



Country Solution Australia

IFS Cloud 22 R2

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1 Taxable Payment Annual Report (TPAR)

1.1 What is Taxable Payment Annual Report (TPAR)

The Taxable Payment Annual Report (TPAR) allows:

- Payment made to contractors (or subcontractors) for services, or
- Grants paid by government entities to ABN holders

to be reported where required under the Taxable Payments Reporting System (TPRS) and the Taxable Government Grants and Payments reporting measure.

The payments made to contractors for provision of following services should be reported via TPAR;

- Building and Construction
- Courier
- Cleaning
- Information Technology (IT)
- Road Freight
- Security, investigation or surveillance

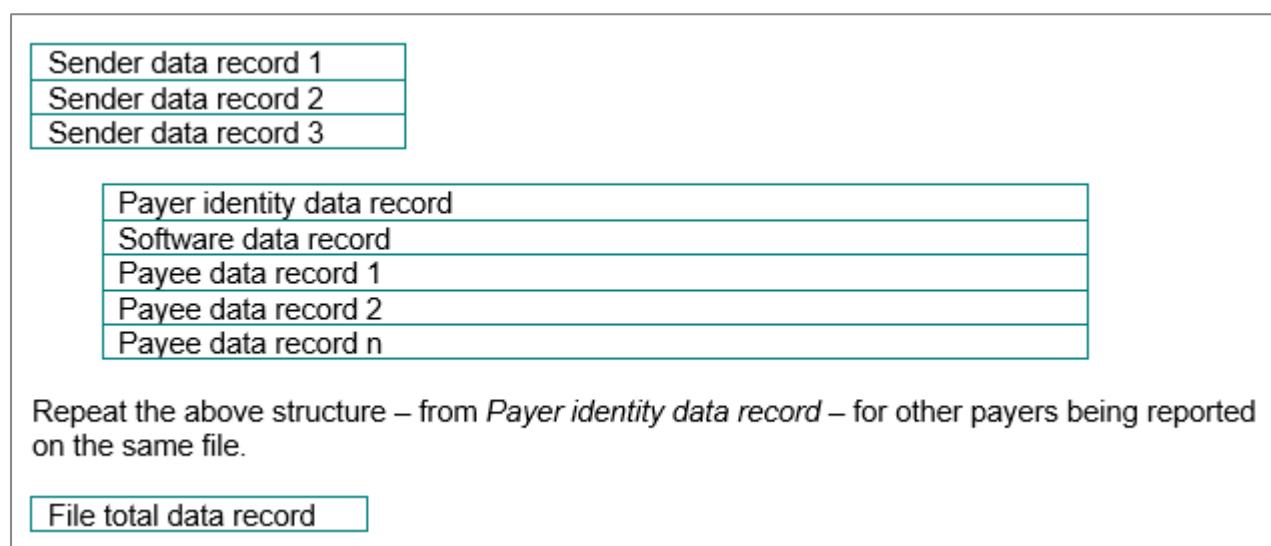
The annual report must be provided to the Commissioner of Australian Tax Office (ATO) no later than 28 August after the end of the financial year electronically.

Under Taxation Administration Act of Australia, payers must keep payment information for a period of five years. The information can be kept electronically.

Where the information is kept electronically, a copy of the data file provided to the ATO must be able to be regenerated on request by the ATO (<https://www.ato.gov.au/Business/Reports-and-returns/Taxable-payments-annual-report/>).

1.2 File Structure Overview of TPAR

File structure must be in following order;



Sender Data Record 1 to 3 and *Payer Data Record* sections include information relating to Payer's Australian Business Number (ABN), branch number, registered business name, address, contact name, phone number, email address. The Sender Data Records must be reported once only and must be followed directly by the first Payer identity data record.

Software Data Record includes information about the software used to produce the report. It must immediately follow each Payer identity data record.

Payee Data Record section includes information relating to Payee's ABN, business name, contact details, address gross amount paid, total GST and total tax withheld amount where the Payee has not quoted an ABN number. The *Payee data record(s)* must immediately follow each *Software data record*.

The *File total data record* must be the last record on the file (dataset) to indicate the end of the data. It contains the total number of records in the data file.

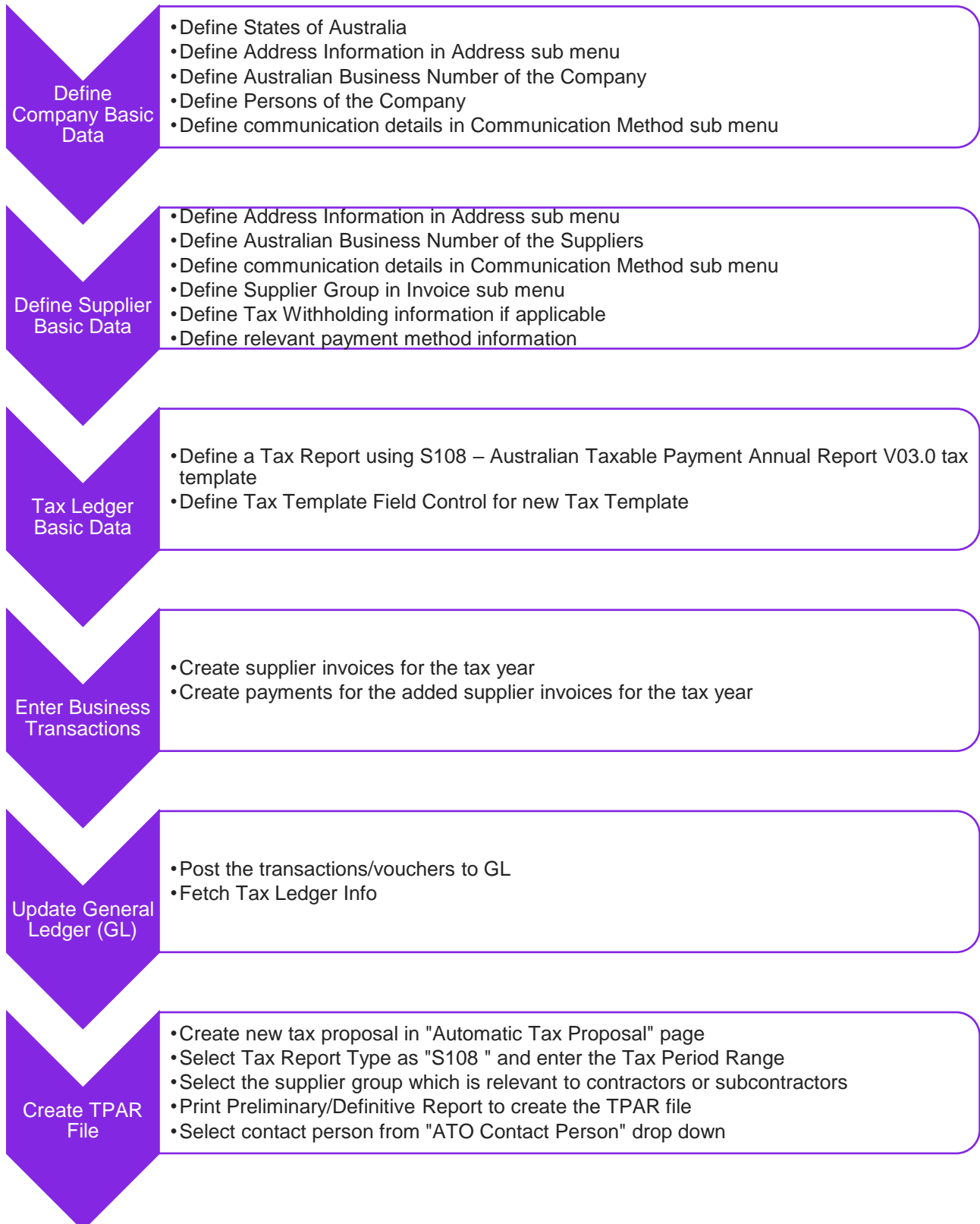
1.3 Solution TPAR File

The TPAR solution for Australia has been developed based on the IFS Core functionality - "Tax Ledger" which will enable the user to create and save the TPAR text file.

To support the TPAR requirements for country Australia, the following has been done:

1. New external file template and type as **TaxRepAuTpar** were added to support the TPAR report creation.
2. New tax template **S108 – Australian Taxable Payment Annual Report V03.0** added to the *Tax Template* page.
3. In *Tax Template* page, Template fields were added to *Field Control Basic* to show the TPAR data.
4. *Tax Template Field Control* should be defined to see the Information Fields added.
5. The *Automatic Tax Proposal* page can be used to create the TPAR file.
6. **Supplier Group** parameter were added to the *Automatic Tax Proposal* page to derive information and to filter/distinguish payment details of the contractors or subcontractors from other suppliers.
7. **ATO Contact Person** parameter was added to *Print Preliminary Report/Print Definitive Report (Print to File)* assistant and a corresponding Information Field in *Automatic Tax Proposal* page was added.

Below are the steps to create TPAR text file.



1.4 Prerequisites

Following prerequisites should be satisfied to generate TPAR text file for tax purposes.

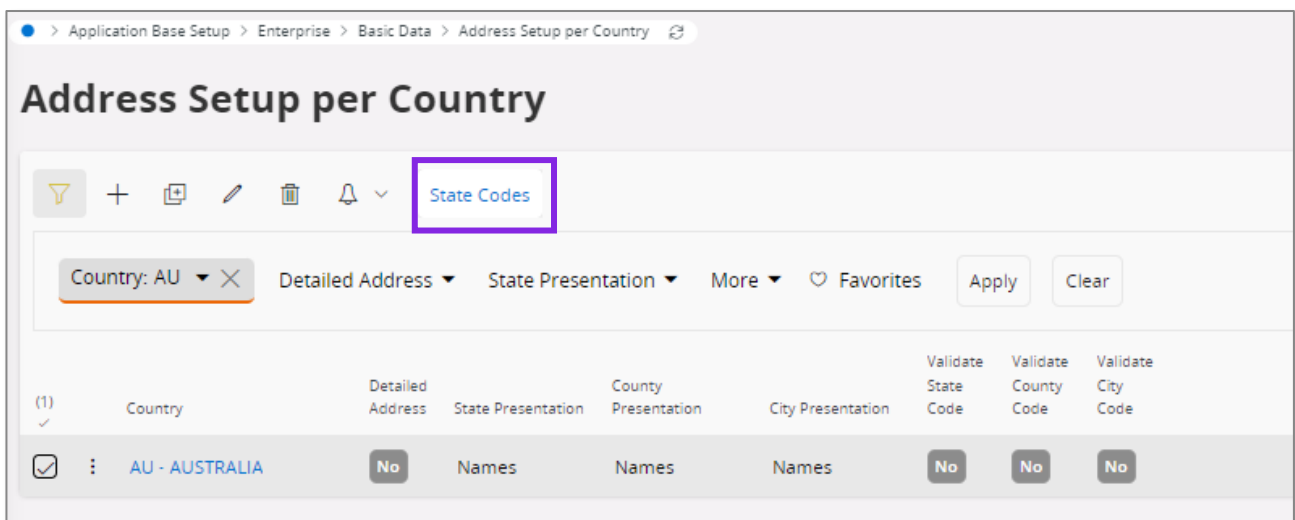
- It is recommended to create the company using Standard Template (STD).
- It is mandatory to define a Tax Report using the S108 – Australian Taxable Payment Annual Report V03.0 tax Template in Tax Report page.

1.5 Define Company and Supplier Basic Data

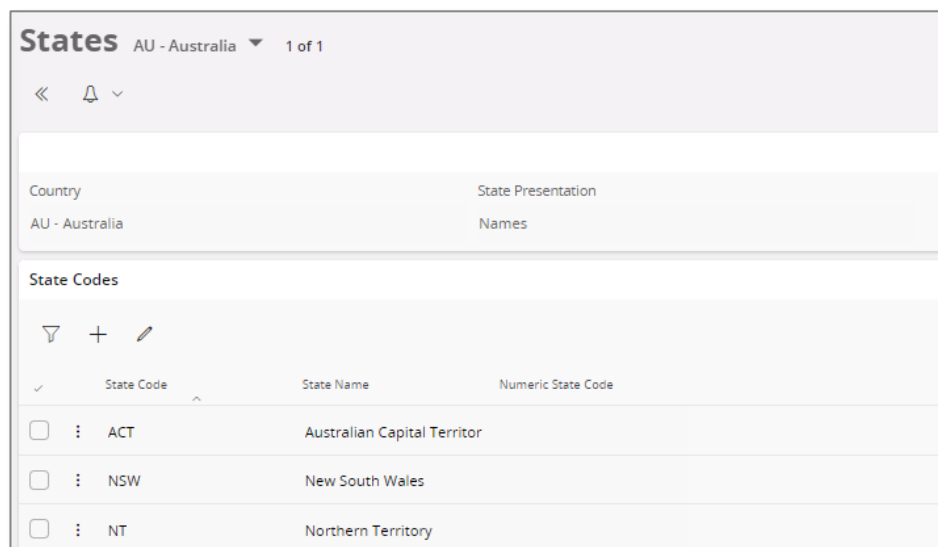
1.5.1 DEFINE COMPANY BASIC DATA

1.5.1.1 Define Address Setup per Country and States

Open Application Base Set up/Basic Data/Address Setup per Country and add Australia Country.

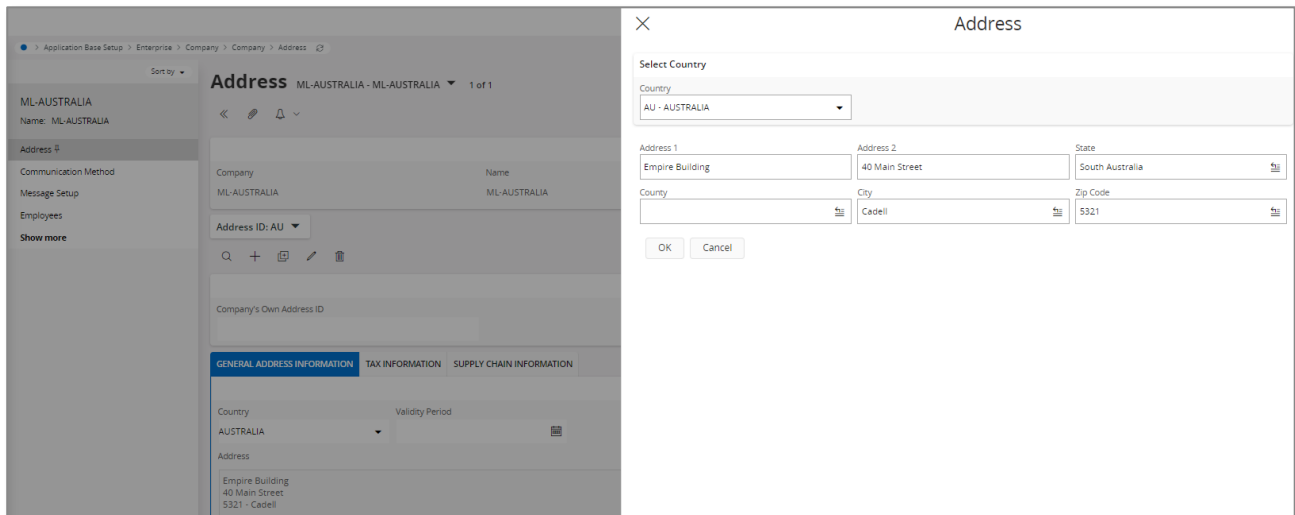


Then using the State Codes command, add below States of Australia or any State as mentioned in the Taxable Payment Annual Report Specification (Chapter 6) in the States page.



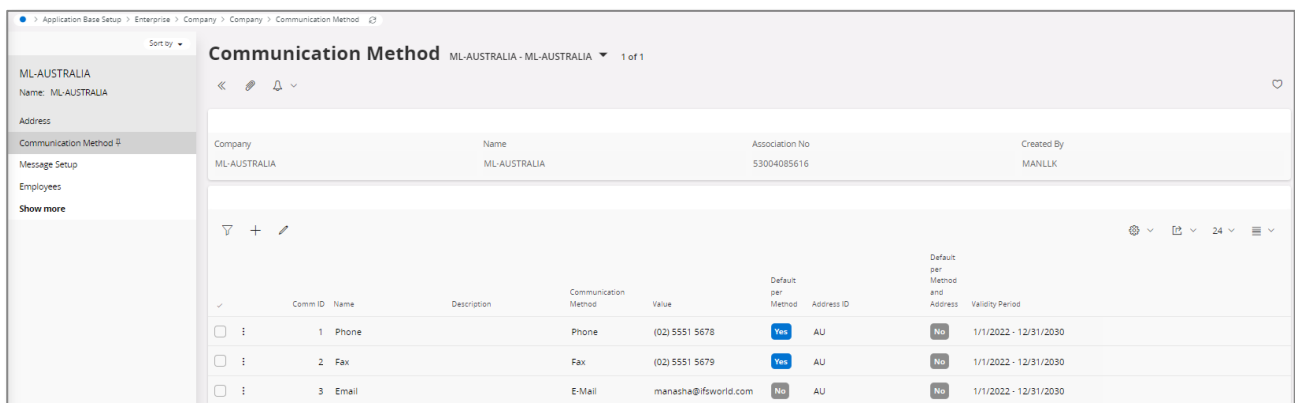
1.5.1.2 Define Company Address Information

Open Company/Address sub menu and add the address details such as Address 1, Address 2, State, City, and Zip Code. These address information will be filled in Sender Data Record 2, 3 and Payer Identity Data Record sections of TPAR file.



1.5.1.3 Define Communication Methods of the Company

Open Company/Communication Method sub menu and add information relating to Phone, Fax and Email communication methods as required. These address information will be filled in Sender Data Record 2, 3 and Payer Identity Data Record sections of TPAR file.



Comm ID	Name	Description	Communication Method	Value	Default per Method	Address ID	Default per Method and Address	Validity Period
1	Phone		Phone	(02) 5551 5678	Yes	AU	No	1/1/2022 - 12/31/2030
2	Fax		Fax	(02) 5551 5679	Yes	AU	No	1/1/2022 - 12/31/2030
3	Email		E-Mail	manasha@ifsworld.com	No	AU	No	1/1/2022 - 12/31/2030

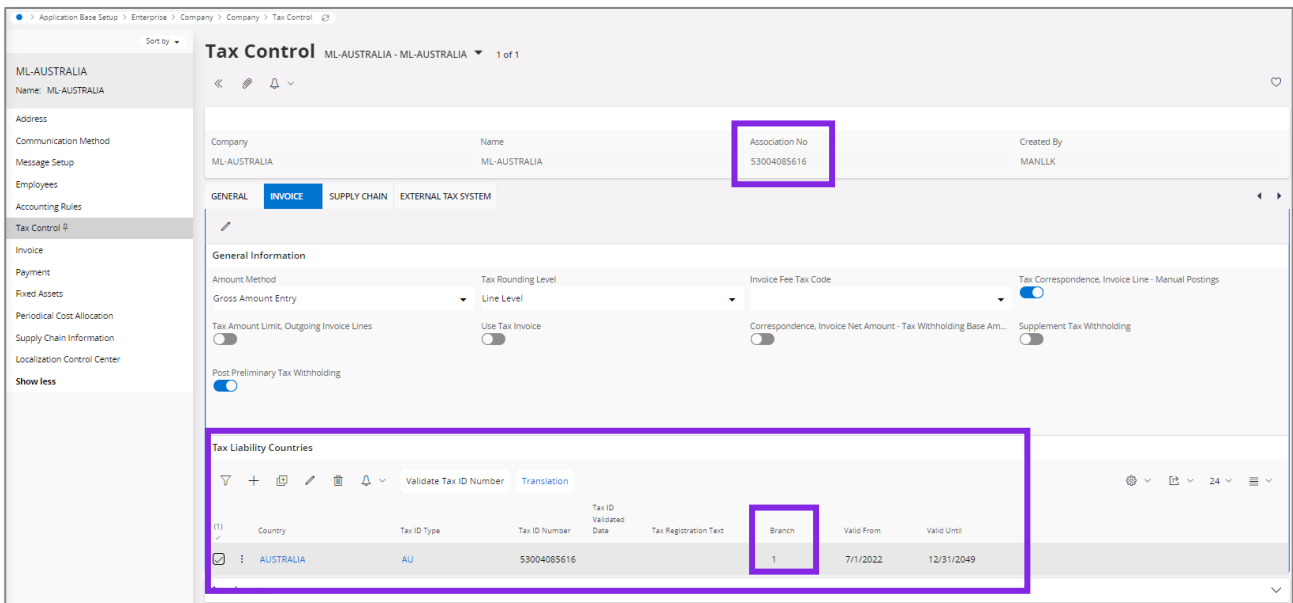
1.5.1.4 Define Persons for the Company

Open Person/Person Per Company page or Company/Employee sub menu and add User IDs of employees related to the company. Then these User IDs will be suggested to the LOV of ATO contact person in Automatic Tax Proposal page where the Business User will select the contact person who corresponds with the Australian Tax Office. The LOV selection will be printed in the Sender name field in Sender Data Record 2 section of TPAR file.

1.5.1.5 Define Australian Business Number of Company

Define the Australian Business Number and Branch Number in either pages mentioned below,

- Company/Tax Control sub menu/Invoice Tab/Tax Liability Countries or Company/Association No



The screenshot shows the 'Tax Control' configuration page for 'ML-AUSTRALIA'. The 'Association No' field is highlighted with a purple box and contains the value '53004085616'. Below the 'General Information' section, the 'Tax Liability Countries' table is visible, with one row highlighted in purple:

(1)	Country	Tax ID Type	Tax ID Number	Tax ID Validated Date	Tax Registration Text	Branch	Valid From	Valid Until
<input checked="" type="checkbox"/>	AUSTRALIA	AU	53004085616			1	7/1/2022	12/31/2049

- Or Application Base Setup/Enterprise/Tax/Tax Office page

Sender Australian Business Number (ABN) field will be printed in Sender Data Record 1 of TPAR file. Branch number field will be printed in Payer Identity Data Record of TPAR file. If the payer does not have a branch number this field will be set to 001.

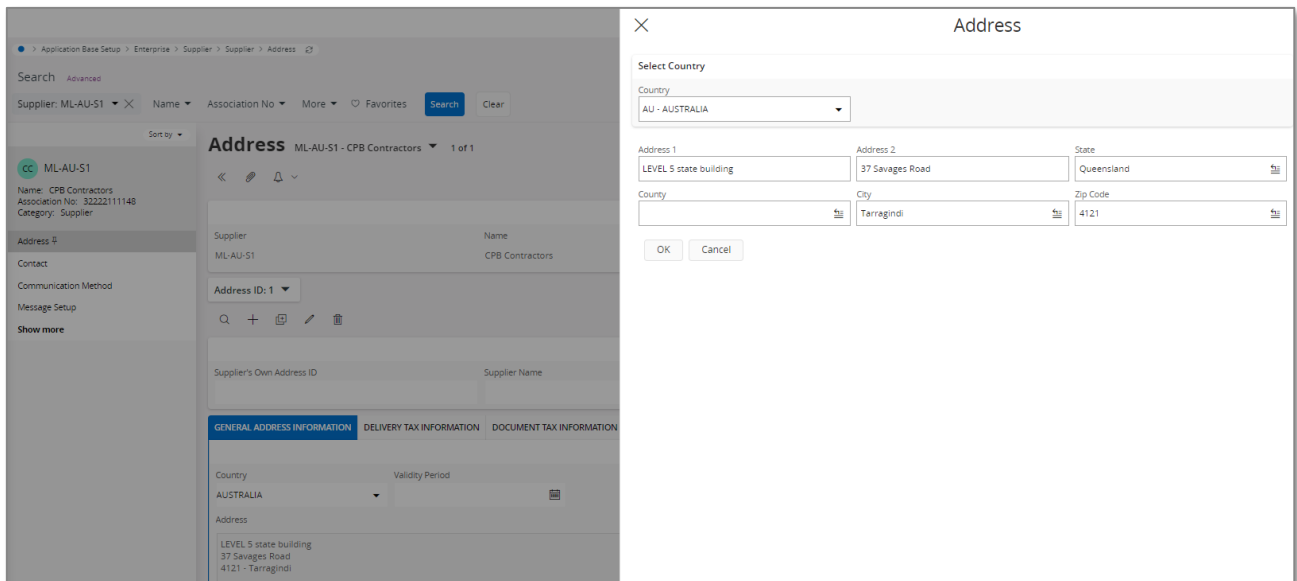
Priority is given as follows, Tax Office page, Company/Tax Control sub menu/Invoice Tab/Tax Liability Countries and then Company/Association No field.

1.5.2 DEFINE SUPPLIER BASIC DATA

Set up Suppliers as per Standard Functionality in IFS Cloud.

1.5.2.1 Define Supplier Address Information

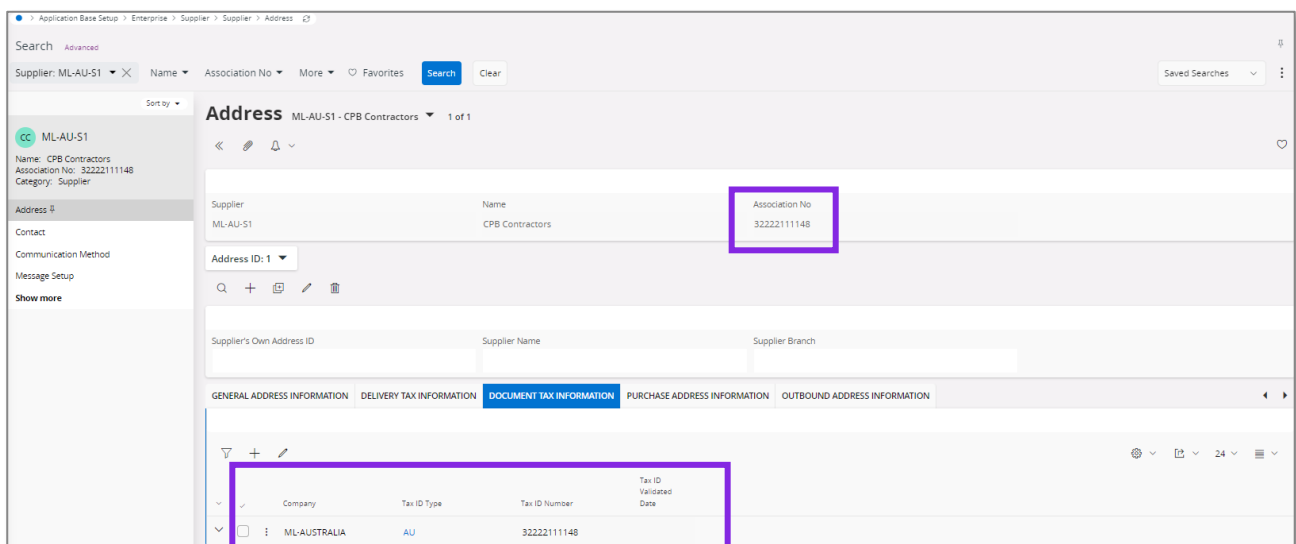
Open Supplier/Address sub menu and add the address details such as Address 1, Address 2, State, City, and Zip Code. These address information will be filled in Payee Data Record section of TPAR file.



1.5.2.2 Define Australian Business Number of Suppliers

Define the Australian Business Number in either of fields in Supplier page as mentioned below (priority is given in the same order),

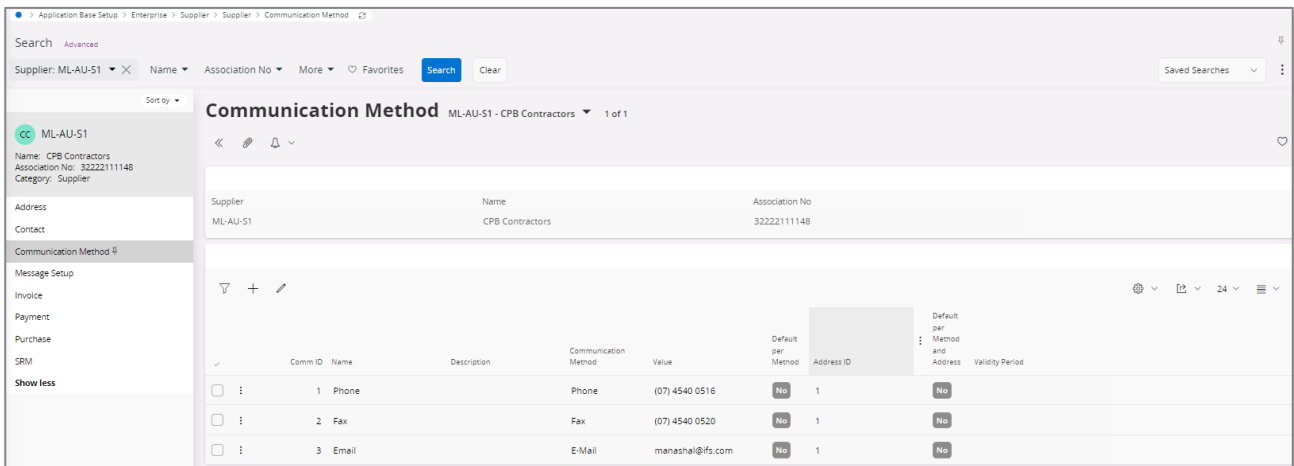
- Supplier/Address/Document Tax Information tab or
- Supplier/Association No



Payee Australian business number will be filled in Payee Data Records of TPAR file. If no ABN has been provided this field will be zero filled.

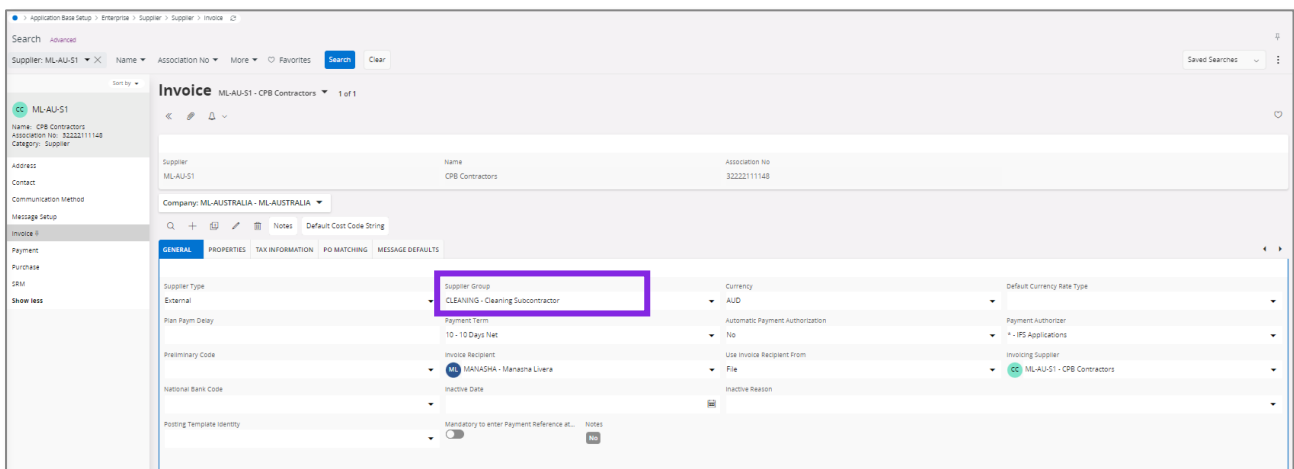
1.5.2.3 Define Communication Methods of the Suppliers

Open Supplier/Communication Method sub menu and add information relating to Phone and Email communication methods as required. These address information will be filled in Payee Data Record sections of TPAR file.



1.5.2.4 Define Invoice and Payment Information of Suppliers

Open Supplier/Invoice sub menu and add invoice related information as per standard functionality. The Supplier Group should be defined for contractors (or subcontractors) uniquely or use an existing supplier group defined in the application. Supplier Group will be used to filter the payments made to subcontractors or contractors from other suppliers.



Open Supplier/Payment sub menu and add payment related information as per standard functionality.

Application Base Setup > Enterprise > Supplier > Supplier > Payment > Payment

ML-AU-S1
Name: CPB Contractors
Association No: 3322211148
Category: Supplier

Supplier: ML-AU-S1
Name: CPB Contractors
Association No: 3322211148
Company: ML-AUSTRALIA - ML-AUSTRALIA

Payment Methods

Payment Method	Address ID	Description	Bank Account	BIC/SWIFT Code	Default
EFT - Domestic Payments in AUD, Australia	1	1	233322222222		Yes

The Account Number and Branch mentioned in the electronic payment address of the Payment Method will be printed in Payee financial institution BSB and Payee financial institution account number fields in Payee Data Records. If these are not present, these fields will be zero filled.

Application Base Setup > Enterprise > Supplier > Supplier > Payment > EFT Payment Addresses - ML-AU-S1

EFT Payment Addresses - ML-AU-S1

Payment Method	Address ID	Description	Account	Default	Blocked for Use	Branch
EFT	1	1	233322222222	Yes	No	111-222

1.5.3 DEFINE TAX LEDGER BASIC DATA

1.5.3.1 Define Tax Template Field Control

Open Tax Ledger/Basic Data/Tax Template Field Control and add S108 – Australian Taxable Payment Annual Report V03.0 tax template with Selection Based on as Tax Codes and save.

Tax Template Field Control S108 - Australian Taxable Payment Annual Report V03.0 - Tax Transaction

Copy Details From Company Copy Details From Basic Field Control Basic

Tax Template	Country Code	Report Based on	Selection Based on
S108 - Australian Taxable Payment Annual Report V03.0	AU	Tax Transaction	Tax Codes

Template Field

(No data)

1.5.3.2 Define Tax Report

Open Tax Ledger/Tax Report and define a new tax report using the new tax template introduced for taxable payment annual report – S108 – Australian Taxable Payment Annual Report V0.30.

Financials > Tax Ledger > Basic Data > Tax Templates

Search Advanced

Tax Template: S108 Country Code More Favorites Search Clear

Tax Templates

View Obsolete Tax Templates

✓	Tax Template	Country Code	Tax Direction	Template Field Control	Template Column Control	File Type	File Template	XML Layout ID	System Defined	Output Media
<input type="checkbox"/>	S108 - Australian Taxable Payment Annual Report V...	AU	Received	Can	Blocked	TaxRepAUtpar	TaxRepAUtpar		Yes	File

Financials > Tax Ledger > Tax Report

Company: ML-AUSTRALIA

Tax Report

S108 - Australian Taxable Payment Annual Report V0.30

Report No: S108 Description: Australian Taxable Payment Annual Report V0.30

Tax Template: S108 - Australian Taxable Payment Annual Report V03.0

Tax Group: Tax Direction: Received

Report Based on: Obsolete Tax Tem... Tax Transaction: No

Additional Parameters

Detail Level	Sort Order	Proposal Period/Date Range Based on Periods	Number of Periods: 1
Correction Type	Repost Sequence Number	Replacement Report	Document Series

Output Method

Output Media: External File Template

File: TaxRepAUtpar - Australian Taxable Payments Annual Report

Tax Report Layout ID: XML Layout ID

Reporting Currency

Reporting Currency Base: Currency

Accounting Currency: AUD

Currency Rate Type

DELIVERY TYPE COMPANY

Delivery Type

(No data)

Number of Periods in the Additional Parameters/Tax Report page should be set up as 12 as this report is an annual report.

1.6 Enter Business Transactions

Using the basic data entered in previous steps create Manual Supplier Invoices and Mixed Payments/Cash Box etc. for a selected period.

Payment information such as Total Paid amount and Total Tax (GST) amount will be filled in the TPAR file, for each supplier/payee in Payee Data Record section.

1.7 Update General Ledger (GL) and Fetch Tax Ledger Info

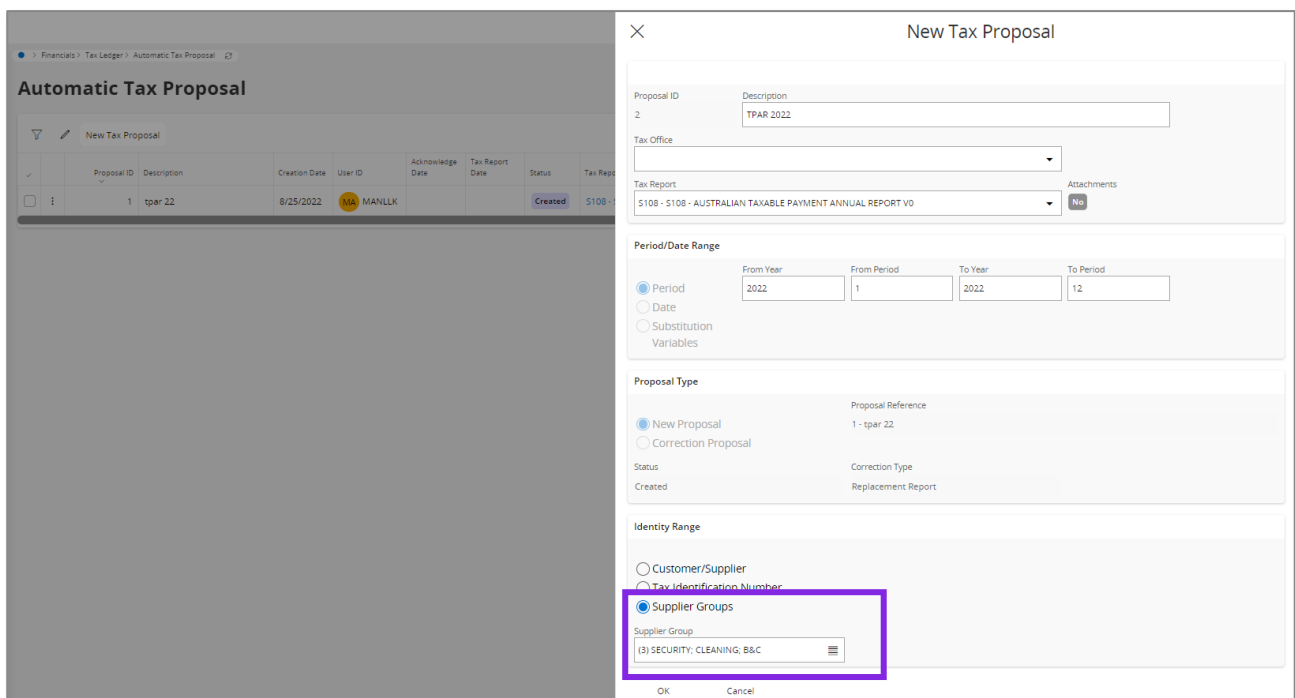
Once all the business transactions are entered into IFS Cloud user should update the posted transactions/vouchers to General Ledger and then Fetch the Tax Ledger Info before creating the TPAR file.

1.8 Create TPAR File

1.8.1 GENERATE TPAR REPORT

Here are the steps to create TPAR text file.

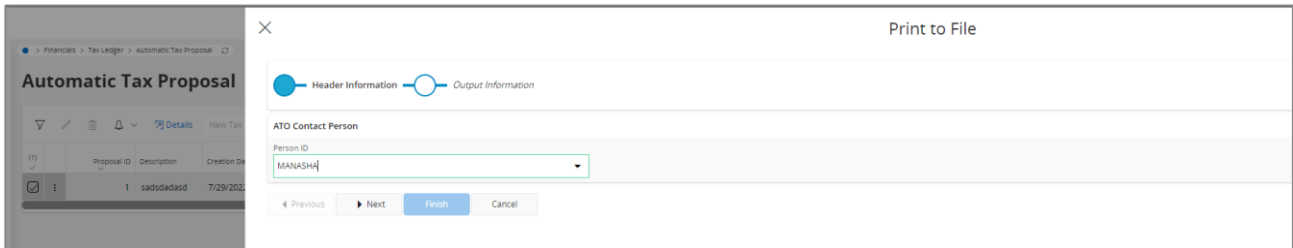
1. Open the Automatic Tax Proposal page.
2. Click New Tax Proposal command to create a new tax proposal.
3. Then enter the following data
 - a. Add a Description
 - b. Select the tax report created using the S108 tax template
 - c. Enter the period range
 - d. In the Identity Range section, select the relevant Supplier Group radio Button and select the supplier groups for contractors or subcontractors and click on OK.



The screenshot shows the 'Automatic Tax Proposal' page on the left and the 'New Tax Proposal' dialog box on the right. The dialog box contains the following fields and options:

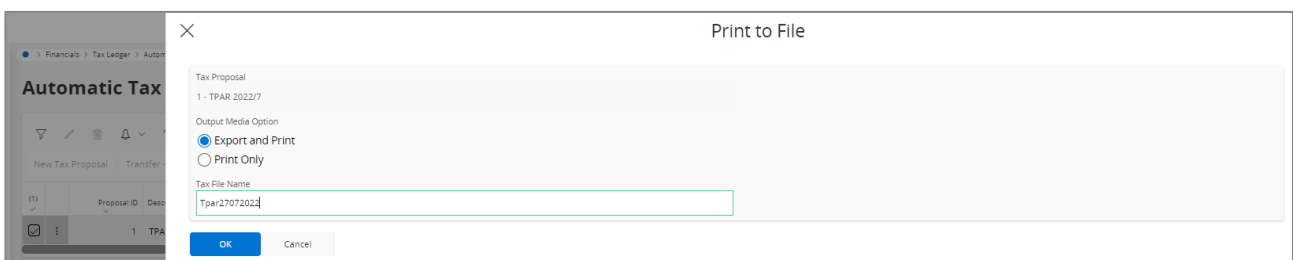
- Proposal ID:** 2
- Description:** TPAR 2022
- Tax Office:** (Empty dropdown)
- Tax Report:** S108 - S108 - AUSTRALIAN TAXABLE PAYMENT ANNUAL REPORT V0
- Attachments:** No
- Period/Date Range:**
 - From Year:** 2022
 - From Period:** 1
 - To Year:** 2022
 - To Period:** 12
 - Radio buttons:** Period, Date, Substitution, Variables
- Proposal Type:**
 - Radio buttons:** New Proposal, Correction Proposal
 - Proposal Reference:** 1 - tpar 22
 - Status:** Created
 - Correction Type:** Replacement Report
- Identity Range:**
 - Radio buttons:** Customer/Supplier, Tax Identification Number, Supplier Groups
 - Supplier Group:** (B) SECURITY; CLEANING; B&C
- Buttons:** OK, Cancel

4. For TPAR file generation, click on Print Preliminary or Definitive Report and provide below;
 - a. The ATO Contact Person from the Person ID LOV and click on Next



The screenshot shows a 'Print to File' dialog box with a progress indicator showing 'Header Information' completed and 'Output Information' in progress. Under the 'ATO Contact Person' section, the 'Person ID' dropdown menu is open, displaying 'MANASHA'. Navigation buttons for 'Previous', 'Next', 'Finish', and 'Cancel' are visible at the bottom.

- b. a Tax File Name with .txt file extension.



The screenshot shows the 'Print to File' dialog box with 'Export and Print' selected under 'Output Media Option'. The 'Tax File Name' input field contains 'Tpar2707202'. 'OK' and 'Cancel' buttons are at the bottom.

1.9 Data Mapping of TPAR FILE

Please refer Annexures to view the mapping of IFS data to TPAR fields.

1.10 Specification of TPAR FILE

Please refer Annexures to view the newest Taxable Payment Annual Payment Specification version of V3.0.1.

1.11 Delimitations

- The fields relating to Payment Type Grant (G) will be blank filled in the TPAR file as Government Grants/Payments related pages are not supported in IFS Cloud.
- Handling of Withholding Tax and Payment made in advance are not supported.

2 Appendix

2.1 Taxable Payment Annual Report (TPAR)

2.1.1 DATA MAPPING OF TPAR REPORT

The below attached excel file describes the mapping of IFS data to TPAR fields.



TPAR Data
Mapping.xlsx

2.1.2 SPECIFICATION OF TPAR REPORT

The below attached is the Taxable Payment Annual Report V03.0.1



Taxable_payments_an
nual_report_specificati