

## Fact Sheet

### Taxable Payments Reporting Building and Construction Industry

#### **Are you a business in the building and construction industry that pays contractors for building and construction services?**

From 1 July 2013, businesses in the building and construction industry need to report the total payments they make to each contractor for building and construction services each year. You need to report these payments to us on the *Taxable payments annual report*.

#### **Who needs to report?**

From 1 July 2013, you need to report if all of the following apply:

- you are a business that is in the building and construction industry
- you make payments to contractors for building and construction services
- you have an Australian business number (ABN).

#### **Details you need to report**

- For each contractor, you need to report the following details each financial year:
- Australian business number (ABN), if known
- Name
- Address
- Gross amount you paid for the financial year (this is the total paid including GST)
- Total GST included in the gross amount you paid.

The details you need to report will generally be contained in the invoices you receive from your contractors. You can download and print a blank worksheet that may help you to complete the *Taxable payments annual report* from [www.ato.gov.au/taxablepaymentsreporting](http://www.ato.gov.au/taxablepaymentsreporting).

#### **Payments you need to report**

You will need to report payments you make to contractors for building and construction services. Building and construction services include any of the activities listed below if they are performed on, or in relation to, any part of a building, structure, works, surface or sub-surface.

- Alteration
- Assembly
- Construction
- Demolition
- Design
- Destruction
- Dismantling
- Erection
- Excavation
- Finishing
- Improvement
- Installation
- Maintenance
- Management of building and construction services
- Modification
- Organisation of building and construction services
- Removal
- Repair
- Site preparation

For a list of examples of building and construction services, visit the ATO website at [www.ato.gov.au/taxablepaymentsreporting](http://www.ato.gov.au/taxablepaymentsreporting).

Where your payment is for both labour and materials, you report the whole amount.

**Payments you do not report**

- payments for materials only
- any unpaid invoices as at 30 June each year - for example, if you receive an invoice in June 2012, but you do not pay that invoice until
- sometime in July 2013, you report that payment in 2013-14 *Taxable payments annual report*
- payments which are required to be reported in a *Pay as you go (PAYG) withholding payment summary annual report*, such as
- payments to employees
- payments made by home owners for private and domestic projects - for example, payments you make for building or renovating your own home.

**When to report**

The *Taxable payments annual report* is due 21 July each year.

The first *Taxable payments annual report* is due 21 July 2013 for payments made in the 2013-14 financial year. In this first year if you lodge your business activity statement quarterly, you may lodge by 28 July 2013.