



Australian Government

Payment Times Reporting Regulator

PTRS Education Sessions and Stakeholder Liaison Forum

Questions and Answers

April 2025

About this document

This document contains questions asked by attendees during the February 2025 Stakeholder Liaison Forum and Education Sessions held in March and April 2025. The answers are based on the [Payment Times Reporting Act 2020](#) and (the Act) and the [Payment Times Reporting Rules 2024](#).

It is created for the purposes of assisting reporting entities understand and meet their obligations under the Act and does not comment on Government policy.

Note: This document consolidates a high volume of questions received during the Education Sessions and Stakeholder Liaison Forum into key topics and themes. Similar questions have been grouped together to provide clear and practical guidance. If your specific query is not fully addressed within the consolidated responses, we encourage you to contact support@paymenttimes.com.au so we can provide you with a tailored response.

Disclaimer

This document does not constitute legal or professional advice, and it should not be relied on as such. You should seek your own legal or professional advice to find out how the [Payment Times Reporting Act 2020](#) and other applicable laws apply to your organisation, because you are responsible for determining your obligations.

References

Unless stated otherwise the following references apply in this document:

- the Act means the Payment Times Reporting Act 2020
- the Rules means the Payment Times Reporting Rules 2024
- the Portal means the Payment Times Reporting Portal
- the SBI Tool means the Small Business Identification Tool

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Entities that must report

Consolidated reporting

Reporting entity for a group

1. Under the new scheme, how does consolidated reporting work?
Which entities in a corporate group need to report and which need to be consolidated?
What about entities that:
*Are foreign entities? Are trusts that are not constitutionally covered entities (CCE)?
Have over \$10 million in own revenue? Have under \$10M in own revenue?
Were reporting under the old scheme?
Were not registered on the PTRS Portal under the old scheme?*

Following significant reforms to the scheme in September 2024, only those entities that meet the new definition of a reporting entity will be required to submit payment times reports for reporting periods commencing on or after 1 July 2024.

Under the new scheme, a reporting entity is the highest-level entity within a corporate group that meets all the criteria outlined in section 7 of the Act. This can include unincorporated entities such as trusts as well as foreign entities who carry on a business in Australia as defined by the Corporations Act.


A reporting entity under the new scheme is required to submit a consolidated payment times report which includes its own payment data and the payment data of all its controlled entities, including controlled foreign entities, controlled entities that are not CCEs and controlled entities with less than \$10M in own revenue.

A reporting entity does not consolidate the payment data of any related group entities that it does not control (e.g. parent companies or sister companies).

Whether an entity was reporting or was registered on the Portal under the old scheme has no bearing on reporting under the new scheme.

An entity that is controlled by a reporting entity cannot be a reporting entity itself. Entities that are not reporting entities do not provide payment times reports.

See [Identifying controlled entities](#) for further information on how to determine whether an entity is controlled for the purposes of the Act and [Entity Information Form and self-assessment questionnaire](#) on how a reporting entity provides details of its controlled entities.

 Refer to [Guidance Materials](#) paragraphs 1-40 and 96-98 and examples 1-10 and 19

Holding companies

2. A holding company does not earn revenue but controls two subsidiaries, where one has revenue >\$100m and the other <\$100m. Will the holding company be the reporting entity, and will it consolidate both subsidiaries?

Yes. The holding company would meet the \$100m consolidated revenue threshold criteria and would be a reporting entity if it meets all the other criteria for being a reporting entity.

The holding company must include the payments data of all its controlled entities in its payment times report, irrespective of those controlled entities' revenue.

Partnerships and discretionary trusts

3. Are partnerships and discretionary trusts a CCE?

A partnership or a discretionary trust can be a constitutionally covered entity (CCE), depending on its individual circumstances. We recommend seeking legal advice to determine if a particular partnership or discretionary trust is a CCE.

 Refer to [Guidance Materials](#) paragraphs 1-18

State government-owned entities

4. Can entities owned by a state government be a reporting entity?

An entity owned by state government can be a reporting entity depending on its individual circumstances. We recommend seeking legal advice to determine if your particular entity is a reporting entity.

Branches

5. If a foreign entity has a branch in Australia, can that branch be a reporting entity and report in its own right?

For the purposes of the PTRS, a branch is not considered to be a separate legal entity to the parent. The foreign parent entity will need to assess whether it meets the reporting entity criteria under section 7 of the Act (including having a connection to Australia). If it meets all of the criteria, the foreign parent entity must submit its own reports and include any payments made by its Australian branch.

Note: having a branch in Australia may indicate that the foreign parent entity is carrying on a business in, and therefore has a connection to, Australia.


Multiple reporting entities in a group

6. What if there are two entities in the same corporate group that meet all the criteria to be a reporting entity? Which one reports?

If two entities in the same corporate group both meet all the criteria to be a reporting entity, including not being controlled by a reporting entity, then both entities would be reporting entities, and both would need to submit payment times reports.

This situation could arise in a corporate group where the ultimate holding company is not a reporting entity because it does not satisfy the 'connection to Australia' criteria. This ultimate holding company could control two Australian subsidiaries (i.e. sister companies) who both meet all the reporting entity criteria.

In such circumstances, both sister companies would need to submit payment times reports that includes their own payment data and, if applicable, the payment data of any entities they control. The ultimate holding company could consider a reporting nominee application in this situation.

 Refer to [Guidance Materials](#) example 10 (scenario 2)

Identifying controlled entities

7. What ownership % is required for an entity to be considered 'controlled' for payment times reporting purposes?

Is an entity's payments data consolidated if it is only 50% owned by the group?

Under the Act, control of an entity by another entity is determined based on the application of the control test under accounting standards (i.e. not solely based on ownership percentage).

Control can be assessed the same way for the purpose of the Act as it is for financial reporting purposes. Financial statements may assist in identifying whether an entity is controlled.

Whether a reporting entity controls an entity in which it has 50% ownership interest, depends on the application of the entities' specific circumstances to the control test (AASB10).

If a reporting entity controls another entity for the purpose of revenue consolidation, payments by the controlled entity must be included in reporting. A reporting entity must consolidate the payment data of all entities it controls, and the consolidation must be in full (i.e. the full amount of a controlled entity's payments needs to be included when building relevant datasets, not just proportional to its ownership %).

Note: If the reporting entity is unable to access the required payment data from the controlled entity due to limits of its capacity to exercise control, then it can rely on the reporting exclusion provided in section 15 of the Rules (noting that disclosures about the exclusion need to be included in its report). See [Controlled entity data not accessible](#) for more details.

 Refer to [Guidance Materials](#) paragraphs 24-29 and examples 2-8

8. If you expand the Worked Example hypothetical group to include AusSubCo 3 (100% owned by AusSubCo 2) and AusSubCo 4 (20% owned by AusSubCo 3), how are AusSubCo 3 and AusSubCo 4 included in payment times reporting?

AusHoldCo would control AusSubCo 3 based on its 100% ownership and therefore AusSubCo 3's payment data would be included in AusHoldCo's payment times report.

AusSubCo 4's payment data would not be included in AusHoldCo's report unless AusHoldCo (or another group member) controls AusSubCo 4 as defined under AASB 10 (control test).

While 20% ownership on its own would not meet the control test, there may be other circumstances that result in AusSubCo 4 being controlled by AusHoldCo.

 Refer to [Worked Example](#) – 'Group Overview' tab

9. If an entity is 100% owned by a parent and part of a group but under APRA Reporting requirements is a separate legal entity, do the control rules under AASB apply and does the APRA reporting entity need to report payment times?

APRA reporting requirements do not impact PTR requirements. A reporting entity consolidates the payment data of all entities it controls. Control is determined as per AASB 10.

Foreign subsidiaries


- 10. How should a reporting entity determine which foreign subsidiaries should be included in its consolidated revenue?
What if the controlled foreign entity doesn't meet the 'connection to Australia' criteria?
Which payments made by foreign entities need to be included in its payment times report, only Australian payments to ABN businesses?**

The control test in AASB 10 (rather than location), determines which entities should be included in consolidated revenue and in the payment times report of a reporting entity.

A reporting entity's payment time report must consolidate its own payment data and the payment data of all its controlled entities. This includes its foreign subsidiaries, even if they do not themselves have a connection to Australia.

All payments to businesses in Australia are included in the relevant datasets, even if the payments are made by a foreign subsidiary.

See [Payment to entities without an ABN](#) for details of exclusions that may be available to foreign subsidiaries that do not procure from Australian suppliers.

 Refer to [Guidance Materials](#) paragraphs 28 and 96-102 and examples 6 and 19

Trusts, managed funds and managed investment schemes

- 11. How does consolidated reporting apply to a group that includes a trust or managed investment fund?**


Under the PTR scheme, a trust or fund is considered to be an entity. All reporting entity criteria and all consolidated reporting principles under the scheme apply to trusts the same way as for other entities, including companies.

For example, if a trust (whether it be a discretionary, unit or hybrid trust) determines that it meets all the criteria to be a reporting entity and that it controls other entities, it would be required to submit consolidated payment times reports which include its own payment data and the payment data of all its controlled entities.

For non-corporate entities such as trusts, whether the entity is a constitutionally covered entity (CCE) will require greater consideration when considering if it is a reporting entity. Additionally, different factors may need to be considered when applying the control test under the accounting standards, given the nature of trust structures.

A responsible entity for a managed investment fund would generally not meet the criteria to pass the control test, and as such, the payment times data of the fund would not be consolidated in the responsible entity's payment times report (if the responsible entity was itself a reporting entity).

Rather, a managed investment fund will usually need to undertake a separate process to determine if it meets relevant criteria to be a reporting entity in its own right and submit its own payment times reports.

 Refer to [Guidance Materials](#) paragraphs 24-29 and examples 2, 3 and 7

Joint arrangements

12. How do consolidated revenue and consolidated reporting principles apply to groups that include joint arrangements such as a 50:50 joint venture or joint operation? What about a 51:49 or 60:40 joint venture?

The treatment of joint arrangements under the scheme depends on whether the joint arrangement has been set up as:

- a separate vehicle with its own legal form (i.e. Incorporated JV), or
- a contractual arrangement without the use of a separate legal entity (i.e. unincorporated or contractual JV)

Incorporated JV

Reporting entity criteria and consolidated reporting under the Scheme apply to an incorporated JV the same way as for other entities. Specifically:

- An incorporated JV will be a reporting entity if it meets all the criteria under section 7 of the Act (including not being controlled by a reporting entity) and will need to submit payment times reports that includes the payment data of all entities it controls.
- If an entity controls an incorporated JV, the entity will need to include all the JV's revenue when assessing the revenue threshold criteria and consolidate all the JV's payments in its payment times report (i.e. not just proportional to its ownership %).

Control of a JV is not solely based on ownership percentage, rather it is determined through the application of the control test under accounting standards. However, if AASBs allow for exclusion from consolidation for financial reporting purposes, such exceptions can be used when identifying controlled entities for the purposes of the Act.

In this respect, if a joint venturer in an incorporated JV does not consolidate the JV in its financial statements (e.g. accounts for it under the equity method), then it is not required to consolidate the JV for payment times reporting (i.e. the entity can exclude the JV's revenue for revenue threshold purposes and exclude the JV's payment data from its payment times report). However, in that situation the JV should undertake a separate process to determine if it itself is a reporting entity.

Unincorporated/Contractual JV

An unincorporated or contractual JV cannot be a reporting entity and cannot submit payment times report in its own right.

With respect to the revenue threshold criteria, an entity that is a joint operator in an unincorporated JV should measure its consolidated revenue consistent with how it accounts for the JV in its financial statements (e.g. if it recognises a proportion of the JV's revenue directly in its financial statements, that proportion forms part of its consolidated revenue).

With respect to datasets and payment times reports, if a reporting entity is a joint operator in an unincorporated JV, it should only report on those payments that it makes *itself*, including where those payments relate to the joint operation activities. Payments are not reported proportionally across joint operators.

Note: If a reporting entity is a party to either an incorporated JV or an unincorporated JV but is unable to access required payment data from the JV or another party to the JV, then it can rely on the reporting exclusion provided in section 15 of the Rules (noting that disclosures about the exclusion need to be included in its report). See [Controlled entity data not accessible](#) for more details.

Consolidated revenue

- 13. Does consolidated revenue include associate entities that are owned by the same foreign parent?
Are unrealised/realised gains/losses for a fund included in revenue?
What about comprehensive income?**

The reporting entity criteria in section 7 of the Act has changed from being based on total income within the meaning of the Tax Administration Act 1953 to now being based on consolidated revenue worked out in accordance with accounting standards.

An entity's consolidated revenue is the total of its own revenue and the revenue of all its controlled entities. It does not include the revenue of any related group entities that it does not control (e.g. parent companies or sister companies).

See *Identifying controlled entities* for further information on how to determine whether an entity is controlled for the purpose of the Act.

To determine what qualifies as, and should be included in, an entity's revenue under applicable accounting standards, we recommend seeking independent advice from a qualified accounting professional.

 Refer to [Guidance Materials](#) paragraphs 23 and 30-32

Third party payments

- 14. Where an entity pays an intermediary which in turn pays a small business supplier for goods or services, which entity should report on the payment to the supplier providing the goods and/or services?**

The payment to a small business supplier must be reported by the entity with the legal obligation with the small business supplier to pay for the goods and/or services supplied.

 Refer to [Guidance Materials](#) paragraphs 124-126

When and how to report

Reporting periods and due dates

**15. How can a reporting entity determine the start and end dates of their reporting periods?
When does it have to submit its report, does the old or new scheme apply, and how frequently must reports be submitted?**

A reporting entity must submit two reports per year. Each report covers a six-month period, aligned to the entity’s financial year. If an entity does not have a financial year, its reporting periods are aligned to its income year. The due date of a report is three months after the end of the reporting period.

Reporting entities using a 52-53 week year, or changing their financial year can find more information in the [Guidance Materials](#).

Reporting periods that commenced before 1 July 2024 are under the old scheme, and reporting periods commencing on or after 1 July 2024 are under the new scheme.

Under the new scheme, for reporting periods that commenced between 1 July and 30 September 2024 (inclusive) the report due date has been extended to 30 June 2025 as part of the legislation transition arrangements.

The following are example report due dates for some of the most common reporting periods, including whether the old or new scheme applies:

Reporting Period			Applicable scheme	Reporting Period			Applicable scheme
Start	End	Due		Start	End	Due	
1 Jan 24	30 Jun 24	30 Sep 24	old scheme	1 Oct 24	31 Mar 25	30 Jun 25	new scheme
1 Apr 24	30 Sep 24	31 Dec 24	old scheme	1 Jan 25	30 Jun 25	30 Sep 25	new scheme
1 Jul 24	31 Dec 24	30 Jun 25	new scheme	1 Apr 25	30 Sep 25	31 Dec 25	new scheme

Note: If an entity needs more time to submit its report, beyond the applicable Due date outlined in the above table, it can submit an [Extension of time application](#) via the Portal.

 Refer to [Guidance Materials](#) paragraphs 77-82

First reporting period under new scheme

16. If our entity has exceeded \$100m consolidated revenue for its financial year ended 30 June 2024, what is its first reporting period under the new scheme? What about an entity with a 31 December or 31 March year end?

All entities, regardless of whether they were reporting under the old scheme, must assess if they meet the new reporting entity criteria in section 7 of the Act to determine if they need to report under the new scheme. This assessment should be based on the entity's circumstances as at the start its first reporting period that commences on or after 1 July 2024.

For an entity with a 30 June financial year end, its two reporting periods each year would be 1 July to 31 December and 1 January to 30 June (see [Reporting periods and due dates](#)). As such, the start of its first reporting period under the new scheme, and the date for assessment, would be 1 July 2024.

To meet the revenue threshold criteria, an entity must have had consolidated revenue of more than \$100 million in its previous financial year. Accordingly, an entity with a 30 June year end (doing the assessment based on its circumstances as at 1 July 2024) should measure its consolidated revenue for the financial year ended 30 June 2024. If it meets the revenue threshold and all the other criteria, its first payment times report under the new scheme would be for the reporting period of 1 July 2024 to 31 December 2024.

The following are examples of how the above would apply for various common financial years.

FY end for financial reporting purposes	FY for assessment against the \$100 million revenue threshold criteria for PTRS	First reporting period under new scheme (if all reporting entity criteria met)	
		Start	End
30 Jun	FY ended 30 Jun 24	1 Jul 24	31 Dec 24
31 Dec	FY ended 31 Dec 23	1 Jul 24	31 Dec 24
31 Mar	FY ended 31 Mar 24	1 Oct 24	31 Mar 25
30 Sep	FY ended 30 Sep 24	1 Oct 24	31 Mar 25

If an entity has previously met the definition of a reporting entity under the old scheme, it must submit all outstanding reports for those periods, being periods commencing prior to 1 July 2024.

 Refer to [Guidance Materials](#) paragraphs 1-40 and 77-82

Acquisitions

17. Our entity has just acquired an entity, when should we include payments made by the acquired entity? What if the acquired entity was a reporting entity?

A reporting entity should include payments of all entities that it controls at the end of a reporting period. When a reporting entity acquires control of another entity, it should include all payments of the acquired entity in its report for the reporting period in which it gains control.

If the entity cannot access payment data for transactions before the acquisition, it can exclude those payments, provided it makes the necessary disclosures. See [Controlled entity data not accessible](#) for more information.

If the acquired entity was a reporting entity before being acquired, then the acquired entity will need to:

- submit a report for the full reporting period during which it was acquired, and
- give the Regulator a notice that it has ceased to be a reporting entity by the end of its following reporting period (otherwise it will continue to be a reporting entity).

 Refer to [Guidance Materials](#) paragraphs 49-50 and 103-105 and examples 12 and 20


Ceasing to report

18. Do entities that met the definition of a reporting entity under the old Scheme, but do not meet the definition of a reporting entity under the new Scheme need to deregister?

No. Entities that reported under the old Scheme but do not meet the definition of a reporting entity under the new Scheme were automatically exited from the Scheme on 7 September 2024 and do not need to deregister from the Portal or notify the Regulator.

It is up to the entity to determine if it meets the definition of a reporting entity under the new Scheme. From early May 2025, a self-assessment questionnaire will be available to assist an entity in determining whether it is required to submit reports under the new Scheme.

If an entity no longer meets the reporting entity requirements in the future, it can submit a notice to cease reporting on the Portal.

 Refer to

- [Information Sheet 9: Transition to the new Scheme](#)
- [Information sheet 10: Reforms to Payment Times Reporting](#)
- [Guidance Materials](#) paragraphs 41– 51

Submitting reports through the Portal

Submitting reports under the new scheme

- 19. When and how will the new Portal be available to accept reports under the new scheme?**
Will the Regulator provide templates for the reports and for calculating the required information?
The CSV template currently on the PTRS website is not consistent with the new requirements. Will the Regulator be updating this template?

The new Portal, which will be capable of accepting reports under the new scheme, will be available in early May 2025.

The way in which a report is submitted has changed. For reporting periods commencing on or after 1 July 2024, there is no longer going to be a report template that can be completed and provided via file upload. Rather, entities will submit a payment times report by completing a webform on the Portal and will directly enter report data into webform fields.

The reporting fields of the webform are set out and explained in the [Understanding Reporting Fields document](#). The reporting fields are not the same as they were prior to the reforms.

The CSV template that is currently available is only for reporting periods that commenced before 1 July 2024. It cannot be used for reporting periods commencing on or after 1 July 2024 as it does not meet the requirements of the new scheme.

If a report under the new scheme is submitted using the CSV template, even an edited version of the template, it will be rejected by the Regulator. The entity will be required to resubmit their report in the correct format via the webform to comply with their reporting obligations.

 Refer to:

- [Understanding Reporting Fields](#)
- [Worked Example](#) – 'Standard Payment Times Report' tab

Using an agent to submit reports

- 20. Can an external tax agent submit a report on the entity's behalf?**

Yes. A reporting entity may authorise a user to act on behalf of the entity (i.e. tax agent). The entity's principal authority or administrator may need to [grant authorisation](#) for the user in Relationship Authorisation Manager (RAM). Once the RAM authorisation is granted and the user is linked to the entity, they can login to the Portal and submit reports.

Accessing the Portal from overseas

21. Can someone overseas submit payment times report in the Portal, or does it have to be submitted by someone in Australia?

Whether or not someone overseas can submit payment times in the Portal, depends on whether the person can access the Portal. A person needs a 'Standard myID' (formerly myGovID) to access the Portal. In order to set up a Standard myID, a person needs to verify their identity with at least two Australian documents.

myID is not managed by the Regulator and as such enquiries related to myID should be directed to the relevant agency at myid.gov.au.

Entity Information Form and self-assessment questionnaire

22. What is the Entity Information Form and self-assessment questionnaire and when do entities need to complete it?

From early May 2025, all entities can log in to the updated Portal and complete a self-assessment questionnaire. An entity's responses to the questionnaire will determine which Portal functions will be available, including the ability to submit reports for periods commencing on or after 1 July 2024.

Entities will need to complete an Entity Information Form (EIF) before they can submit reports under the new Scheme and must ensure the information is accurate and up to date each time a report is submitted. The EIF is for entities to provide details about the organisation, nominated contact persons and any of its controlled entities.

If a reporting entity has controlled entities, it will need to provide the ABN or ACN or ARBN of its controlled entities in the EIF, regardless of whether those controlled entities have small business procurement. Unlike in the old Scheme, there is no need to link entities to a head entity in the Portal or register controlled entities in the Portal.

Entities must update the EIF if there are changes to its organisational structure, such as where it acquires a new entity.


 Refer to [Guidance Materials](#) paragraphs 86-87

Responsible member declarations

23. Do entities still need to submit the responsible member declaration document and notify the governing body within 6 months of lodging payment times report?

No. For reporting periods commencing on or after 1 July 2024, reporting entities are no longer required to submit a separate responsible member declaration document or notify the governing body within 6 months of lodging the payment times report.

A payment times report must be approved in writing by a responsible member before it is submitted, and their details must be included in the report. The written approval does not need to be submitted with the report but should be retained for record keeping purposes.

 Refer to [Guidance Materials](#) paragraphs 210-212 and Example 45

Supporting documents

24. Do entities need to submit their TCP and/or SBTCP dataset or any other supporting documents together with the payment times report?

No. A reporting entity does not need to submit its datasets or any other supporting documents with its payment times report. However, all information that has been used to prepare a payment times report must be retained by the reporting entity, in accordance with record keeping requirements in the Act. This includes the TCP and SBTCP datasets.

 Refer to [Guidance Materials](#) paragraphs 227-229

Printing payment times reports

25. Will entities be able to print payment times reports?

Yes, a payment times report can be printed prior to submission on the Portal, and entities will be prompted to do so once the report has passed all validation checks and is ready for submission.

Note: Entities will not be able to view the report in the Portal after submission. However, later versions of the Portal will have this ability.

Resubmission of incorrect report

26. What if the PTRS report for period from 1 Jul to 31 Dec 2024 has already been submitted, can I re-submit the report under the new scheme? If all the member entities in the group submitted reports, do we need to re-lodge in a consolidated format?

Yes. All payment times reports for the reporting period from 01/07/2024 to 31/12/2024 that are submitted using the CSV template have been rejected and will not be published on the Payment Times Reports Register as they do not meet the new reporting requirements.

In early May, entities will be able submit consolidated reports which meet the new reporting requirements on the Portal via a webform. The reporting fields of the webform are set out in [Understanding Reporting Fields](#).

What to Report

Datasets

- 27. Are entities required to build their datasets in a specific way?
Does the process need to follow the same steps as in the Worked Example?
Will the Regulator provide templates for compiling datasets?**

In order to prepare a payment times report and meet relevant content requirements under the new scheme, a reporting entity will generally need to:

- Compile a single dataset of all payments that were made under a trade credit arrangement by the reporting entity and all its controlled entities, during the relevant reporting period. This is referred to as the Trade Credit Payment Dataset (TCP Dataset)
- Create a Small Business Trade Credit Payment Dataset (SBTCP Dataset) by running the ABNs from the TCP Dataset through the SBI Tool.

Without a complete and accurate TCP Dataset and SBTCP Dataset, entities may not be able to perform the calculations required to complete a report.

The Regulator will not be providing templates for compiling datasets.

The Rules contain a method statement which outlines a step-by-step process that entities can follow to build their datasets and includes the minimum required information that should be captured to ensure accurate and complete payment times reporting.

However, the step-by-step process in the Rules (and in the [Worked Example](#)) is not prescriptive.

When developing their datasets, reporting entities should have regard to guidance materials published by the Regulator, but may otherwise do so in a way that suits their systems and circumstances (including using multiple datasets or creating custom reports), provided all required payments are accurately collected, classified, and understood and enable the entities to accurately perform the necessary calculations required for a payment times report.

Note: Datasets do not need to be submitted together with payment times reports. See [Supporting documents](#) for more information.



Refer to:

- [Understanding Reporting Fields](#)
- [Worked Example](#)

Report types

28. What are the other payment times report types apart from a standard payment times report?

A standard payment times report is to be used by all reporting entities unless the following circumstances apply:

- **Modified Report – AASB 8:** to be used if a reporting entity is required to comply with AASB 8: Operating Segments (or an equivalent financial reporting standard of a foreign jurisdiction) in the preparation of its financial reports for the financial year immediately preceding the reporting period.
- **Modified Report – Nil reporter:** to be used by a reporting entity that, along with all its controlled entities, has not made any payments under a trade credit arrangement to Australian small business suppliers (as per the SBI Tool).
- **Modified Report – External administration:** to be used by a reporting entity that was in external administration at any time from the start of the reporting period to the due date of the report.
- **Modified Report – Nominated entity report:** to be used by a reporting entity that has a reporting nominee (i.e. the reporting entity was specified as a 'nominated entity' in a reporting nominee determination that was in effect during the reporting period).

 Refer to [Understanding Reporting Fields](#) pages 3-4

Operating segments – AASB 8


29. What are the requirements for completing Operating Segment reporting in payment times reports when an entity completes its financial reports according to AASB 8?

If a reporting entity reports according to AASB 8 or a similar foreign standard, it must complete a Modified Report – AASB 8, which is similar to the Standard Payment Times Report but with additional sections relating to operating segments.

Operating segment information must be reported for all operating segments for the entity, including segments which did not make any payments to Australian small businesses. Where an operating segment did not make payments to an Australian small business, a nil value is to be reported for all fields for that specific segment.

Creating datasets for a Modified Report – AASB 8 would involve the same process as for a standard payment times report with the addition of another column to enable the classification of each payment by segment.

At this stage, there are no plans to release a worked example for this type of modified report.

 Refer to:

- [Guidance Materials](#) paragraphs 214-216 and examples 46 and 47
- [Understanding Reporting Fields](#) pages 14 -25

Modified Report – Nil Reporter

30. Do we have to report if we do not have any small business procurement?


If an entity meets the criteria to be a reporting entity, but it and all its controlled entities do not make payments to Australian small businesses, it must still submit a report. However, it can submit a Modified Report – Nil Reporter.

 Refer to:

- [Guidance Materials](#) paragraphs 223-226 and example 48
- [Understanding Reporting Fields](#) pages 26 to 27

31. If a subsidiary is exempted from consolidation according to AASB 10 but meets the revenue threshold to be a reporting entity independently, does it have to report even though there are no transactions with external suppliers.

If an entity is not controlled by a reporting entity according to AASB 10 and it meets all the reporting entity criteria, then it would be a reporting entity in its own right and need to report. If it has no small business procurement, then it can submit a Modified Report – Nil Reporter.

 Refer to:

- [Guidance Materials](#) paragraphs 24-27
- [Understanding Reporting Fields](#) pages 26 to 27

Small Business Identification (SBI) tool

SBI tool availability

32. Is the SBI Tool already available to use for preparing reports under the new scheme?

Yes. The SBI Tool is only accessible through the Portal.

Please note, a person needs a 'Standard myID' (formerly myGovID) to access the Portal. See [Accessing the Portal from overseas](#) for further information.

If an entity is unable to access the Portal to run the SBI Tool, it should email the Regulator's [support mailbox](#) for further instructions and support.

Updates to SBI tool

33. How does the Regulator ensure the SBI Tool stays updated and accurate and what can an entity do if it identifies discrepancies?

The SBI Tool was updated in January 2025 with the latest available data from multiple data sources, including sources that identify control relationships between entities to ensure subsidiaries of large businesses are correctly classified.

Going forward, the SBI Tool will be updated once a year in January. The Regulator may also make minor updates and corrections to the SBI Tool throughout the year based on intelligence it receives from stakeholders.

Consistent with the Government's response to a recommendation of the [Statutory Review of the Payment Times Reporting Act 2020](#), the Regulator is evaluating Commonwealth data sources to improve the reliability and consistency of the SBI Tool.

Reporting discrepancies

The accuracy and reliability of SBI Tool data can be impacted by several factors including businesses delaying or being non-compliant with statutory reporting obligations, an absence of available data (particularly for newly established entities) and lack of readily available data sources for some organisation structures.

If a reporting entity believes the SBI Tool output file incorrectly identifies a supplier as a small business, the entity can:

- report the discrepancy via the Portal and provide relevant documentary evidence, or
- request the supplier to contact us to update its classification.

The Regulator is committed to updating the SBI Tool within 28 calendar days of appropriate documentary evidence being provided. The entity can either:

- wait for the SBI Tool to be updated and re-run the tool for the relevant period, or
- use the SBI Tool output file with the uncorrected error to prepare its payment times report.

Note: Waiting for the SBI Tool to be updated does not excuse a reporting entity from the obligation to submit a payment times report by the statutory due date.

 Refer to [Information Sheet 6: Small Business Identification \(SBI\) Tool](#)

Usage of SBI tool

34. How and when should the SBI Tool be used?

Following an update to SBI Tool in January 2025, reporting entities run the SBI Tool for a specified calendar year. Entities should select the year in which the relevant reporting period ended. For example, if an entity is completing a report for a reporting period 1 October 2024 to 31 March 2025, it should select the 2025 year. The only exception to this is reporting entities using a 52-53-week financial year should use the ordinary end date of the reporting period.

The SBI Tool must be used to identify small business suppliers for payment times reporting. No other data and information sources can be used.

The [Worked Example](#), published on the Regulator's website, includes a step-by-step walkthrough of the SBI Tool process, with screenshots.

Reporting entities must run the SBI Tool after the end of every reporting period, before submitting their payment times report. Failure to do so may indicate the report is inaccurate or misleading and the Regulator may review compliance with this requirement.

The SBI Tool can be accessed at any time and used in any manner that assists entities in meeting their reporting obligations.

The Regulator encourages entities to utilise the SBI tool to identify which of their suppliers are small businesses and to proactively manage their payment times and practices.

 Refer to [Information Sheet 6: Small Business Identification \(SBI\) Tool](#)

35. Can an entity use the SBI Tool at the start of the dataset creation process and then only record relevant information for payments to its small business suppliers (rather than all its suppliers)?

The Rules contain a method statement outlining the steps entities may take to create datasets that would be suitable for accurately completing a payment times report.

However, these steps are not prescriptive. Entities have flexibility to build their datasets in a way that best suits its circumstances, including when they run the SBI Tool.

Please note, however that in order to calculate 'small business trade credit payments as a percentage of total trade credit payments', the entity must determine the total value of all trade credit payments which includes trade credit payments to large businesses.

Note: If reporting entity believes it may not actually have any Australian business suppliers at all, it can run the SBI Tool at the outset of its payment times report preparation process. If the SBI Tool output file confirms that none of its or its controlled entities' suppliers are a *small business for payment times reporting*, this would indicate the reporting entity should submit a Modified Report – Nil reporter.

 Refer to:

- [Guidance Materials](#) paragraphs 170-172, 197 and 223-226
- [Understanding Reporting Fields](#)

Identifying government entities

36. Can the SBI Tool be used to identify government entities?

The ABNs of Commonwealth, State and Local government entities are included in the SBI Tool, and updates to this list will be made every year in January.

However, the SBI Tool will not specifically identify an ABN as a government entity.

Rather, the government entities will be identified as “*not a small business for payment times reporting*” allowing payments to government suppliers to be excluded by a reporting entity from its SBTCP Dataset prior to the preparation of a payment times report.

Please note the Australian Business Register specifically identifies whether an ABN is a government entity. Entities can use either the ABN lookup tool online, or the datasets the ABR publishes on their website when determining whether an entity is a government entity for the purposes of preparing its TCP dataset.

Invoices

Invoice issue date and receipt date

37. Does "invoice issue date" in the new scheme have the same meaning as "invoice issue date" under the old PTRS?

Yes. 'Invoice issue date' under the new Scheme has the same meaning as the old Scheme.

Invoice issue date refers to the date the invoice was issued by the supplier. It may be referred to as 'Invoice Date', 'Date of Issue', 'Billing Date', 'Date Issued' or some other similar term. If an invoice has multiple dates (e.g. 'Invoice Date' of 1 July and 'Issue Date' of 3 July), entities should use the most recent date.

 Refer to [Guidance Materials](#) example 31

38. When calculating payment times, can the invoice receipt date be used instead of the invoice issue date? Do we need to disclose in the report which date was used?

Yes. When calculating payment times, reporting entities may use either the invoice date or the invoice receipt date (the date the entity received the invoice), choosing the option that reflects shorter payment times. If an invoice contains multiple dates, use the most recent date.

Entities do not need to disclose in the report whether they used the invoice receipt date or the invoice issue date. However, reporting entities are required to adequately document the approach and methodologies taken, along with the information used when preparing the report.


 Refer to [Guidance Materials](#) paragraph 142 and example 31

39. Should reporting entities record the supply date of a good or service?

Reporting entities have an obligation to record all information used in the preparation of a payment times report and retain this information for seven years.

This can apply to the 'supply date of a good or service' as:

- Reporting entities must report payments made under a trade credit arrangement. Under the new scheme a trade credit arrangement occurs when a payment is made, or could have been made, at least one calendar day after the 'supply of a good or service'.
- Payment Times calculations may rely on the 'supply date of a good or service', where there is no invoice or other document demanding payment.

 Refer to:

- [Guidance Materials](#) paragraphs 112, 168, 227-229
- [Worked Example](#) – 'Steps 5 & 6-SBTCP Dataset' tab

Recipient-created tax invoices (RCTI)

40. What is a RCTI and how should we deal with RCTIs for the purposes of payment times reports?

A recipient created tax invoice (RCTI) is a tax invoice issued by the purchaser or recipient of the goods and services.

For the purposes of preparing a payment times report, RCTIs are treated the same as other type of invoices for all purposes except for calculating payment times. The payment time in relation to a RCTI is the number of days between and including the date the invoice was issued and the payment date.

 Refer to [Guidance Materials](#) paragraphs 141 and 167


Peppol

41. What is a Peppol eInvoice? Is an invoice Peppol-enabled if the receiving entity can receive Peppol invoices, irrespective of whether the invoice was actually received via the Peppol network?

Peppol is an international eProcurement framework that enables you to send invoices electronically through the system to customers who are registered and enabled on the system. The ATO is the Australian Peppol Authority.

Peppol is not mandatory for PTR purposes. An eInvoice is an invoice or payment notice that could be sent or received through the Peppol invoicing network. To confirm whether an entity is capable of receiving eInvoices, the Regulator may check the register of Peppol-connected entities maintained by the ATO.

A payment is considered eInvoice capable when the receiving reporting entity is set up to receive eInvoices and has no business rules that block or reroute them.

 Refer to [Guidance Materials](#) paragraphs 138-140 and examples 29 and 30

Payments

Timing

42. If an invoice is received in one reporting period but paid in another reporting period, how should this be reported?

Payments are reportable based on the reporting period in which they are made. This applies even if the invoice is issued or received before that reporting period.

Note: The payment date is the date the entity takes action to pay.

 Refer to:

- [Guidance Materials](#) paragraph 130
- [Worked Example](#) – ‘Transactions of Note’ tab (Scenario 1)

Materiality

43. Is there a materiality threshold for including payments in the TCP dataset? *E.g. if an entity made a small number/immaterial value of purchases from Australian vendors in the period, could their data still be excluded as immaterial to group reporting?*

There is not materiality or de minimis threshold in the PTR scheme.

A reporting entity will need to consolidate all payments to Australian small businesses made by any of its controlled entities, even the subsidiary made only one payment.

Payments under \$100 in value must be included unless they are made by credit card. See [Credit card payments](#) for further information.

Foreign currency translation

44. How should we report foreign currency payments?

Entities must report payments in Australian dollars. If the payment has already been converted for accounting purposes, use the converted value.

If the payment has not been converted to Australian dollars, use the average daily exchange rates published by the Reserve Bank of Australia to convert payments to Australian dollars.

Entities can use the rate for the day of the payment, or the rate for the relevant reporting period, as long as the approach is reasonable.

 Refer to [Guidance Materials](#) paragraph 132

Controlled entity data not accessible

45. What exemptions are available if we cannot access payment data of our subsidiary?

If the reporting entity is unable to access the required payment data from the controlled entity due to limits of its capacity to exercise control, then it can rely on the reporting exclusion provided in section 15 of the Rules.

It must keep detailed records explaining why the information was unavailable and what efforts were made to obtain it, and state in its report that it relied on this exclusion and identify which controlled entities have payments excluded from reporting.

 Refer to [Guidance Materials](#) paragraphs 122 to 123

Trade credit arrangement

46. Are only payments made under a trade credit arrangement reportable, and does that only include payment on invoices under a written contract or purchase order?


For the purpose of payment times reporting, only payments that have been made under a trade credit arrangement (i.e. trade credit payments) are reportable.

Under the new Scheme, a trade credit arrangement occurs when a payment can be made, or is made, at least one calendar day after the supply of goods.

A payment does not have to relate to a written contract or a purchase order to fall within the definition of a trade credit arrangement.

Payments to government entities and employee related payments are still specifically excluded from the definition of a trade credit arrangement.

Whether a payment is made under a trade credit arrangement will often depend on the specific terms of the contract or arrangement. This applies to rent, leases, insurance premiums and insurance payouts, among other things. We recommend you seek independent expert advice if you are unsure if a payment is a trade credit payment.

 Refer to [Guidance Materials](#) paragraphs 112-119 and Examples 22-24

GST and withholdings

47. Are trade credit payments values inclusive or exclusive of GST and other withholdings?

Trade credit payment amount is the amount actually paid to the supplier inclusive of GST and net of any discounts, credit notes or withholdings. This may not be the actual invoiced amount.

 Refer to [Guidance Materials](#) paragraph 131

Direct debits

48. Should payments made by direct debit be included in payment times reports?

If a payment meets the criteria of a trade credit arrangement, it must be included in payment times reporting regardless of the method of payment.

Credit card payments

49. Are credit card payments within the scope of payment times reporting under the new scheme?

Yes, credit card payments are reportable under the new Scheme, including those made using virtual credit cards or third-party platforms (e.g. Volopay).

However, a reporting entity only has to include credit card payments that:

- were made under a Trade credit arrangement
- were to the value of at least \$100 (incl GST)
- do not fall under specific exclusions as
- **Excluded** payments under the Act

Point of sale transactions


50. In the Worked Example, a payment was not a TCP on the basis that it was required and made on the same day as the goods supplied. Can this reasoning apply to credit card payments?

Yes. Any payment that is required to be made and is in fact made on the same day as the supply of the goods or services (e.g. in-store purchase) is not a payment made under a trade credit arrangement. This includes payments made by credit cards.

Genuinely enforced policy

51. What does the Regulator consider to be a 'genuinely enforced policy' regarding prohibiting the use of credit cards to make payment for trade credit arrangements?

The policy is genuinely enforced when it is subject to internal compliance reviews. The Regulator may request details of frequency and scope of compliance activities undertaken by a reporting entity relying on this exclusion.

 Refer to [Guidance Materials](#) paragraphs 159-162

Analysis of credit card transactions

52. How does an entity determine if a credit card payment is of the type that would be reportable? Does the entity need to consider every single credit card transaction when preparing its datasets?

Not all credit card transactions need to be individually reviewed or analysed in detail when undertaking the process of preparing a payment times report, and entities have flexibility to build their datasets in a way that best suits its systems and circumstances. See [Datasets](#) for more information.

The Rules allow entities to rely on two key exclusions to help simplify the process and reduce the level of transactional-level analysis required:

1. **Low value exclusion:** credit card payments under \$100 (incl. GST) can be excluded.
2. **Genuinely enforced policy:** all payments that are made using a credit card which is subject to a genuinely enforced internal policy prohibiting the use of the card for making trade credit payments (e.g. the card is only allowed to be used for point-of-sale transactions) can be excluded without the need for any further detailed analysis of the transaction.

Beyond these, it is up to each reporting entity to determine how to best deal with its credit card payments to ensure its payment times report is accurate and complies with reporting content requirements.

 Refer to [Guidance Materials](#) paragraphs 157-162


Employee-issued credit cards

53. We issue corporate credit cards for our employees, do we have to include all the credit card transactions which are above \$100 in our TCP dataset regardless of the nature of the transactions? If a corporate credit card is issued in an employee's name, can all payments made using that card be excluded from reporting on the basis of being employee-related?

Payments made by credit card that are under a trade credit arrangement and over \$100 must be included in the TCP dataset.

Although [Employee related payments](#) Employee related payments are excluded from reporting under the Scheme, a payment that is made using a credit card issued in an employee's name is not automatically an employee-related payment.

What matters is the nature of the payment. For example, if the credit card is used to pay an invoice for goods or services that have been supplied to the entity in arrears, then the credit card payment would need to be included in the reporting entity's TCP datasets.

 Refer to:

- [Guidance Materials](#) paragraphs 157-162
- [Worked example](#) – 'Steps 2 & 3 TCP Dataset' tab

ABN not recorded

- 54. How do we deal with credit card payments where an ABN isn't recorded or obtainable? If we are required to include card payments that fall under a TCP definition, can we expect mandates will be required of the banking/financial industry card providers to capture and provide supplier ABN data to customers in data feeds? We are pushing the providers to make adjustments so we can be compliant, but that takes time. What is the consideration for this by the regulator?**

If a credit card is used by an entity to pay a supplier under a trade credit arrangement, the ABN of the supplier is usually available or accessible as part of the contractual documentation or invoice.

Nevertheless, if the ABN of the supplier is not available or has not been recorded, it is expected that reasonable steps are taken to ascertain the ABN. The absence of an ABN against a credit card payment is not, by itself, a valid reason to exclude payments. See [*Payment to entities without an ABN*](#) for more details.

It is up to the entity to identify and record the ABN of its Australian business suppliers and determine how to best deal with its credit card payments to ensure its payment times report is accurate and complies with reporting content requirements. It is not the Regulator's role to mandate sectors such as the banking/financial industry. Any future mandates would fall within the remit of broader government policy.

Currently there is no legislative mandate requiring banking or financial institutions to provide ABN data within credit card transaction feeds. We understand that capturing accurate supplier information, including ABNs, may present operational challenges for reporting entities, particularly where such data is not automatically provided by banking or financial institution data feeds.

The regulator will continue to monitor feedback and implementation challenges from industry and stakeholders. Entities are encouraged to engage with the Regulator if they have difficulties in meeting compliance obligations and to document any limitations in their reporting processes accordingly.

Recording credit card details

- 55. Do full credit card numbers need to be recorded and reflected in datasets, like they are shown to be in the Worked Example?**

No. Full credit card numbers do not have to be recorded in the datasets.

The inclusion of card numbers in the Worked Example was for ease of reference. In practice, entities should use secure and privacy-compliant means to identify payments made using specific credit cards, without including the full card number.


Partial payments

56. Why are partial payments are removed from the final data set?

All reporting fields in a payment times report that specifically relate to payment times must be calculated based only on payments that have fully settled an obligation during the relevant reporting period.

Although partial payments are not used for the calculation of payment times data, they must be included in the TCP Dataset to enable the reporting entity to calculate the 'Small business trade credit payments as a percentage of total trade credit payments' reporting field.

To ensure the above is achieved, any payment that does not fully settle an obligation is included and recorded as a partial payment in the TCP Dataset but then excluded from the SBTCP dataset.


 Refer to [Guidance Materials](#) paragraphs 135-137, 164-165 and example 37.

Milestone payments

57. Would milestone payments be considered partial payments?

Milestone payments would generally not be considered partial payments.

Each milestone payment, when tied to completion of specific parts of a project or deliverables, would typically represent a separate trade credit arrangement with its own payment terms and payment times, however this is dependent on the specifics of the contractual agreement.

 Refer to:

- [Guidance Materials](#) Example 24
- [Worked example](#) – 'Transactions of Note' tab (Scenario 2)

Retention and partial payments


58. How do partial payments interact with retention agreements on a contract? Does the payment of the non-retained portion settle the obligation and therefore isn't a partial payment?

The answer depends on whether the retention payment (the part of an invoiced amount that is held back for a specified period) is considered as having been made under a trade credit arrangement which is highly dependent on multiple factors, including the specifics of the underlying contractual agreement, invoice details and/or any internal policies.

If the retention payment is not a trade credit payment, then the initial payment would not be a partial payment as it would settle the obligation in full.

If the retention payment is a trade credit payment, the treatment of the initial payment (as a partial payment or instalment) would be heavily dependent on the circumstances. The payment terms and times of both payments would also be dependent on the circumstances.

Ultimately, reporting entities should adopt a substance-over-form, principles-based approach and ensure their adopted methodologies are adequately documented.

 Refer to [Guidance Materials](#) paragraphs 135-137

Bank charges

59. Are bank charges excluded from reporting?

The payment amount is the amount actually paid to the supplier. This may not be the actual invoiced amount. If the bank charge is a payment that is not made to the supplier, it should be excluded.

 Refer to [Guidance Materials](#) paragraph 131

Credit notes

60. How are credit notes to be treated when preparing a payment times report?

A TCP and SBTCP dataset must include the payment amount actually paid to a supplier (net of any discounts or credit notes). This may not be the actual invoiced amount.

If a credit note covers the entire trade credit arrangement and no payment is required, this trade credit arrangement is not reportable.

If a credit note partially covers the trade credit arrangement, then the payment that is made is reportable.

Where a credit note applies to a group of invoices and does not directly relate to a specific invoice, allocation to invoices using a pro-rata approach is recommended.


 Refer to [Guidance Materials](#) paragraphs 114, 130 to 131 and Example 28

Partial payment and a credit note

61. How do you deal with an invoice which is partially paid, and then at a later date a credit note applies to the residual amount owing? What is the discharge date?

If the credit note has been applied to the residual amount owing by the time the entity prepares the dataset, the entity could characterise the payment as one that fully settles the obligation. The payment date would then be the date of the payment.

The payment amount is the amount actually paid to the supplier (net of any discounts or credit notes). This may not be the actual invoiced amount.


 Refer to [Guidance Materials](#) paragraphs 130-131 and example 28.

Advanced payments

62. If under a contract for the supply of goods or services on a progressive basis, invoices are also issued progressively and paid in full, as an advance payment, should these payments be classified as prepayment or instalment?

If payments are made in advance of services or goods supplied as per agreement, it is not a trade credit arrangement. It would be a prepayment.


If the invoices were for goods and services already rendered on a progressive basis and payment was being sought for work already done, then those payments would be under a trade credit arrangement and would be considered instalment payments that would need to be included for payment times reporting purposes.

 Refer to [Guidance Materials](#) paragraphs 112 and examples 22 to 24 and 37

63. Are prepayments excluded?

A trade credit arrangement occurs when a payment is made, or can be made, at least one calendar day after the supply of goods or services.

Prepayments are generally not trade credit payments and can be excluded. However, where an entity elects to prepay a trade credit contract, the payment would be a trade credit payment and therefore would be included in the TCP dataset.


 Refer to [Guidance Materials](#) paragraphs 112 and example 22

Disputed payments

64. How should reporting entities deal with invoices that are disputed?

A reporting entity cannot exclude payments of disputed invoices from its report. The payment of disputed invoices payments must be included in the TCP Dataset and reported according to the amended arrangement once resolved. This applies even if that amended arrangement does not involve a reissued invoice (albeit the entity should have some form of supporting written evidence).


Where payment is made for a dispute that is not resolved, the reporting entity must report based on the details of the original arrangement.

 Refer to [Guidance Materials](#) paragraphs 120-121 and examples 26 and 27

Adjustments

65. If there is an adjustment to an invoice at a later stage or sales are net settled against vendor invoices, how are these reported in payment times reports?

The payment amount is the amount actually paid to the supplier. This may not be the actual invoiced amount. However, if the adjustment at a later stage (but before the report is lodged) is an upward adjustment, this would mean the initial payment should be classified as a partial payment. The treatment of the payment may depend on whether the adjustment has been agreed to by both parties or whether it is subject to a dispute.

 Refer to [Guidance Materials](#) paragraphs 135-137, 164-165 and example 37

Volunteer reimbursement

66. How should reimbursements to volunteers be treated?

It depends on the specifics of the arrangement. Most payments to volunteers, such as reimbursements or honorariums, are usually not tied to a commercial or contractual obligation and therefore would typically fall outside the scope of trade credit arrangements.

However, if a payment is for a good or service supplied by a volunteer under a commercial arrangement, the payment may fall within the definition of a trade credit arrangement and be included for payment times reporting.

Excluded payments

Employee related payments

67. Are employee-related payments excluded from reporting and what type of payments qualify for this exclusion?

Employee related payments fall outside the definition of a trade credit arrangement under the Scheme and are therefore excluded from reporting.


Employee payments include payments subject to Pay As You Go withholding and payments that relate to employee benefits, such as superannuation contributions.

Other payments that may qualify for this exclusion include:

- employee reimbursements for business related expenses (e.g. travel, office supplies, etc),
- training or professional development fees paid on behalf of an employee
- payments made under novated leases and other salary sacrifice or packaging arrangements.

Overall, whether specific payments are employee-related will ultimately depend on the nature and purpose of the payment and the arrangement.

Entities should consider who the payment is made to, whether it arises from an employee relationship, to whom the goods and/or services were actually supplied and who has the legal obligation with the supplier to pay for the goods/services supplied.

 Refer to [Guidance Materials](#) paragraphs 118-119 and 124-126


Payments to government entities

68. Are payments to government entities excluded from reporting and how can an entity determine if its payee is a government entity?

Yes, payments to a government entity, corporate Commonwealth entity or local government body fall outside the definition of a trade credit arrangement under the Scheme and are therefore excluded from reporting. This includes payments such as land tax and council fees.

Government entities and government bodies can be identified in the [Australian Business Register](#) as a specific entity type. The Department of Finance also publishes [resources](#) which identify Commonwealth government entities and corporate Commonwealth entities.

Additionally, the SBI Tool includes the ABNs of government entities, which it identifies as “*not a small business for payment times reporting*”. This allows payments to government suppliers to be excluded by a reporting entity from its SBTCP Dataset prior to the preparation of a payment times report. See [Small Business Identification \(SBI\) tool](#) for more details.

 Refer to [Guidance Materials](#) paragraphs 115-117

Payment to entities without an ABN

69. Are payments to entities without an ABN excluded from reporting and can this exclusion be applied because a procurement system is not setup to record payees' ABNs?


Payments made to entities that don't have an ABN (e.g. non-Australian suppliers) are excluded from reporting.

Please note that this exclusion can only be used where there is a reasonable basis for assuming that the payee does not actually have an ABN. A reporting entity cannot exclude a payment solely because its procurement system does not record the ABNs of payees.

If a reporting entity, or its controlled Australian or foreign subsidiary, is aware (or could reasonably be expected to be aware) that it procures from Australian suppliers but does not capture ABNs in its procurement system, it cannot exclude payments from its datasets solely on the basis that an ABN is not recorded against the payee.

Entities are expected to take reasonable steps to identify the Australian suppliers and obtain their ABN, which may include updating internal systems to enable recording of ABNs.

Where a reporting entity makes an assumption that a payee does not have an ABN, it should document the reasons supporting that assumption for internal record-keeping purposes. The Regulator may assess whether the approach taken was reasonable in the circumstances.

 Refer to [Guidance Materials](#) paragraphs 151-153 and Example 36

Intragroup payments


70. Are intragroup/intercompany payments excluded from reporting and what would be considered an 'intragroup payment' for the purpose of this exclusion?

Yes, intragroup payments are excluded from reporting, even if they would otherwise meet the definition of a trade credit arrangement.

Any of the following payments would be considered intragroup payments:

- A payment between two entities where both entities' payments are included in the datasets being prepared by the reporting entity. For example, a payment between AusSubCo1 and NZSubCo in the Worked Example.
- A payment between two entities that are controlled by a common entity (Note: This can be a foreign parent that may not itself be a reporting entity). For example, a payment between AusSubCo2 and SGPSub in the Worked Example.
- A payment between two entities where one of the entities is a controlled entity of the other entity (which can extend outside the payment times reporting consolidated group). For example, a payment between AusTrust and SGP Parent in the Worked Example.

A payment to an affiliate or related entity that does not fall into any of the above 3 categories is not an intragroup payment, and therefore must be included in reporting. For example, a payment from AusSubCo1 to Associate SubCo in the Worked Example.

 Refer to:

- [Guidance Materials](#) paragraphs 154-156
- [Worked Example](#) – 'Group Overview' Tab

Payment practices

Supply chain financing

71. Do entities need to provide a 'Supply Chain Finance list' with their payment times report to support their response?

No. If the reporting entity or any of its controlled entities offered supply chain financing options to Australian small business suppliers then 'Yes' must be selected under the relevant reporting field in the payment times report, and more details of the supply chain financing options need to be included in the report comments field.

However, relevant supporting documents do not need to be submitted with the report.

 Refer to [Guidance Materials](#) paragraphs 199-200

Payment terms

No contractual arrangement or terms for payment not set out

72. What payment term should be used when there is no contract or invoice or where a contract and/or invoice exist, however do not set out the terms of payment?

An entity must ascertain payment terms from a written contract, which takes precedence over an invoice. In the absence of a written contract, these must be ascertained from an invoice or a notice for payment.

If payment terms cannot be ascertained from a written contract, invoice or a notice of payment, payment terms are calculated as the number of calendar days between:

- the date the obligation to make the payment arises under an agreement, and
- the date the obligation is to be fully discharged by the payment under the agreement.

In the absence of such an agreement, an entity may adopt the most common payment term offered by a similar supplier.

 Refer to [Guidance Materials](#) paragraphs 143-147

Legislated payment terms

73. Does a legislated requirement override specific contractual terms?

While a legislated requirement may specify that an entity is to make payment within a particular term, for the purposes of the PTR scheme, the payment term specified in the contract should be used for the particular transaction.

Where a legislated requirement exists, include details of this in the Payment Practices section of the payment times report as well as the Report Comments field.

 Refer to [Guidance Materials](#) paragraphs 203 to 204

Multiple payment terms for one supplier

74. For consolidated reporting, what if the reporting entity and its subsidiaries have different credit terms for the same small business vendor, which payment term should be recorded in the PTRS report?

When recording a payment term for each payment in a dataset, the payment term can be based on the entity's (which made the payment) credit terms with the small business vendor.

In the payment times report, record the most common payment term: the term that appears most frequently across all the individual payments in the SBTCP dataset.



Refer to:

- [Guidance Materials](#) paragraphs 173-181
- [Understanding Reporting Fields](#) page 8

Most common payment term

75. What should an entity record as the most common payment term where the mode is bimodal?

The entity may record the mode that it considers to be most common from its main operations, as long as this is reasonable.

76. Can the most common payment term be recorded as '0'?

The most common payment term can be recorded as 0 if that is the payment term that appears most frequently across all the individual payments in the SBTCP dataset

An individual payment in the SBTCP dataset can have a payment term of 0 if payment was made at least 1 calendar day after supply of goods/services, despite terms requiring immediate payment on supply.



Refer to [Guidance Materials](#) paragraph 145

Range

77. Should a range of most common payment terms only be calculated when there are controlling entities and where there are controlled entities, does it need to be calculated for each subsidiary?

Yes, a payment times report should only include a range of most common payment terms when the reporting entity has controlled entities.

Where a reporting entity has multiple controlled entities, it must calculate a separate statistical mode payment term for each individual entity it controls, based only on the payments made by the particular entity. The range of minimum and maximum most common payment terms is then calculated by comparing the individual statistical mode payment terms for each controlled entity.

Where a reporting entity only has one controlled entity, the range should be calculated using the most common payment terms of the reporting entity and the controlled entity.

 Refer to:

- [Guidance Materials](#) paragraphs 176-177 and example 38
- [Understanding Reporting Fields](#) page 9
- [Worked Example](#) – ‘Standard Payment Times Report’ tab

78. What range should be recorded where the most common payment terms are the same across all entities?

Where the most common payment term is the same across all entities, the minimum and maximum will be the same.

79. Can the ‘minimum’ value in the range of most common payment terms be 0?

Yes, provided that 0 is a payment term that appears most frequently across either the reporting entity’s or any of its controlled entities’ individual payments in the SBTCP dataset.

Please see ***Most common payment term*** for more information on when a payment could have a recorded payment term of 0.

Note: a payment term of 0 must not be adopted as a minimum in the range on the basis that some group entities did not make any trade credit payments to Australian small businesses.

 Refer to [Understanding Reporting Fields](#) page 9

Change in payment terms

80. Are there any reporting requirements if an entity has a change in supplier payment terms during a reporting period?

An entity must record payment terms as stated in a written contract, invoice or a notice for payment, as appropriate. Where there is a change in payment terms from a supplier that will impact a future period, this must be recorded in the 'estimated expected most common payment terms for the next period' reporting fields in the payment times report.



Refer to:

- [Guidance Materials](#) paragraphs 178 and example 39
- [Understanding Reporting Fields](#) page 9

Receivable terms

Calculation

81. How should a reporting entity calculate receivable terms where it has multiple, even hundreds of controlled entities within the consolidated group?

A single most common receivable term should be calculated by taking the policy approach, accounting receivable days approach or transaction approach set out in the Guidance Materials. Entities should document the approach taken and how it is reasonable for the entity's circumstances.



Refer to [Guidance Materials](#) paragraphs 179-187 and examples 40-41

82. Should receivable terms for all credit sales be considered, including transactions with Government entities and foreign customers when calculating the most commonly offered receivable terms?

Yes. When calculating the most commonly offered receivable terms, credit sales to all customers (including Government entities and foreign customers) should be included.

No credit sales or accounts receivable

83. Where an entity does not have any credit sales or receivable terms, how can this comparison be made?

If the reporting entity and/or most of its controlled entities have no credit sales or accounts receivable, then the most common offered receivable term can be considered to be 0.

In that scenario, if the most common payment term was more than 0 days for the relevant period, then the comparison of receivable terms to payment terms would be 'shorter'.



Refer to [Guidance Materials](#) paragraph 181

Payment times

Average payment time

84. Is the average payment time calculated separately for each entity in the consolidated report?

No. The average payment time is calculated using all payment times in the consolidated SBTCP dataset and rounded to two decimal places.

Reporting entities do not need to calculate the average payment time for each entity within their consolidated report.

 Refer to:

- [Guidance Materials](#) paragraphs 168, 188-189, 227-229
- [Understanding Reporting Fields](#) page 10

80th and 95th percentile payment times

85. Are the 80th and 95th percentile payment times based on the number or value of payments?

The 80th and 95th percentile payment times are a whole number that is calculated using the quantity of all transactions in the final SBTCP dataset.

The value of payments must not be used to calculate anything in a payment times report except the 'Small business trade credit payments as a percentage of total trade credit payments.'

 Refer to:


- [Guidance Materials](#) paragraphs 192-194 and example 42
- [Understanding Reporting Fields](#) page 10

Same day payments

86. Do payments made the same day as invoice issue form part of the TCP Dataset? If so, what is their payment time?

If a payment is made under a trade credit arrangement, then it must be included. Under the new scheme a trade credit arrangement occurs when a payment is made, or could have been made, at least one calendar day after the supply of goods.

For example, where an invoice is issued allowing for payment within 14 days, but the payment is made on the same day as the invoice is issued, the payment is included in the TCP dataset, the payment term is 14 days, and the payment time is zero days.

 Refer to [Guidance Materials](#) paragraphs 112, 169 and example 22 (scenario 1)

Payment within terms

87. Does the Regulator require reporting entities to pay small business suppliers within a specific time frame? Would payment in 30 days be considered within required terms?

The Regulator does not mandate specific payment terms or require payment to be made within a particular timeframe. Reporting entities are only required to accurately report on their payment terms, times and practices. The establishment of payment terms remains a matter for the reporting entity and its small business suppliers.

For reporting purposes under the new scheme, whether a payment is considered as having been made 'within terms' will depend on the established terms between the supplier and the entity. For example, if the payment term (based on contract/invoice) was 14 days and payment is made in 18 days, that payment is not within terms. If the payment term was 60 days and payment is made in 45 days, that payment is within terms.

It should be noted, however entities with a 95th percentile payment time of 20 days or less may be eligible for fast small business payer designation, and entities with a 95th percentile payment time of 30 days or less cannot receive a slow small business payer direction.

 Refer to [Guidance Materials](#) paragraphs 327-331

Percentage of small business procurement

88. When calculating the 'small business trade credit payments as a percentage of total trade credit payments' do we include all trade credit payments by all group entities, including foreign entities.

This field is calculated by dividing the value of all payments in the SBTCP dataset by the value of all payments in the TCP dataset.

The TCP dataset should contain all trade credit payments made by the reporting entity and its controlled entities, except those payments that would be subject to specific exclusions, such as payments to suppliers without an ABN. See

Excluded payments for more details.

 Refer to [Understanding Reporting Fields](#) page 12

Non-payment data

Supplier details

89. Do reporting entities need to provide the Regulator information about each one of its suppliers (like shown in the 'Supplier & Internal Policies' tab of the Worked Example)?

No. The inclusion of supplier information in the Worked Example was for contextual purposes only.

ANZSIC codes

90. If a controlling entity has multiple subsidiary entities with different industry codes, do we report the industry code of the controlling entity or the subsidiary entities?

Entities are required to provide ANZSIC subdivisions for the primary industry of the consolidated group.

Report comments

91. Is there a character limit in the 'Report comments' field?

Yes, the character limit for this field is 5000 characters.

Declarations

92. What wording should entities use for the 'declaration' field on a payment times report?

The declaration statement will be automatically pre-filled in the report webform on the Portal.

Reporting entities will not be required to type their own declaration statement, they just need to tick a checkbox to confirm the relevant declaration.

Note: Reporting entities that cannot access the Portal should email support@paymenttimes.gov.au to obtain the wording of the declaration statement.

Applications

Extension of time application


93. How do I apply for an extension of time, and do I need to provide supporting documents? Will the Regulator be granting an additional extension of time to entities for the first reporting period?

A reporting entity that needs more time to submit its report may apply for an extension of time. Extension of time applications must be made through the Portal.

For a single extension of time of up to 28 days under section 13A of the Act, the entity must explain the circumstances that resulted in the need for further time, but there is no requirement to provide evidentiary documents.

For a modifiable extension of time (which can be greater than 28 days) under section 13B of the Act, the entity must explain the circumstances that resulted in the need for further time and provide supporting documentary evidence in support of the application.

Extension of time applications will be considered on a case-by-case basis with the Regulator considering specific circumstances of each application. There will be no additional automatic extension of time granted to entities.

 Refer to [Guidance Materials](#) paragraphs 230–237 and 268–286

Subsidiary reporting application


94. Is it possible to carve out a division within the reporting entity ownership structure to be reported separately? What is the process for becoming a subsidiary reporting entity? What are the implications of being granted a subsidiary reporting entity determination?

Yes. An entity that is a CCE and is controlled by a reporting entity can apply to the Regulator for a determination to be a subsidiary reporting entity.

If the Regulator makes the determination that an entity is a subsidiary reporting entity, that entity is removed from its controlling reporting entity's group for reporting purposes and submits its own payment times report for itself and all its controlled entities.

The Regulator can determine an entity to be a subsidiary reporting entity if its separate reporting would align with the objects of the Act and not be contrary to the public interest.

From early May 2025, entities will be able to apply for subsidiary reporting entity determination in the Portal.

 Refer to [Guidance Materials](#) paragraphs 69–76 and 255–267

Fast/Slow payer

Slow payer

Long payment terms

95. If the supplier is a small business, but they offer longer payment terms, what should we do to avoid being a slow payer?

Entities may receive a slow small business payer direction only if their payment times meet the criteria. Entities with a 95th percentile payment time of 30 days or less cannot be classified as slow small business payers, irrespective of the payment terms.

 Refer to [Guidance Materials](#) paragraphs 303-306

Operating segments

96. How will slow small business payer directions work with operating segments?

Operating segments are outside the scope of the slow small business payer direction. The slow small business payer direction applies to the reporting entity as a whole, not its different operating segments.

Grace period

97. In relation to the slow small business payer direction, is there a grace period for entities which have put in place processes (including reducing payment terms to 30 days) and are working toward reducing payment times?

No. Once an entity is eligible to be given a slow small business payer direction, there is no grace period.

However, before it can be given such a direction, the entity will be given written notice of a proposed decision to give a slow small business payer direction. The notice will specify the reasons for the proposed decision and the entity will be invited to make written submissions about the proposed decision. The entity is entitled to include in its submissions what processes it has put in place to reduce its payment times.

The decision maker must have regard to any written submission before giving an entity a slow small business payer direction, including the following matters if raised in the entity's submission:

- the relevant entity's practices in relation to paying small business invoices
- any improvement in those practices
- whether any slowness of the relevant entities' payment of small business invoices has been because of circumstances beyond the relevant entities' control
- the likely costs and burden of complying with the direction, and whether that cost and burden is reasonable in the circumstances.

 Refer to [Guidance Materials](#) paragraphs 303-324

Compliance audits

- 98. The market feedback is that further clarity on the audits will be welcome. If a business receives a slow small business payer direction, that will have significant implications. Businesses are worried about receiving slow small business payer direction. We are worried about businesses being labelled a slow small business payer when in fact it may not be a slow small business payer. Also, the Regulator needs to be confident in the numbers before it publishes a list. Will the Regulator conduct audits before entities are put on slow or fast small business payer list?**

The Regulator must reasonably suspect the entity has contravened the Act before it can use the compliance audit power in s30 of the Act. This means it cannot require a compliance audit merely as part of a procedure before an entity is placed on a slow or fast small business payer list.

When the Regulator uses the audit power will depend on the factual circumstances. The extent and scope of any such audit will also depend on the circumstances.

Entities will be afforded procedural fairness before a slow small business payer direction is given. This includes an opportunity for the entity to dispute that it is in fact a slow small business payer. See [Grace period](#) for more information.

Miscellaneous

Reporting entity system capability

- 99. What approach should entities take if their current systems are not adequately equipped for PTRS reporting?
For example, if their software providers have not incorporated scheme updates, if they are managing large datasets and high transaction volumes, or if their systems do not capture sufficient detail at the individual transaction level?**

Reporting entities are expected to utilise systems and processes that facilitate compliance with their reporting obligations. Responsibility for ensuring systems are appropriately configured and maintained rests with the reporting entity.

The Regulator does not have a role in the development or enhancement of software or system functionality. Updates to third-party software are the responsibility of the reporting entity and their software provider.

Where systems do not retain detailed information at the individual transaction level, the Regulator expects entities to modify and uplift their systems and processes as required to meet their reporting obligations.

The Regulator also expects that entities handling large datasets and high transaction volumes to implement systems and processes that are fit for purpose and capable of managing the scale and complexity of their operations.

Additional education sessions and updates

- 100. Will there be education or training sessions in the future? Is there a way to subscribe to updates from the Regulator?**

At present, we are unable to confirm whether there will be further education or training sessions in the future. If the Regulator holds education or training sessions in the future, this will be communicated with entities in advance.

If you wish to subscribe to updates from the Regulator, please email your interest to engagement@paymenttimes.gov.au.

The Regulator communicates through a variety of channels including emails, our [website](#), mail and social media. Official emails are sent to entities' nominated contact persons. Entities should keep their nominated contact person details up to date in the Portal.

Recording and slides of education session

- 101. How can I access a recording of the education session and the slides?**

You will be able to access a recording of the education session and the slides in the guidance section of our website in due course.

Worked Example

102. Where can entities find the Worked Example? Is this available in PDF format and also for modified report types?

The [Worked Example](#) is available on the Regulator's website. There is no PDF version of the Worked Example, as it is an interactive workbook.

The regulator does not currently plan to release worked examples for modified report types. However, [Understanding Reporting Fields](#) includes detailed information on all reporting fields of modified payment times reports.

103. Can entities use the template from the Worked Example to complete a TCP Dataset?

The template used in the worked example are for illustrative purposes only and not intended to be prescriptive. Reporting entities can develop and structure their own datasets in a way that suits their circumstances. See [Datasets](#) for more information.

One pager FAQ

104. Is there a one pager FAQ that I can provide to the board to get them to understand the important changes that have happened?

We have released two information sheets summarising the reforms and the transition to the new Scheme.



Refer to:

- [Information sheet 9: Transition to the new Scheme](#)
- [Information sheet 10: Reforms to Payment Times Reporting](#)

Payment times register

105. Will the reports for reporting periods commencing before 1 July 2024 be available to view on the Payment Times Reports Register?

Yes. The Payment Times Reports Register contains all the information from the payment times reports given to the Regulator under the Payment Times Reporting Act 2020 since 2021.

Availability of the new portal

106. What sort of support is available on the first day the new portal goes live, so that nothing crashes?

Extensive testing is being undertaken to minimise the risk of the portal crashing. We will communicate with entities if there is any outage and there should be ample time for entities to lodge a report before the 30 June 2025 due date. Entities may apply for an extension of time if needed.

See [Extension of time application](#) for more information.