



Scrap metal industry Statement by a supplier

This statement should be completed for all transactions over \$82.50 where an Australian business number (ABN) is not quoted. Dealers can use this form to provide supplier details or can incorporate the details into their invoicing system.

Part A: Supplier details (to be completed in accordance with the guidelines for supplier on the reverse of this form)

Full name

Title: Mr Mrs Miss Ms Other

Name

Address

Suburb/town Suburb/town Postcode

Statement by supplier:

In accordance with the pay as you go (PAYG) legislation and Tax Office guidelines, I state that the supply made by me is in the course of an activity that is: (Tick appropriate boxes)

of a private recreational pursuit or hobby, or is wholly of a private nature for me, or

wholly exempt from income tax, or

a supply made in a circumstance under the *Scrap metal industry Code of compliance* that would ordinarily require an ABN to be provided, and I supply specific reasons why the No ABN withholding provisions should not apply:

Therefore you should not withhold an amount from the payment you make to me for the supply.

Signature

Date / /

Part B: Transaction details (to be completed in accordance with the guidelines for buyer on the reverse of this form)

Type of material	Quantity	Amount paid
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
Total	<input type="text"/>	<input type="text"/>

Proof of identity sighted (eg photo licence) Vehicle type Vehicle registration details

I have sighted the above proof of identity information and have made reasonable enquiries on the reasons provided not to withhold from the payment. I am satisfied that the no ABN withholding provisions do not apply to this transaction. No Yes

Name

Signature

Date / /

GUIDELINES

Supplier:

- 1 The No ABN withholding provision applies where you make a supply in the course or furtherance of an enterprise.
- 2 An enterprise includes activities done in the form of a business or in the form of an adventure or concern in the nature of a trade. An enterprise does not include activities done as an employee or other pay as you go (PAYG) earner, as a private recreational pursuit or hobby, or by an individual or partnership when there is no reasonable expectation of profit or gain.
- 3 In signing this statement you declare that you are not carrying on an enterprise and therefore not subject to the No ABN withholding provisions.
- 4 Where the supply is in a circumstance where the *Scrap metal industry Code of compliance* (the Code) ordinarily requires an ABN to be provided, you will be required to provide specific reasons why the No ABN withholding provisions should not apply. The scrap metal dealer is required to verify the information you provide.
- 5 It is an offence to make a false or misleading statement. This includes providing a false name and/or address. The penalty on conviction for such an offence is a maximum fine of \$2,000. Higher penalties apply where you have previously been convicted of a relevant offence or where you recklessly make false or misleading statements.
- 6 In addition to such a conviction, you will also be liable for any tax shortfall penalties (up to 90% of the value of the tax shortfall) plus a general interest charge.

Buyer:

- 1 You should retain their statement for five years.
- 2 If a supplier does not quote you an ABN on an invoice or some other document related to the supply and none of the exceptions to withholding apply, **you must withhold 46.5%** of the payment and remit that amount to the Tax Office. Exceptions to withholding include where:
 - the supply is made where an ABN has been quoted
 - the payment does not exceed \$82.50, or
 - the supplier has completed a statement declaring the supply is not made in the course of an enterprise.
- 3 If you have reasonable grounds to believe that this statement is false or misleading then you must withhold 46.5% of the payment. The Code provides details where it is ordinarily expected that an ABN will be quoted. When a supply has been made in any of these circumstances, you will need to verify the specific reasons for not withholding otherwise you will be required to withhold 46.5% of the payment.
- 4 You may be subject to penalties where you fail to withhold an amount as required. The penalty will be equal to the amount that you failed to withhold plus a general interest charge. It is also an offence not to withhold and **you may be prosecuted** in appropriate cases.

© COMMONWEALTH OF AUSTRALIA 2007

This work is copyright. Apart from any use as permitted under the *Copyright Act 1968*, no part may be reproduced by any process without prior written permission from the Commonwealth. Requests and inquiries concerning reproduction and rights should be addressed to the Commonwealth Copyright Administration, Attorney-General's Department, Robert Garran Offices, National Circuit, Barton ACT 2600 or posted at <http://www.ag.gov.au/cca>

PUBLISHED BY

Australian Taxation Office
Canberra
July 2007
JS 8252