in row 3 of the template
- **multiple entities in the same group** – add data for each entity in a separate row from row 3 down.

You must report aggregate data for each reporting entity, not on individual small business invoices.

Use our template instructions for help completing each field in the reporting template. It has clear explanations and data requirements. You can download the PTRS Reporting – Template Instructions from the Payment Times Reporting Portal (<https://portal.paymenttimes.gov.au/>) site.

What's the difference between a head entity and a controlling corporation?

Head entity is **not** defined by the *Payment Times Reporting Act 2020* (<https://www.legislation.gov.au/Details/C2021C00531>). It refers to either the:

- controlling corporation of a group, or
- another type of entity that has a similar role to a controlling corporation.



A controlling corporation is an Australian body corporate that is not a subsidiary of another body corporate incorporated in Australia.

Head entity is a term only used in the portal to describe the head of a corporate group that isn't a controlling corporation.

You don't need to fill in both controlling corporation and head entity details in the template. If you have a controlling corporation, enter details under the controlling corporation fields. If your head entity is not a controlling corporation, enter details under head entity and leave the controlling corporation fields blank.

Read more about [group structures](#).

How do I complete the responsible member declaration form?

For help completing the responsible member declaration, download the PTRS Reporting – Template Instructions from the [Payment Times Reporting Portal](https://portal.paymenttimes.gov.au/) (<https://portal.paymenttimes.gov.au/>).

The declaration must be signed by a responsible member of your principal governing body who is authorised to sign the payment times report.

Check our information about who can sign on our [What's in a report](#) page.

You can submit the declaration as either a Word document or a PDF.

Can I use an electronic signature?

Yes you can. If you use electronic signatures, make sure they identify the person signing in a reliable way (see the *Electronic Transactions Act 1999* (<https://www.legislation.gov.au/Details/C2011C00445>)).

The signature may be an image of the person's handwritten signature, a digital signature, or their typed name accompanied by the word 'signed'.



Compliance and enforcement

The Regulator monitors and enforces entities' compliance with reporting and other requirements of the scheme.

Compliance and enforcement tools

Read about the tools to encourage businesses to comply with the scheme.

Penalties for non-compliance

Learn about the penalties that entities may face if they don't meet scheme requirements.

Reviewing a decision

Check the review process for reporting entities that want a decision reviewed.

Also see

How to report

Read our guidance on how to submit a payment times report.

Regulatory resources

Understand how to comply and how we administer the Act.

The Regulator

Learn about the role of the Regulator to monitor and enforce compliance with the scheme.



Compliance and enforcement tools

A range of tools are available to encourage compliance with the Payment Times Reporting Scheme from education through to stronger measures.

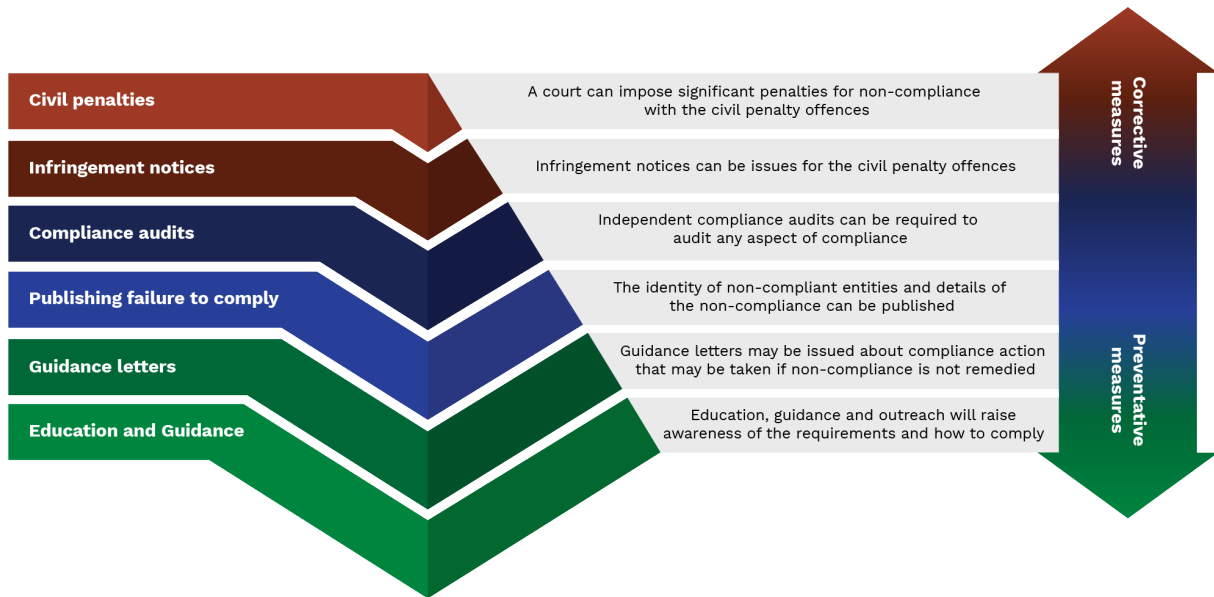


Image: The compliance pyramid for the Payment Times Reporting Scheme. Click on image to enlarge

Education and guidance

Education and guidance support voluntary compliance with the Act.

The Regulator may regularly publish information to assist reporting entities.

The Regulator will often work with the reporting entity to provide education and advice so they can meet the requirements. However, responsibility for complying with the requirements rests with the reporting entity. This includes ensuring the accuracy of all information provided to the Regulator.

Guidance letter

A guidance letter may be sent by the Regulator. For example, this may be done for low compliance risks.

This is a non-legislative measure and would be in the form of a letter from the Regulator.

It's not a mandatory step that the Regulator issue a guidance letter.

In some cases the Regulator may decide to proceed to other compliance actions without issuing a guidance letter.

Guidance letters may include:

- the identified non-compliance
- what corrective action should be undertaken

- what other compliance action the Regulator may take if the non-compliance is not remedied within a specified timeframe
- education about how to remain compliant in the future.

Publishing non-compliance

The Regulator can publish information about an entity's non-compliance on the Payment Times Reports Register.

Before we decide to publish information about an entity's non-compliance, we must:

- notify the reporting entity and provide reasons for the proposed publication
- invite the entity to make a written submission.

You may apply for an internal review (internal reconsideration) of the decision. You may also be able to apply to the Administrative Appeals Tribunal for an independent review of our decision.

For more information, read [Information sheet 2: Regulator decisions – your rights](https://paymenttimes.gov.au/about/regulatory-resources/information-sheet-2) (<https://paymenttimes.gov.au/about/regulatory-resources/information-sheet-2>).

Audits for non-compliance

The Regulator can require reporting entities to have a compliance audit. This may be done when we reasonably suspect that an entity hasn't met the requirements of the scheme.

A suitably qualified and independent auditor will be nominated and appointed by the reporting entity. It must also be approved by the Regulator. In some cases, the Regulator may not approve the nominated auditor and require an alternative one.

An audit can examine the reporting entity's compliance with:

- the Act
- aspects of the Act.

For example, the audit could examine whether an entity has provided correct and relevant information in a report.

The reporting entity will be notified about the audit requirements. The Regulator will specify:

- the auditor's required qualifications and independence
- the matters to be covered by the audit
- the form and content of the audit report.

The reporting entity must provide the auditor with all reasonable facilities and assistance to enable the auditor to carry out their duties.

The reporting entity will be required to pay for the auditor's services.

Infringement notice process

There are a number of civil offences in the Act. As an alternative to undertaking formal court action, the Regulator or an infringement officer may issue an infringement notice. This is done when the Regulator or infringement officer reasonably believes there are alleged contraventions.

An infringement notice requires the entity to pay a penalty for the alleged contravention. It will set out the applicable penalty. Multiple infringement notices can be issued depending on the number of contraventions identified.

If the entity does not pay the penalty in the infringement notice, court proceedings can be brought against the entity in relation to the contravention.

Monitoring and investigations

The Regulator has monitoring and investigation powers to support compliance and enforcement actions. Monitoring and investigations may help to confirm or identify if there is a compliance issue. Depending on the outcomes, it will determine the need for further action.

The monitoring and investigation powers allow the Regulator or representatives to enter a premises. This happens with:

- the occupier's consent
- a monitoring warrant (under monitoring powers)
- an investigation warrant (under investigation powers).

A relevant warrant may be issued if it is reasonably necessary to access the premises to determine whether a provision of the Act has been complied with. This includes determining if information subject to the Act is correct. This may include exercising powers such as:

- searching the premises
- inspecting documents
- making copies
- taking images
- securing or seizing evidence.

These are part of a standard suite of monitoring, investigation and enforcement powers set out in the *Regulatory Powers (Standard Provisions) Act 2014* (<https://www.legislation.gov.au/Details/C2017C00359>).

Following monitoring or investigation, decisions may be made to take further enforcement action. This may include imposing penalties for non-compliance.

Penalties for non-compliance

A court can impose civil penalties for non-compliance with the Payment Times Reporting Scheme. Find out about the different penalties depending on entity size and resourcing.

Different penalties apply

Different penalty amounts apply to individuals and body corporates. Higher penalties apply to corporations. Individuals such as non-corporate trustees or members of a partnership face lower penalties.

The penalties are designed to encourage timely and accurate reporting. They are also designed to be large enough to provide a deterrent effect for non-compliance. The nature of the penalties are proportionate to the size and resourcing of reporting entities covered by the scheme.

Volunteer reporting entities are not subject to civil penalties under the scheme. If a volunteer entity fails to comply, the Regulator can:

- decide not to publish that entity's payment times reports until any non-compliance is addressed
- publish the identity of the volunteer and the details of their non-compliance on the Payment Times Reports Register
- request the volunteer reporting entity carry out an audit
- exercise its monitoring and investigation powers.

Civil penalties

Nature of contravention	Maximum penalties for individuals	Maximum penalties for incorporated entities (body corporate)
Failure to report	60 penalty units (can be applied per day of non-compliance)	300 penalty units (can be applied per day of non-compliance)
False or misleading reports	350 penalty units	0.6 per cent of total income for the income year in which the contravention occurred
Failure to keep records	200 penalty units	0.2 per cent of total income for the income year in which the contravention occurred
Failure to comply with audit notice	60 penalty units (can be applied per day of non-compliance)	200 penalty units (can be applied per day of non-compliance)
Failure to reasonably assist the auditor	200 penalty units	0.2 per cent of total income for the income year in which the contravention occurred

A penalty unit equals \$222 as of 1 July 2020.

Civil penalties do not apply to conduct engaged in before the enforcement day on 1 January 2022.

Mistake of fact

Reporting entities will not be subject to a penalty where a mistake has been made about the facts involved if, had those facts existed, the relevant conduct would not have amounted to a contravention of the scheme's requirements.

If the reporting entity is a body corporate they can only rely on the mistake of fact defence if they can demonstrate they exercised due diligence to prevent the conduct.

Reporting entities will not be able to demonstrate they exercised due diligence if they have:

- demonstrated inadequate corporate management, control or supervision of their employees or
- failed to provide adequate systems for conveying relevant information to those employees.

Failure to report

Failure to provide a payment times report by the specified time has a maximum penalty of:

- 60 penalty units for an individual, or
- 300 penalty units for a body corporate.

These penalties can be applied for each day the entity does not comply. This starts from the end of the three-month period they have to submit a report.

For example, an individual was 9 days late in submitting a payment times report. They could be subject to a penalty of up to a maximum of 540 penalty units. A body corporate could be subject to a penalty of up to a maximum of 2700 penalty units.

Providing a false or misleading report

Submitting a false or misleading payment times report has a maximum penalty of 350 penalty units for an individual. For a body corporate, the maximum penalty is 0.6% of the total income for the income year in which the contravention occurred.

For example, a body corporate with a total income of \$500 million in 2022-23 provided information which painted a false picture of its payment performance in that same income year. It could be subject to a penalty of up to \$3 million.

Failure to keep records

Reporting entities are required to retain information used to prepare a payment times report. They must retain it for at least 7 years after the end of the relevant reporting period.

If they fail to do so, they can be subject to a maximum penalty of:

- 200 penalty units for an individual
- 0.2% of total income for the income year that the contravention occurred for a body corporate.

Failure to comply with a notice to appoint an auditor and provide an audit report

Failure to appoint an auditor has a maximum penalty of:

- 60 penalty units for an individual



- 300 penalty units for a body corporate.

These penalties can be applied for each day the entity does not comply with the timeframe. The timeframe is set out in the notice from the Regulator.

For example, a body corporate failed to respond for 9 days following the expiry of the notified timeframe. This could result in a maximum penalty of 2700 penalty units. For the same failure to respond for nine days, an individual could receive a maximum of 540 penalty units.

The same penalties apply to a failure to supply the audit report within the time period specified by the Regulator.

Failure to provide the auditor with all reasonable facilities and assistance necessary

Failure to provide an auditor with all reasonable facilities and assistance necessary has a maximum penalty of 200 penalty units for an individual.

For a body corporate, the maximum penalty is 0.2% of the total income for the income year that the contravention occurred.

For example, a body corporate with a total income of \$500 million in 2022 to 2023 failed to reasonably aid an auditor in that same income year. It could be subject to a penalty of up to \$1 million.

Infringement notice penalties

An infringement notice requires the entity to pay a penalty for the alleged contravention and will set out the applicable penalty.

The court will enforce infringement notices given by the Regulator if they are not paid.

In the case of a single contravention, the penalty is the lesser of one-fifth of the maximum penalty that a court could impose and:

- 12 penalty units for an individual
- 60 penalty units for a body corporate.

In the case of multiple contraventions, the penalty is the lesser of one-fifth of the sum of the maximum penalty that a court could impose for each contravention and:

- for an individual, the number of penalty units worked out by multiplying the number of contraventions by 12
- for a body corporate, the number of penalty units worked out by multiplying the number of contraventions by 60.



Reviewing a decision

Reporting entities can apply for a review of certain decisions made by the Payment Times Reporting Regulator. Find out which decisions are reviewable and how to apply.

Reviewable decisions

If you're affected by a **reviewable decision** made by the Regulator, you can apply for an internal review (reconsideration) of the decision. The following are reviewable decisions:

- a decision that an entity has not ceased to be a reporting entity
- a decision not to allow further time to report
- a decision to publish the identity of an entity or details of non-compliance.

Applying for reconsideration

You must apply in writing for reconsideration of a reviewable decision within 14 days of receiving the Regulator's decision. You'll need to set out the reasons for seeking reconsideration of the decision in your application.

The easiest way to apply for reconsideration of a reviewable decision is via the [Payment Times Reporting Portal](https://portal.paymenttimes.gov.au/) (<https://portal.paymenttimes.gov.au/>). There's no application fee involved.

Reconsideration of the decision

After we receive your application for reconsideration of a reviewable decision, either the Regulator or a delegate of the Regulator who was not involved in the original decision will review it.

We'll provide notice of the review decision in writing, including the date it takes effect and the reasons for the decision. If you don't get notice within 90 days of applying, the original decision is deemed to have been affirmed.

Independent review

Our decisions may be reviewable by the [Administrative Appeals Tribunal \(AAT\)](https://www.aat.gov.au/) (<https://www.aat.gov.au/>). You'll need to apply to the AAT in writing, usually within 28 days of receiving the decision that you want the AAT to review. You may need to pay an [application fee](https://www.aat.gov.au/apply-for-a-review/other-decisions/fees) (<https://www.aat.gov.au/apply-for-a-review/other-decisions/fees>).



How to view reports

We publish payment times report information on the Payment Times Reports Register. Understand how the register works and where to access the data.

About the register

Learn about the register – where we publish payment times reports.

How to use the register dashboard

Get tips on using the interactive dashboard to view register data.

What's in the register

Understand what payment information you can and can't find in the register.

We'll be adding more features to the register and value any feedback you may have. You can get in touch using our [feedback and enquiry form \(https://paymenttimes.gov.au/contact\)](https://paymenttimes.gov.au/contact).

Also see

Payment Times Reports Register

Open the register to find payment times reports information.

Payment Times Reports Register now available

Read the Regulator's statement about the release of the register.

About the register

The Payment Times Reports Register provides information that reporting entities – mostly large businesses – include in their payment times reports.

What's in the register

The Payment Times Reports Register (<https://register.paymenttimes.gov.au/>) provides payment times reports information in a downloadable Excel file. There's also an interactive dashboard that helps you to search for and view register data.

Information in the register is updated regularly and includes reporting entities' payment times and terms for small businesses.

You won't find all Australian businesses in the register. It only provides report information from entities that are eligible for the Payment Times Reporting Scheme. These are mostly large businesses.

Find out more about [what's in the register](#).

Who can use the register

Anyone can use the register, including:

- small and large businesses
- members of the public
- researchers
- the media.

It's free to use and you don't need to create an account.

What we publish in the register

The reports published in the register provide information supplied by reporting entities.

Where possible, we publish payment times reports as received from reporting entities. Reporting entities may provide details that give a small business context or insight into their payment terms or performance.

What we don't publish

In some cases, we may redact information provided in a payment times report. We may not publish certain information if publication is not in the public interest. This includes information that:

- is defamatory, slanderous or blasphemous
- provides comments or details of specific transactions or suppliers
- contains personal information about individuals that aren't associated with the reporting entity
- is clearly erroneous or misleading
- passes opinions or comments on the purpose, policies, or requirements for payment times reporting
- is otherwise not in the public interest to publish.

If information isn't in the public interest to publish, we may redact it in part or in full.



We may not publish some information in payment times reports because it doesn't relate to payment terms or performance. For example, we collect contact details of the individual submitting reports for administrative purposes, but don't publish these details.

Our [Privacy policy \(https://paymenttimes.gov.au/privacy\)](https://paymenttimes.gov.au/privacy) has up-to-date information on what we do and don't publish in the register.

When we publish

During ordinary periods we publish payment times reports as soon as we can.

In peak reporting periods, usually September and March each year, we receive a large number of reports. At these times we may delay publication until we can release reports for the same reporting period together.

Register dashboard

You can search for and view register data using the dashboard.

The dashboard has 2 pages.

- **Home** – to quickly search for a business's payment information or to view results from all reports.
- **Payment times reports** – to view one or more business's payment report information.

There's more information about each page on our [How to use the register dashboard](#) page.

Dashboard help

There are 2 types of help in each page.

- **Tips** – look for tips by hovering above each a section. A '?' symbol indicates a tip.
- **Page help** – click on 'How to use this page' at the top right of each page for more detailed step-by-step instructions.

Feedback

We're planning to add more features to the dashboard. If you'd like to provide feedback, get in touch using our [feedback and enquiry form \(https://paymenttimes.gov.au/contact\)](https://paymenttimes.gov.au/contact).

What is in the register

You can use the Payment Times Reports Register to find information on payments to small businesses. Understand what data you can find in the register.

Report information

The Payment Times Reports Register presents data from payment times reports. Register information is limited by:

- report requirements under the *Payment Times Reporting Act 2020* (<https://www.legislation.gov.au/Details/C2021C00531>)
- accuracy and completeness of data that reporting entities provide in their reports.

The Regulator doesn't validate the accuracy or completeness of reports before publication. It's the responsibility of reporting entities to report accurate information.

The Act sets out what entities must report. The Act and reporting requirements were developed after extensive [consultation](https://treasury.gov.au/small-business/PTRS/consultations) (<https://treasury.gov.au/small-business/PTRS/consultations>) with small and large businesses, industry associations and individuals.

Report information is available in a downloadable Excel file. There's also an interactive dashboard where you can search for and view register data.

Reporting entities

Only certain entity types (including large businesses and some government entities) that earn above certain income thresholds are required to report. Other entities may volunteer to report. For more information on reporting entities, check the [eligibility criteria](#).

Register data

Most reports in the register show information as lodged.

There's a lot of information in the register Excel file. To help you to find the information you're looking for, we've listed some of the main parts below. For more detailed information, refer to the PTRS Reporting Template Instructions. You can download these from the [Payment Times Reporting Portal](#) (<https://portal.paymenttimes.gov.au/>).

Business details

If you're looking for a particular business in the register look for its:

- business name in column A (not the trading name) or
- Australian Business Number (ABN)/Australian Company Number (ACN) in columns B and C.

If you don't have these details, use [ABN Lookup](#) (<https://abr.business.gov.au/>) to find business names, ABNs and ACNs.

Controlling corporation

Controlling corporation details are in columns D to F. A controlling corporation is an Australian body corporate that isn't a subsidiary of another Australian body corporate.



Head entity

Head entity details in columns G to I are included where a reporting entity is a member of a group of related entities (such as a partnership, trust or foreign group) and the head entity isn't a controlling corporation.

Industry

The Business Industry Code in column J is for the reporting business's main industry or business activity. The industry each code represents is in column AY. You can also check industry codes by entering them into the ATO's Business Industry Code Tool (<https://www.ato.gov.au/Calculators-and-tools/Business-industry-code-tool/AnzsicCoder.aspx>).

Report period

Columns K and L show the start date and end date of the reporting period covered by the report.

There are 2 reporting periods in each income year, the first 6 months and the second 6 months of the reporting entity's income year.

Payment terms

Payment terms information is shown in columns M to U.

These are the contract payment periods (in calendar days) offered by reporting entities to their small business suppliers. These times don't account for any supply chain finance arrangements.

Payment times

These are shown in the register as the percent of small business invoices paid within specified timeframes, for example within 20 days.

Payment times are reported as both:

- **percentage of total number of invoices paid** – see columns V to AA
- **percentage of total value of invoices paid** – see columns AB to AG.

Specified time periods are in calendar days.

Small business procurement

This is the reporting entity's procurement from small business suppliers during the reporting period. Values are reported as the percentage of the total value of procurement from small business suppliers – see column AK.

Supply chain finance arrangements

Supply chain finance (columns AL to AP) refers to any arrangement where a large business agrees to pay a small business invoice, or arranges a third party to pay the small business invoice, earlier than the agreed payment period in exchange for a discount.

Other details and arrangements

Columns AH and AT show other details submitted in reports, including any comments the business added about their payment practices.

Can't find a report or business?

You can find reports from most large Australian businesses in the register.



The register is updated regularly. If you can't find a particular report in the register, it may be because:

- they haven't lodged their report yet – they may be late, have a different reporting period or have been granted an extension
- you're using the wrong ABN/ACN or business name – check in the [ABN Lookup tool \(https://abr.business.gov.au/\)](https://abr.business.gov.au/)
- the entity isn't eligible to report – not all entities have to report under the Act
- they no longer have to report – for example, an entity's income dropped below the threshold
- the Regulator hasn't reviewed the report yet.

The register doesn't identify businesses that have not reported when they should have and a missing report doesn't necessarily mean a business is non-compliant.

What isn't in the register

Information in the register is limited by requirements under the Act. By law, the Payment Times Reporting Regulator must provide register data to the public. The Regulator doesn't determine what information is required in a payment times report.

Business rankings and performance

You won't find business rankings or assessments of their performance in the register.

Under the Act the Regulator must:

- register all payment times reports
- maintain a register of payment times reports on the Payment Times Reports Register
- make the register available for public inspection, without charge, on the internet.

It's not the Regulator's role to assess or make judgments about reported data.

Small business, charity and some foreign entity reports

Only certain entities need to lodge payment times reports. You won't find reports in the register from:

- small businesses
- charities
- not for profits
- some foreign companies, joint ventures, trusts and other entities.

Some government organisations

Not all government organisations have to report. Just like other entities, government entities must report if they meet the [eligibility criteria for the scheme](#). Only some are constitutionally covered entities and meet the eligibility criteria.

Information that's not in the public interest

Most reports in the register show information as lodged.

In some cases, the Regulator removes certain information that's not in the public interest before publishing a report. Examples of types of information that we may not publish are on our [About the register](#) page.

Multiple reporting periods

You may not be able to view a business's performance over multiple reporting periods.

Under the Act, the Regulator must make register information available to the public without charge on the internet. The Regulator released the register with the first set of payment times reports to meet this requirement.

We'll add more reporting periods as they become available.

Reporting groups

You can't search for a reporting group report in the register or dashboard.

A group is a collection of member entities and their controlling corporation. Each eligible member reports for their individual ABN, not as a group average.

Contact us about the register

If you've read this page and still think something's missing from the register, please get in touch.

We value your feedback on the register. It helps us to continue to improve and meet your needs.

You can use our [feedback and enquiry form \(https://paymenttimes.gov.au/contact\)](https://paymenttimes.gov.au/contact) to provide feedback or report an issue relating to the register, for example if you:

- suspect reported data is inaccurate
- believe your reported data has been misinterpreted by someone using the register.

Complain about payment times

We handle enquiries about the register and payment times reporting.

If you want to complain about a large business's payment times to your small business, contact the [Australian Small Business and Family Enterprise Ombudsman \(https://www.asbfeo.gov.au/assistance/how-we-help\)](https://www.asbfeo.gov.au/assistance/how-we-help) for help.

How to use the register dashboard

The register dashboard helps you to find and view payment times reports data. Understand the parts of the dashboard and how to use it.

About the Payment Times Reports Register

The Payment Times Reports Register (<https://register.paymenttimes.gov.au/>) provides information from payment times reports. This includes large businesses' payment times and terms for their small business suppliers.

The register is available as a downloadable Excel file. This has all the available payment times report information to date. There's detailed information about the register file on our [What is in the register page](#).

You can also access register data using the interactive dashboard.

View register data in the dashboard

The dashboard has 2 pages, the Home page and the Payment times reports page.

Home page

The Home page lets you quickly search for business payment times information. You can also view average payment terms from all available reports so far – the average shortest, average longest and overall average term large businesses offer their small business suppliers.

Payment times reports page

The reports page shows payment information from a particular business, or you can select more than one business to compare their payment information. For each business the dashboard shows:

- their procurement from small businesses
- times taken to pay their small business suppliers
- standard payment terms
- supply chain and other arrangements.

You won't find information on payments to individual small businesses. Reports only contain combined supplier payment information.

Show dashboard help

There are 2 types of help for each page in the dashboard.

- **Tips** – reveal tips by hovering above each section in the dashboard. A '?' symbol indicates a tip is available.
- **Page help** – click on 'Page help' at the top right of each page to see step-by-step instructions for that page.

Find a business

You can search for specific reporting businesses in the dashboard. The most accurate way to do this is to search by the business's Australian Business Number (ABN) or Australian Company Number (ACN). You can also search for the name of the business – but not the trading name.



If you don't have these details, you can use ABN Lookup (<https://abr.business.gov.au/>) to find business names, ABNs and ACNs.

Provide feedback

We'll be adding more features to the dashboard in coming months. These updates will help improve how you can find and view register data. If you'd like to give us feedback in the meantime, you can get in touch using our [feedback and enquiry form \(https://paymenttimes.gov.au/contact\)](https://paymenttimes.gov.au/contact).

