



## Paying the ATO

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- <https://www.ato.gov.au/General/Paying-the-ATO/>
- Last modified: 13 Oct 2016
- QC 50294

To make a payment, go to [how to pay](#). This information applies to individuals and businesses.

You can also:

- [work out how much you owe](#)
- [get help paying](#)

## How to pay

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- <https://www.ato.gov.au/General/Paying-the-ATO/How-to-pay/>
- Last modified: 13 Apr 2021
- QC 50295

The quickest and easiest way to pay is with BPAY or a credit/debit card.

Make sure you provide the correct unique payment reference number (PRN) in the reference field every time you make a payment. This guarantees your money goes to the right account without delay.

### BPAY®



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Billers code: 75556

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Reference: Your [payment reference number \(PRN\)](#)

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Contact your bank or financial institution to make this payment from your Australian cheque, savings, debit card or credit card (Visa or MasterCard) account.

## Credit/Debit card

You will need:

- your [payment reference number \(PRN\)](#)
- a Visa, MasterCard or American Express card.

A [card payment fee](#) will apply.

You can now add and update stored credit or debit card details on ATO online to make a one-off payment.

## Pay online

### Online services

Our online services are convenient, secure and accessible at any time. By registering with our Online services, you can access a range of tax and super services in one place.

### Individuals and sole traders

[Log in using myGov account linked to the ATO](#)

### Businesses

[Log into Online services for business](#)

### Tax and BAS agents

[Log into Online services for agents](#)

### Government EasyPay

[Pay now with the Government EasyPay service](#)

## Pay by phone

Phone the Government EasyPay service on 1300 898 089.

See also:

- We also have [other payment options](#) available.

## Other payment options

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- <https://www.ato.gov.au/General/Paying-the-ATO/How-to-pay/Other-payment-options/>
- Last modified: 15 Mar 2021
- QC 50296

BPAY or a credit or debit card are the fastest, easiest ways to pay the ATO.

See [How to pay](#)

You must use the correct unique payment reference number (PRN) for each payment. This guarantees your money quickly goes to the right account. Do not include anything else in this field.

Other payment options include:

- [Electronic transfer](#)
- [Direct debit](#)
- [In person at Australia Post](#)
- [Mail](#)
- [Transfer from an overseas bank account](#)

### Electronic transfer

Transfer your payment using the following details:

Bank:	Reserve Bank of Australia
BSB:	093 003
Account number:	316385
Account name:	ATO direct credit account
Reference:	Your <a href="#">payment reference number (PRN)</a>

Check your financial institution's processing times to make sure your payment reaches us on time.

Your financial institution may offer real-time payment services using Osko or PayID.

We are working towards improving available payment options but for now:

- the ATO doesn't have PayID – use the above ATO bank account details
- payments you make to the ATO may take up to 4 business days to appear on your ATO account when a valid [PRN](#) has been provided.

## Direct debit

To have your payment automatically deducted from your Australian cheque or savings account, credit or debit card you can:

- use ATO [online services](#) (individuals and sole traders)
- use [Online services for business](#)
- phone us on 13 11 42 between 8.00am and 6.00pm, Monday to Friday.

Only the card holder can set up a direct debit using a credit or debit card.

### Direct debit from a financial institution account

For direct debit from a financial institution account:

- your registered tax or BAS agent can set up the direct debit for you using Online services for agents or by phoning us.
- a [direct debit request](#) form may be completed and returned to us. Allow at least seven working days for your direct debit to be activated to ensure your payment reaches us by the due date. This form cannot be used to request a direct debit from a credit or debit card.

## In person at Australia Post

You can pay at the post office by cash, EFTPOS (subject to your daily limits) or cheque. You must provide an ATO barcode with your payment.

Make sure cheques and money orders are:

- in Australian dollars
- payable to 'Deputy Commissioner of Taxation'
- marked 'Not Negotiable'
- not post-dated.

You cannot pay at an ATO site or shopfront.

Foreign investment application fees cannot be paid at Australia Post.

See also:

- [GST at settlement – how to pay](#)

## Mail

If you choose to pay through the mail:

- you must include a payment slip, which can be found on selected ATO notices
- your bank or the post office may charge you a fee to use a cheque or money order
- you need to allow time for mail delivery, as well as the time to process a cheque or money order.

You can mail your payment slip and a cheque or money order to:

Australian Taxation Office  
Locked Bag 1936  
ALBURY NSW 1936

Make sure cheques and money orders are:

- in Australian dollars
- payable to 'Deputy Commissioner of Taxation'
- marked 'Not Negotiable'
- not post-dated.

If you don't have a payment slip you must include the following details with your payment to avoid unnecessary delays to payments being credited to your account:

- full name
- address and phone number
- account identifier – for example, tax file number (TFN) or Australian business number (ABN)
- payment type – for example, activity statement payment or income tax payment.

Don't send cash through the mail. Make sure you allow sufficient time for your payment to reach us.

See also:

- [AusPost delivery standards](#)<sup>EQ</sup>

Foreign investment application fees cannot be paid by cheque or mail order.

## Transfer from an overseas bank account

Contact your overseas financial institution for advice on how to make your payment through SWIFT. The payment must be sent in Australian dollars.

Bank:	Reserve Bank of Australia 65 Martin Place SYDNEY NSW 2000 Australia
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Bank identifier:	RSBKAU2S
BSB:	093 003
Account number:	316385
Account name:	ATO direct credit account
Field 70: (Usually called 'details of payment')	Your <a href="#">payment reference number (PRN)</a>

To ensure your payment goes into the right account you must provide an accurate PRN. Do not include anything else in this field.

Bank handling and exchange fees are generally automatically deducted from your payment, at both the overseas bank and their companion bank in Australia, before being forwarded to us. Allow for these fees when arranging your payment.

## Other payment details

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- <https://www.ato.gov.au/General/Paying-the-ATO/How-to-pay/Other-payment-details/>
- Last modified: 01 Jul 2020
- QC 50297

This page provides the payment details you may need when making payments to us.

On this page:

- [Payment reference number \(PRN\)](#)
- [Payment processing times](#)
- [Payment slips](#)
- [Card terms and conditions](#)

### Payment reference number (PRN)

Your payment reference number (PRN) is your unique reference that ensures your payment is credited to the correct account. A PRN can also be called an EFT code.

You will have different payment reference numbers for different types of tax, for example income tax and activity statements. Make sure you use the right payment reference number for the type of tax you're paying.

Using an incorrect payment reference number could result in delays to payments

being credited to your account and unnecessary debt collection activity.

You can go online to get your payment reference number:

- Individuals and sole traders – log in to your [myGov account linked to the ATO](#)<sup>external</sup> and select Tax > Accounts > Summary

#### Individuals – payment reference number

- Businesses – log in to the [Business Portal](#)<sup>external</sup> and select Payment options from the left menu

#### Businesses – payment reference number

- Registered agents – log in to [Online services for agents](#)<sup>external</sup> and on the Client summary page select Accounts summary > Payment options.

#### Registered agents - payment reference number

Alternatively, you can:

- obtain your PRN from ATO notices or payment slips
- ask your tax agent
- phone 1800 815 886, 8.00am–6.00pm, Monday to Friday.

Next step:

- [How to pay](#)

## Payment processing times

Payments made electronically or at Australia Post may take up to four business days to appear on your ATO account, from the date you make the payment.

If you mail a cheque or money order to us, you will need to take into account [postal service delivery times](#)<sup>external</sup>. Once we receive your payment, it may take a further four business days to be allocated to your ATO account.

See also:

- [Missing Payments](#)

## Payment slips

You'll need a payment slip to pay at the post office. Make sure you have the correct payment slip for the account you want to pay. Payment slips are generally available on notices of assessment or statements of account.

Business taxpayers can print a payment slip using the [Business Portal](#)<sup>EQ</sup> – select Payment options from the left menu.

If you need to order a payment slip:

- phone 13 72 26 to order an activity statement payment slip – you'll need your Australian business number (ABN) to use this automated service
- phone 13 28 65 to order an income tax payment slip – you'll need your tax file number (TFN) to use this automated service.

Registered agents can use [Online services for agents](#)<sup>EQ</sup> to print payment options for their clients – on the Client summary page select Accounts summary > Payment options.

## Card terms and conditions

### Card payment fee

A card payment fee will apply to card payments. The fee:

- is a percentage of the amount being paid, based on the type of card used
- is charged by your card supplier, not the ATO
- will be reviewed from time to time and may change
- is not part of your ATO debt
- is not subject to goods and services tax (GST)
- may be a deductible expense based on your circumstances.

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#### Card payment fees

Card type	Fee
American Express	1.45%
MasterCard – International	2.20%
MasterCard – Domestic Debit	0.18%
MasterCard – Domestic Credit	0.73%
Visa – International	2.20%
Visa – Domestic Debit	0.38%
Visa – Domestic Credit	0.93%

When you make your payment you'll be advised of the total amount including the fee before you finalise your payment.

See also:

- [Claiming the card payment fee as a tax deduction](#)

## Card payment receipts

When you pay using any of our card payment services we'll give you a receipt number. The payment details will be displayed on your card statement as 'ATO payment' and 'Card payment fee – ATO'.

## Missing payments

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- <https://www.ato.gov.au/General/Paying-the-ATO/How-to-pay/Missing-payments/>
- Last modified: 04 May 2020
- QC 62487

If you've made a payment to us but can't see it on your account, find out what to do next.

On this page:

- [BPAY®](#)
- [Credit or debit card](#)
- [Electronic transfer](#)
- [Cheque](#)
- [In person at Australia Post](#)

## BPAY®

BPAY® payments can take up to four business days to be processed to your account.

Check that you used the correct biller code (75556) and payment reference number (PRN). If not, the payment may have been stopped by your bank and returned to your bank account.

If you used the wrong biller code and paid another organisation, contact your financial institution immediately.

If you paid using a different PRN, [contact us](#) with the following details:

- payment amount

- date of payment
- receipt number
- the PRN you used
- bank account details (BSB and account number).

## Credit or debit card

Credit or debit card payments can take up to four business days to be processed to your account.

If you've paid another government agency using Government EasyPay, contact your financial institution or card provider immediately.

If you paid online through myGov, or by phone, [contact us](#) with the following details:

- payment amount
- date of payment
- receipt number
- the payment reference number you used
- card provider (for example, VISA, MasterCard, etc).

## Electronic transfer

Direct credit payments can take up to four business days to be processed to your account.

Check that you made the payment to the correct [BSB and account number](#). If not, contact your financial institution immediately.

If the transfer details were correct and you can't see your payment, [contact us](#) with the following details:

- payment amount
- date of payment
- receipt number
- the payment reference number you used
- your bank account details (BSB and account number).

## Cheque

Cheque payments can take up to 10 business days to be delivered and processed to your account.

If the cheque has not been presented after 10 business days, you may need to contact your financial institution to stop the cheque and make alternative payment arrangements.

If the cheque has been presented but has not appeared in your account, [contact us](#) with the following details:

- payment amount

- the date the cheque was presented
- BSB and account number of cheque account
- cheque number
- drawer's name.

## In person at Australia Post

If you made the payment in person at the post office, it can take up to four business days to be processed to your account.

If you can't see your payment, [contact us](#) with the following details:

- payment amount
- date of payment
- receipt number
- Australia Post branch
- reference number (on receipt)
- payment method used (cash, cheque, EFTPOS).

## How much you owe

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- <https://www.ato.gov.au/General/Paying-the-ATO/How-much-you-owe/>
- Last modified: 14 Jul 2020
- QC 50298

We can help you find out how much you owe.

On this page:

- [Individuals and sole traders](#)
- [Business](#)
- [Registered agents](#)

## Individuals and sole traders

### Online using myGov

Use your myGov account linked to the ATO to check your outstanding balance and when your payment is due.

[Log in or create a myGov account](#)

## Income tax

After lodging your tax return you'll receive a notice of assessment confirming:

- how much you owe
- the due date for payment
- your payment reference number (PRN).

You can use our online services accessed through myGov to view your notice of assessment.

See also:

- [myGov](#)<sup>↗</sup>
- [Why you may receive a tax bill](#)

## PAYG instalments

Pay as you go (PAYG) instalments only apply if you earn business or investment income over a certain amount. We'll notify you if you need to start paying PAYG instalments, how often you need to pay and the payment options available.

You can use our online services accessed through myGov to view, lodge, pay, vary and manage all your PAYG instalment obligations.

See also:

- [PAYG instalments](#)
- [myGov](#)<sup>↗</sup>

## Business

If you're running a business log in to the Business Portal to find out what you owe us.

[Business Portal](#)

Find out when you need to lodge and pay:

- [due dates for businesses](#) that self-lodge
- [due dates for registered agents](#) that lodge for business.

If you can't use the Business Portal, you can:

- [Check your income tax assessment](#)
- [Phone us](#)

Check your income tax assessment

Businesses other than companies receive a notice of assessment from us after they lodge their tax return. The notice of assessment states:

- how much you owe
- the due date for payment
- your payment reference number (PRN).

Fully self-assessed companies and super funds don't usually receive a notice of assessment.

Sole traders and partners in partnerships can check what income tax they owe through our online services accessed through a [myGov account](#)<sup>ca</sup> linked to the ATO.

## PAYG instalments

If you're earning business income, you may be required to pay PAYG instalments. When we write to tell you that you have to pay instalments, we'll let you know how often to pay and the options available to you.

## Phone us

Businesses can find out what tax they owe, and when it's due, by phoning us on 13 28 66 during [operating hours](#).

Contact us immediately if you believe your account balance is incorrect.

Next step:

- [How to pay](#)

## If you disagree with your tax assessment

If you think your tax assessment is incorrect, you can [dispute or object to an ATO decision](#).

## Your payment is still due

Even if you're disputing an assessment, you must still pay the outstanding amount by the due date – unless you have a [deferral or 50:50 arrangement](#).

Overdue amounts, disputed or otherwise, incur interest. If the dispute is resolved in your favour we will generally pay you interest on your overpayments.

We may take recovery action for outstanding taxes even if you've requested a review or lodged an objection or appeal.

## Seeking a deferral or 50:50 arrangement

You can write to us, setting out your reasons, if you want to defer your tax payment until your dispute has been resolved. If you have a good payment history, we may agree to defer recovery action until the dispute is resolved. However, interest will apply from the due date on any amount that is still payable when the dispute is

resolved.

We may be able to offer you a 50:50 arrangement, where you pay at least 50% of the disputed amount plus any other outstanding tax debts. You also agree to provide any information needed to resolve the dispute. In return, you can defer paying the remaining amount until the dispute is resolved.

If your objection is unsuccessful you will only be charged 50% of the interest that accrues on the outstanding amount from the date you made the 50% payment. This concession is increased to 75% if your case is funded as part of the test case litigation program.

See also:

- [Correct a mistake or amend a return](#)

## Registered agents

To find out how much your client owes, you can:

- use [Online services for agents](#)
- phone us on 13 72 86 (fast key code 1 2 5 1).

## Help with paying

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- <https://www.ato.gov.au/General/Paying-the-ATO/Help-with-paying/>
- Last modified: 31 Mar 2021
- QC 50299

If you're unable to pay on time, you may be able to set up a payment plan to pay by instalments.

You still need to lodge your activity statements and tax returns on time, even if you can't pay by the due date. This will show us you're aware of your obligations and doing your best to meet them.

Find out about:

- [Payment plans](#)
- [Interest-free payment plans for overdue activity statement amounts](#)
- [Secured payment plans](#)
- [HELP and SFSS](#)

See also:

- [Financial difficulties and serious hardship](#)
- [Support in difficult times](#)

- [Managing payments](#)

## Payment plans

When setting up a payment plan, you need to consider:

- how much you can pay so you can meet each scheduled instalment (including interest that may accrue on any overdue amounts)
- your future obligations.

In some instances, we may need to know more about your financial situation and circumstances. This is so we can work with you to set up a manageable payment plan that suits both of us.

Otherwise see the information below about payment plans for:

- [Individuals and sole traders](#)
- [Businesses](#)
- [Registered agents](#)

### Individuals and sole traders

The easiest way to set up a payment plan if you owe \$100,000 or less is by using our [online services](#).

To use our online services, you'll need a myGov account linked to the ATO. You may be eligible to set up, adjust or cancel an existing payment plan.

Our aim is to help you pay amounts you owe in the shortest time and saving you interest.

When you set up a payment plan you'll be provided with:

- an upfront amount you need to pay
- examples of instalment amounts that have been manageable for clients with similar circumstances to yours.

You can vary the upfront and instalment amounts above or below the amounts provided – up to certain values.

If you can't afford a payment plan that's offered online, or you owe more than \$100,000, phone us on 13 11 42 during our [operating hours](#) to discuss your options.

Before you call, we recommend using our payment plan estimator to work out a plan you can afford.

Next steps:

- Log in to myGov, or create a [myGov](#)<sup>ES</sup> account and link it to the ATO.
- Use the [payment plan estimator](#) to work out a plan you can afford.

## Automated phone service

You may be able to use our automated phone service to arrange a late payment or to pay by instalments. You'll need your Australian business number (ABN) or tax file number (TFN) and the full details of your outstanding amount.

If you can't enter into a payment plan through our automated phone service, during our operating hours, you'll be connected to a person who will help you.

Next step:

- Phone our [automated service](#) on 13 28 65.

## Businesses

If your business owes \$100,000 or less, you can propose a payment plan:

- via [Online services for business](#)<sup>EQ</sup> and choosing Accounts and payments then payment plans
- by phoning our automated phone service on 13 72 26
- through your registered tax agent or BAS agent who can use online services to enter a payment plan on your behalf

If you can't enter into a payment plan using our automated phone service, you'll be connected to a person (during our [operating hours](#)) who will help you.

To set up a payment plan you'll need your ABN or TFN, and the full details of your outstanding amount.

If you have overdue amounts from activity statements, you may be eligible for an [interest-free payment plan](#).

If your business owes over \$100,000, phone us on 13 11 42 during our [operating hours](#) to discuss your options.

Before you call, we recommend using our payment plan estimator to work out a plan you can afford.

Next steps:

- Log in to [Online services for business](#)<sup>EQ</sup>
- Phone our [automated service](#) on 13 72 26.
- Use the [payment plan estimator](#) to work out a plan you can afford.

See also:

- [Business self service](#)

## Registered agents

If you're a registered tax or BAS agent, you can use our [Online services for agents](#) to view, set up, adjust or cancel a [payment plan](#) for your client.

You can set up a payment plan if your client:

- has an existing debit amount less than \$100,000 (total balance or overdue amounts)
- does not already have a payment plan for that debit amount
- hasn't defaulted on a payment plan for the relevant account more than twice in the past two years.

Next steps:

- Set up a payment plan on behalf of your client using [Online services for agents](#).
- Phone 13 72 86 to discuss your client's situation – use our [fast key code guide](#) to get in touch with the right area.

## Interest-free payment plans for overdue activity statement amounts

Small businesses that owe activity statement amounts may be able to pay these off interest-free over 12 months.

### Eligibility

You may be eligible for an interest-free payment plan if your business:

- has an annual turnover of less than \$2 million
- has recent amounts owed from an activity statement of \$50,000 or less that has been overdue for no longer than 12 months
- has good payment and lodgment history including
  - no more than one payment plan default within the last 12 months
  - no outstanding activity statement lodgments
- is unable to obtain finance (such as a loan) through normal business channels
- is able to demonstrate ongoing viability.

### How it works

You must agree to a payment plan that allows the amounts owed to be paid by direct debit within 12 months. Even if you receive a letter stating that interest will apply, it will be remitted as long as you maintain your payment plan.

While you're paying off your bill:

- you can check your running account balance by logging into the [Online services for business](#)<sup>ca</sup>, or phoning us on 13 28 66 (8.00am to 6.00pm, Monday to Friday)
- you must meet all of your other payment and lodgment obligations.

Registered tax or BAS agents can check the running account balance by using [Online services for agents](#), or phoning 13 72 86 (Fast Key Code 1 2 5 1).

### If you're already in a payment plan

You can ask us to change your existing payment plan to an interest-free payment plan if you satisfy the eligibility criteria.

If your request is approved, we'll cancel your previous plan. The interest-free period will start from the date you enter into the new plan.

Next step:

- Phone us on 13 28 66 during our operating hours to change to an interest-free payment plan.

## Secured payment plans

If we can't reach an agreement with you about paying amounts you owe, we may consider accepting an offer of security where you either:

- request we defer the time of payment of a debt
- seek to pay a debt by instalments.

Our preferred securities are:

- a registered mortgage over freehold property
- an unconditional bank guarantee from an Australian bank.

For more information about a secured payment phone us on 13 11 42 during our [operating hours](#).

See also:

- [PS LA 2011/14](#) *General debt collection powers and principles*

## HELP and SFSS

If your tax notice of assessment includes a compulsory Higher Education Loan Program (HELP) or Student Financial Supplement Scheme (SFSS) repayment that would cause serious hardship, you can apply to defer it.

If there are other reasons you believe you shouldn't make a compulsory repayment, you can also apply to defer it.

Next step:

- See [Deferring repayments](#) to defer your compulsory HELP or SFSS repayment.

## Managing payments

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- <https://www.ato.gov.au/General/Paying-the-ATO/Help-with-paying/Managing-payments/>
- Last modified: 08 Apr 2021
- QC 50464

Tips on how to manage your payments, including prepayments and payment transfers.

Find out about:

- [Budgeting for tax](#)
- [Making prepayments](#)
- [How to prevent debt](#)
- [Request a payment transfer](#)

See also:

- [Voluntary repayments](#)

## Budgeting for tax

Keep an adequate amount aside to cover tax whenever you receive a payment that hasn't been taxed, such as:

- income as a contractor
- profit from selling shares or property (capital gains tax may apply)
- rental income
- interest and share dividends
- sharing economy payments.

You can use our income tax estimator to work out if you're likely to owe tax this income year.

See also:

- [Income tax estimator](#)
- [Investing](#)
- [Supporting your small business](#)

## Making prepayments

You don't need to wait for a bill from us to make a payment. You can make prepayments at any time and as often as you like to make it easier for you to manage your tax.

What you need to do:

- get your [payment reference number \(PRN\)](#)
- work out how much to prepay using our online [tools](#) and calculators
- prepay your tax using one of our payment [methods](#).

We will hold prepayments you make towards your expected bill unless you, or your agent, request a refund. If you already have an existing debt with us, these

payments may be used to pay that debt.

See also:

- [How to pay](#)
- [Interest on early payments calculator](#)

## How to prevent debt

Our research shows that you are more likely to stay on top of your payments to us if you:

- keep amounts for GST, superannuation and income tax payments separate from your other business affairs – for example in a separate bank account or by making a prepayment to us
- manage your cash flow and budget for monthly income and expenses
- keep good business records and update them frequently – for example, weekly or monthly.

It's important to have a good understanding of your payment obligations so you can plan ahead to pay the right amount at the right time.

## Request a payment transfer

A payment transfer is the movement of a payment from one ATO account to another ATO account if a payment has been credited to the wrong account. You can request a partial transfer where a payment should have been made for two different accounts.

You need to provide the following details to request a payment transfer:

- your contact details, including your name and phone number – you must pass proof of identity on the account the payment is being transferred from
- details of the account the payment was made to, including the PRN, account name, tax file number (TFN) or Australian business number (ABN)
- amount of the payment
- payment method – for example, credit card or BPAY
- date of the payment
- payment receipt number (if known)
- tax type – for example income or activity statement
- details of the account that the payment is to be transferred to, including the PRN, account name, TFN or ABN
- details of the amount of the payment to be transferred – you can request a transfer of the whole, or partial amount.

You can request a payment transfer by phoning 13 11 42 during our operating hours.

Businesses can use the [Online services for business](#)<sup>ca</sup> and registered agents can use [Online services for agents](#).

# If you don't pay

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- <https://www.ato.gov.au/General/Paying-the-ATO/If-you-don-t-pay/>
- Last modified: 31 Mar 2021
- QC 50300

We know that taxpayers, in particular small business operators and sole traders, sometimes have cash flow issues meaning they can't pay their whole tax bill on time.

In the case that a tax bill isn't paid by the due date, engage with us early so we can help you deal with your debt while it's still manageable. We have a number of tools and services available to support you to address your bill while it's still manageable

We're committed to listening to your situation and helping you get back on track.

Find out about:

- [Help with paying](#)

## What happens if you don't pay

If you don't pay the amounts you owe us on time:

- we will charge [interest](#) on your unpaid amounts
- we'll contact you soon after the due date either by
  - SMS
  - messages in myGov
  - letters
  - phone
- we'll use any [future refunds or credits to repay the amounts you owe](#)
- we may take [stronger action](#) if you are unwilling to work with us to address your debt or repeatedly default on agreed payment plans.

We don't currently refer selected debts to [external collection agencies](#) for collection on our behalf, but we may do so for any cases moving forward.

Make sure you lodge your activity statements and tax returns on time even if you can't pay by the due date. You'll avoid a penalty for failing to lodge on time and we'll know you're aware of those obligations.

On this page:

- [General interest charge](#)
- [Using refunds or credits to pay debt](#)
- [External debt collection agencies](#)
- [Stronger action](#)

See also:

- [Help with paying](#)

## General interest charge

If you don't pay on time we will automatically add a general interest charge (GIC) to what you owe. Your debt will grow each day your debt remains unpaid.

Interest calculates on a daily compounding basis on the amount outstanding and is added to your account periodically.

We revise interest rates quarterly.

You can generally claim a tax deduction for interest charged in the year it's incurred.

See also:

- [General interest charge \(GIC\) rates](#)

## Remission of interest

You can ask us to remit, such as reduce or cancel, some or all of your interest by:

- phoning us on 13 11 42 during [operating hours](#) – for interest charges up to \$25,000
- writing to us at GPO Box 9990 in the capital city of your state or territory
- using a registered agent who can use [Online services for agents](#)<sup>†</sup>.

Tell us why you think it is fair and reasonable for us to reduce or cancel your interest charges. Include the circumstances that led to your delay in payment and any steps you've taken to pay what you owe.

If your request is approved, you must include the amount of the remitted interest in your tax return as assessable income in the year it was remitted.

See also:

- [Interest and penalties](#)

## Using refunds or credits to pay debt

If you have a debt with us and you're due to receive a refund or credit such as from an earlier tax return or activity statement, we're required by law to use the refund or credit to reduce your debt.

We're also required to pay your refund to other Australian Government agencies if you owe them money. For example, if you have an overdue child support payment, part or all of your refund payment may be paid to the Department of Human Services.

Once all your debts are clear, we'll refund any remaining credit to you.

We'll notify you in writing if we use your refund to pay a debt.

If you are in serious financial hardship, we may be able to pay the refund to you instead.

See also:

- Individuals and businesses can phone our business infoline on 13 28 66 during [operating hours](#)
- Registered agents can use [Online services for agents](#)<sup>↗</sup>
- [Financial hardship](#)

## External debt collection agencies

Previously we referred some debts to external debt collection agencies for collection on our behalf up to April 2020. Debt cases are currently no longer actioned by external debt collection agencies. However, we may do so for any cases moving forward. Contact us directly on 1300 466 859.

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Previous external debt collection agencies we referred to

Agency	Phone number
Milton Graham	Debt cases are no longer actioned by Milton Graham as of April 2020.
Collection House	Debt cases are no longer actioned by Collection House as of April 2020.
Probe Operations Pty Ltd	Debt cases are no longer actioned by Probe Operations Pty Ltd as of 31 December 2019.
Recoveriescorp	Debt cases are no longer actioned by Recoveriescorp as of 31 December 2019.

## Disputed debt

Previously we wouldn't refer debts to collection agencies when formally disputed. If you had formally disputed your debt after we referred it to an agency, the debt would be returned to us for action.

See also:

- [Dispute or object to an ATO decision](#)

## If you think it's a scam

- If you previously received a call from a debt collection agency on our behalf, there are ways to check if it was legitimate, such as: check if they asked you to pay by

- BPAY using the ATO biller code 75556
- a method listed under our [How to pay](#) options
- phone us directly on 1800 008 540 to verify they are legitimate.

See also:

- [Verify or report a scam](#)

## Stronger action

We're committed to supporting taxpayers who want to do the right thing and preventing those who don't pay from gaining an unfair financial advantage. We use stronger action when people:

- are unwilling to work with us
- repeatedly default on agreed payment plans
- don't have the capacity to pay and don't take steps to resolve their situation
- have been subject to an audit where we detect deliberate avoidance and payment avoidance continues
- appear to be engaging in phoenix activities (using liquidation to avoid financial obligations without risking assets and with the intention of resuming business operations through a new entity).

Find out about:

Stronger action includes:

- [Garnishee notice](#)
- [Director penalty notice](#)
- [Direction to pay Super Guarantee Charge \(SGC\)](#)

In some cases, we may take legal action to recover outstanding tax and super debts. The action we take depends on whether an individual (or sole trader), partnership, trust, superannuation fund or company owes the debt and may include:

- [Claim or summons](#)
- [Bankruptcy notice](#)
- [Creditor's petition](#)
- [Statutory demand](#)
- [Wind-up action](#)

## Garnishee notice

We can issue a garnishee notice to a person or business that holds money for you, or may hold money for you in the future. This requires them to pay your money directly to us to reduce your debt. We'll send a copy of the notice to you.

For individuals, we may issue a garnishee notice to:

- your employer or contractor
- banks, financial institutions and building societies where you have accounts

- people who owe money to you from the sale of real estate such as purchasers, real estate agents and solicitors.

For businesses, we may issue a garnishee notice to:

- your financial institution
- trade debtors
- suppliers of merchant card facilities.

### **Director penalty notice**

Directors can incur penalties equal to their company's

- unpaid PAYG withholding
- net GST (inclusive of luxury car tax and wine equalisation tax)
- superannuation guarantee charge.

We may issue a director penalty notice enabling us to start legal proceedings to recover the penalty.

See also:

Insert link to web content. .

### **Direction to pay super guarantee charge (SGC)**

We can issue employers with a direction to pay outstanding SGC (or estimates of SGC) within a specified period. When an employer receives a direction to pay, they must ensure that they pay the full amount specified in the direction. A failure to comply with the direction is a criminal offence and can result in penalties or imprisonment.

### **Claim or summons**

If you don't work with us to address your debt we may file a claim or summons with the relevant court of your state or territory. Once the court recognises the debt owed, we may execute on the judgment debt in a number of ways including by filing and serving a bankruptcy notice.

If the court imposes judgment debt interest, this amount is not tax deductible.

### **Bankruptcy notice**

If you receive a bankruptcy notice, you need to pay your debt or make a payment plan with us within 21 days. If you're unable to do this, we may file a creditor's petition to make you bankrupt. Bankruptcy is a legal declaration that a person is unable to pay their debts. When a person becomes bankrupt, the bankruptcy trustee takes possession of nearly all of their assets and sells them to pay the person's debts.

We won't seek to bankrupt you if it is clear you're able to pay your debt in a reasonable time. If you're facing bankruptcy action, but believe you can pay your

debts, you should provide us with clear evidence of your ability to pay.

You can go into bankruptcy voluntarily by filing a debtor's petition with the [Australian Financial Security Authority](#)<sup>ca</sup>.

### **Creditor's petition**

A creditor's petition is essentially an application to the Federal Court or Federal Magistrates Court for a sequestration order to declare you bankrupt. Anyone you owe money to, including us, can file a creditor's petition if you have committed an 'act of bankruptcy' (such as failing to comply with a bankruptcy notice), within the preceding six months.

If the sequestration order is made, you will become bankrupt and a trustee appointed to manage your estate. This usually involves the sale of the bulk of your assets to pay your creditors, including us.

The court will not issue the order if you can demonstrate you're able to immediately pay all of your debts.

### **Statutory demand**

We can issue a statutory demand for payment to a company that has not paid its debts. A statutory demand requires the company to pay the entire debt or enter into a payment plan with us within 21 days.

If a company doesn't comply with the statutory demand, we may use the non-payment as evidence that the company is insolvent and apply to the Federal Court to wind up the company.

### **Wind-up action**

When a court orders a company to wind up, an appointed official liquidator sells the company's assets and distributes the resulting funds to the company's creditors.

We'll take action to wind up a company if it has failed to pay its debts and we have not been able to negotiate a suitable payment plan. These circumstances may indicate that the company is insolvent and there could be a risk to us (and possibly to other creditors) that the debt will not be paid.

### **Our commitment to you**

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

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