



# Country Solution Australia

IFSCLOUD25R2

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# 1 Taxable Payment Annual Report (TPAR)

## 1.1 What is the 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 to provide the 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 the Australian Tax Office (ATO) no later than 28 August after the end of the financial year electronically.

Under the 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

The file structure must be in the following order:

|                      |
|----------------------|
| Sender data record 1 |
| Sender data record 2 |
| Sender data record 3 |

|                            |
|----------------------------|
| Payer identity data record |
| Software data record       |
| Payee data record 1        |
| Payee data record 2        |
| Payee data record n        |

Repeat the above structure – from *Payer identity data record* – for other payers being reported on the same file.

|                        |
|------------------------|
| File total data record |
|------------------------|

**Sender Data Record 1 to 3** and **Payer Data Record** sections include information relating to the Payer's Australian Business Number (ABN), branch number, registered business name, address, contact name, phone number, and 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's identity data record.

The **Payee Data Record** section includes information relating to the 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.

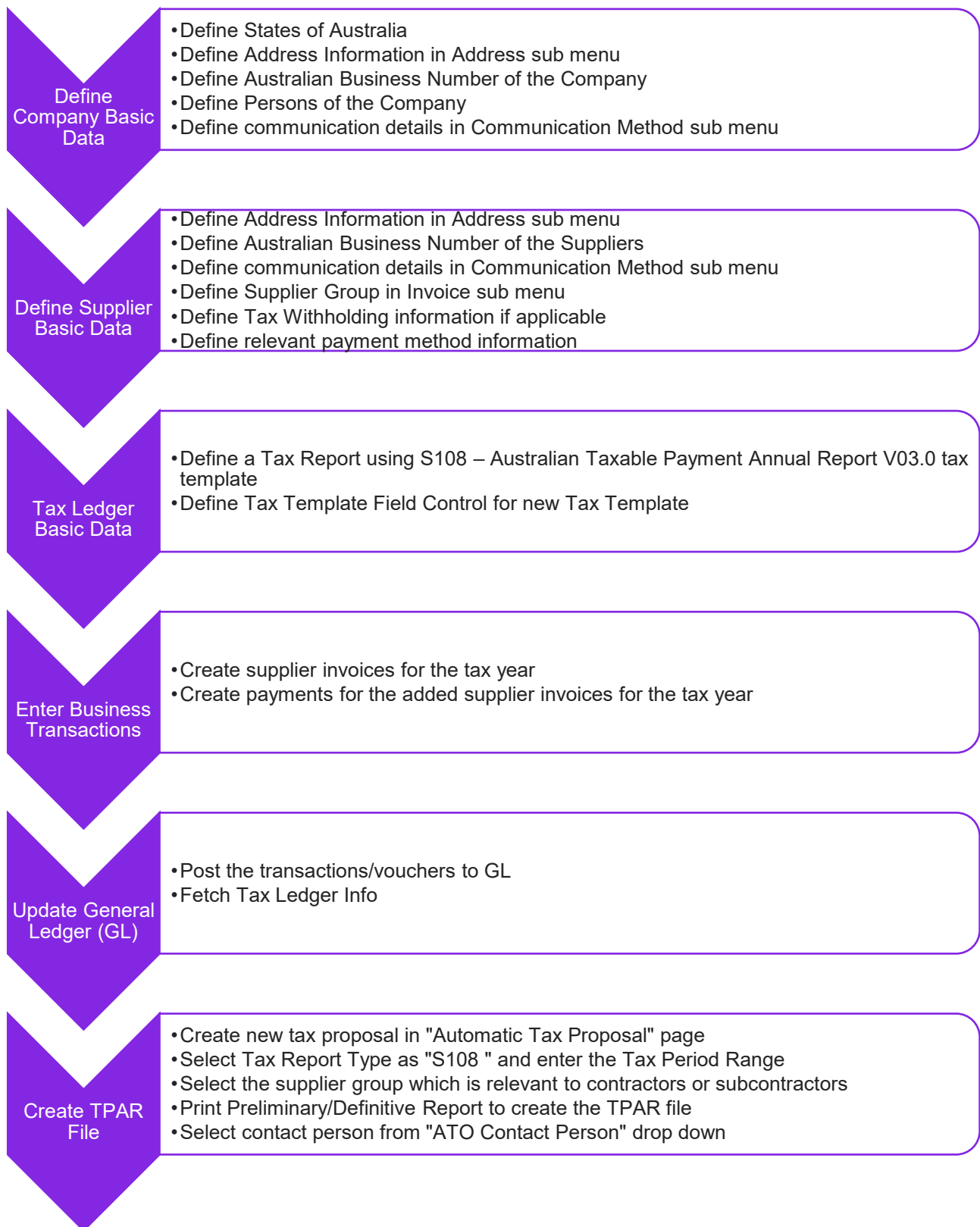
### 1.3 Solution TPAR File

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 the country of Australia, the following has been done:

1. A new external file template and type, **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. The **Supplier Group** parameter was 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 the **Print Preliminary Report/Print Definitive Report (Print to File)** assistant, and a corresponding Information Field on the **Automatic Tax Proposal** page was added.

Below are the steps to create a TPAR text file.



## 1.4 Prerequisites

The following prerequisites should be satisfied to generate a TPAR text file for tax purposes.

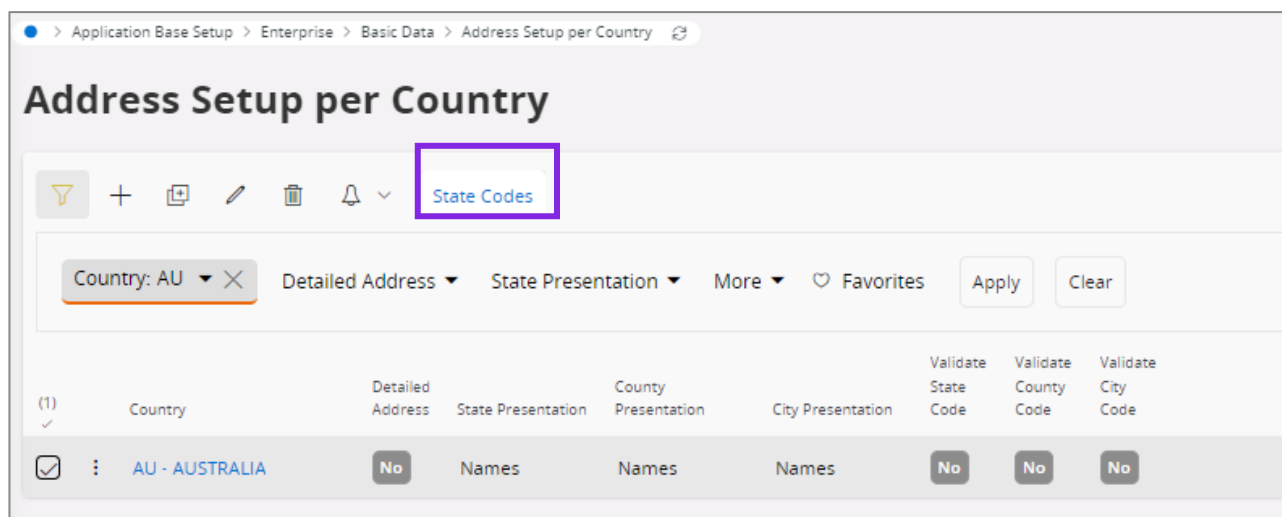
- It is recommended to create the company using Standard Template (STD).
- It is mandatory to define a Tax Report using the S108 – Australian Taxable Payment Annual Report V03.0 tax Template on the **Tax Report** page.

## 1.5 Define Company and Supplier Basic Data

### 1.5.1 DEFINE COMPANY BASIC DATA

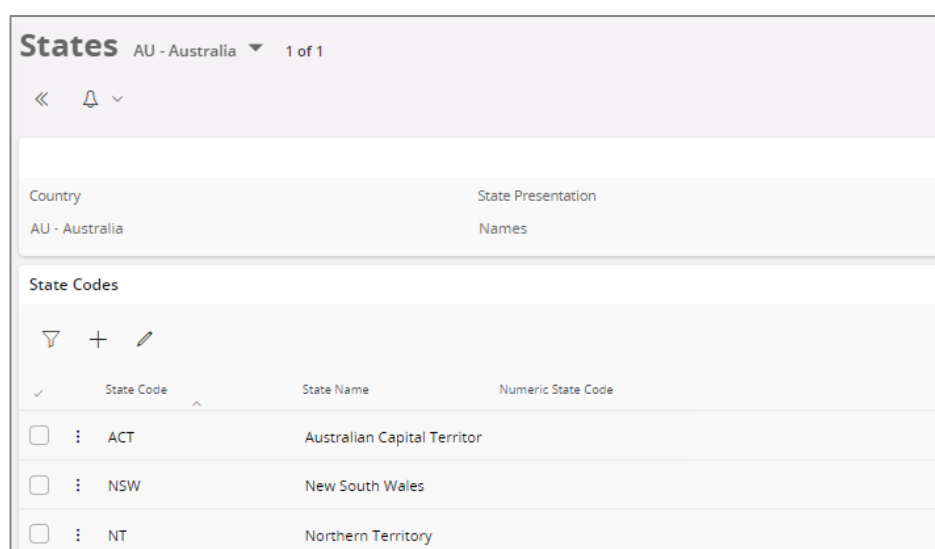
#### 1.5.1.1 Define Address Setup per Country and States

Open Application **Base Setup/Enterprise/Basic Data/Address Setup per Country** and add Australia Country.



| (1)                                 | Country        | Detailed Address | State Presentation | County Presentation | City Presentation | Validate State Code | Validate County Code | Validate City Code |
|-------------------------------------|----------------|------------------|--------------------|---------------------|-------------------|---------------------|----------------------|--------------------|
| <input checked="" type="checkbox"/> | AU - AUSTRALIA | No               | Names              | Names               | Names             | No                  | No                   | No                 |

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



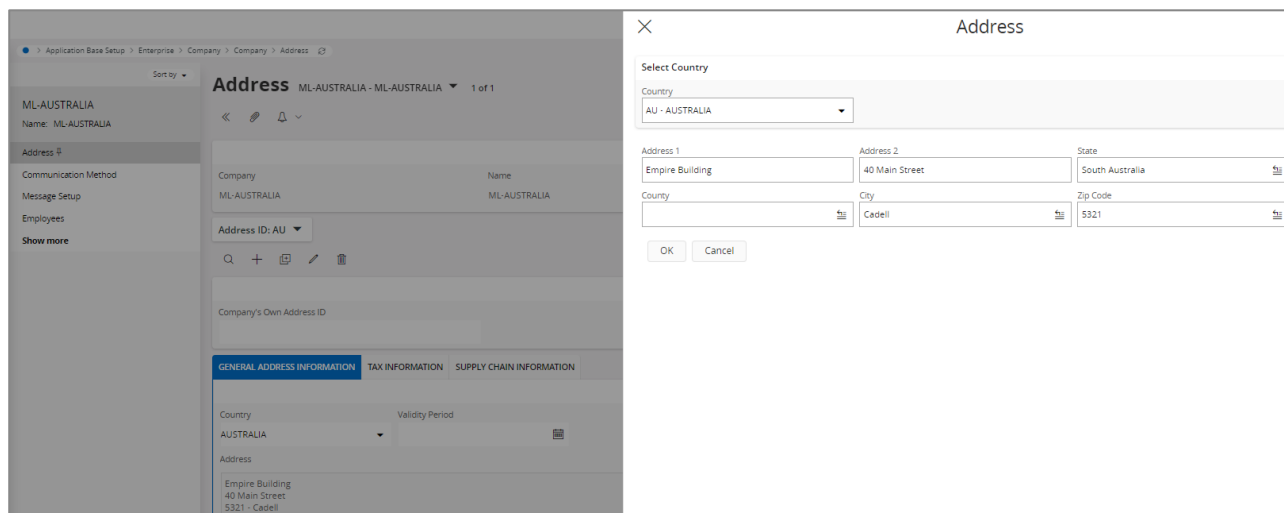
| Country        | State Presentation |
|----------------|--------------------|
| AU - Australia | Names              |

| State Code                     | State Name                   | Numeric State Code |
|--------------------------------|------------------------------|--------------------|
| <input type="checkbox"/> : ACT | Australian Capital Territory |                    |
| <input type="checkbox"/> : NSW | New South Wales              |                    |
| <input type="checkbox"/> : NT  | Northern Territory           |                    |

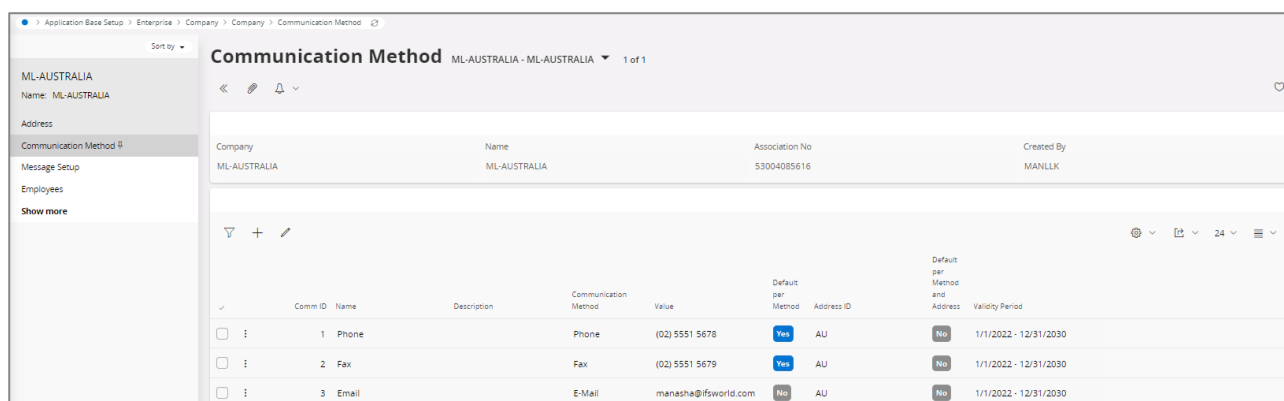
### 1.5.1.2 Define Company Address Information

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



### 1.5.1.3 Define Communication Methods of the Company

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

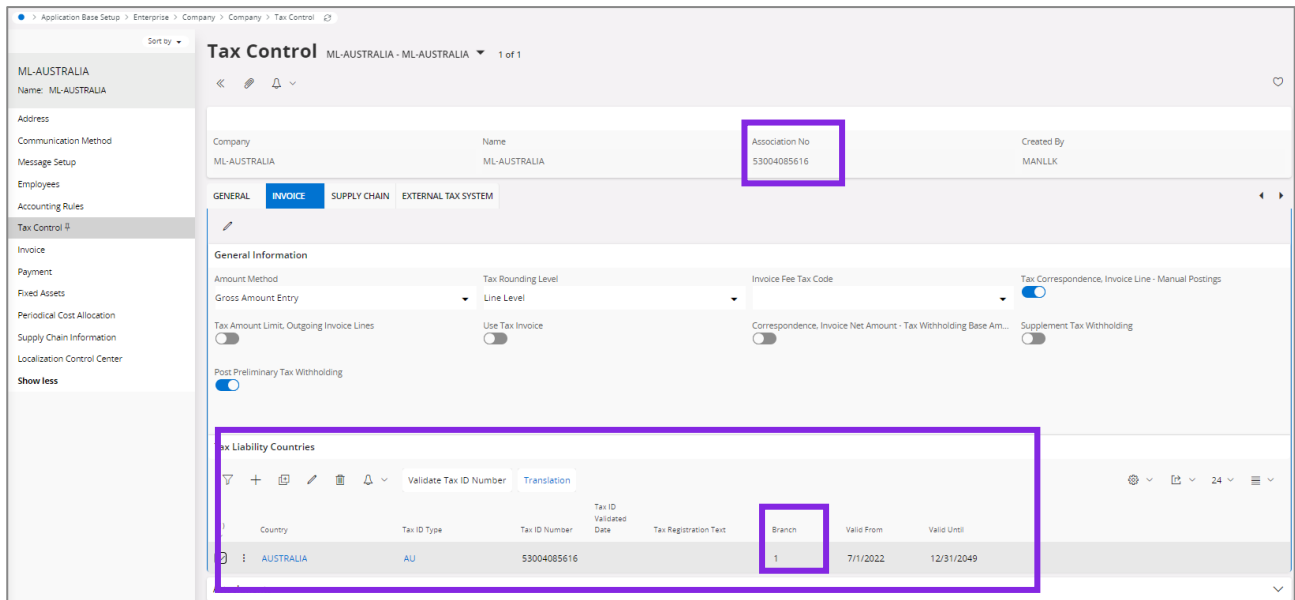
### 1.5.1.4 Define Persons for the Company

Open the **Person/Persons Per Company** page or **Company/Employees** sub menu and add the User IDs of employees related to the company. Then, these User IDs will be suggested to the LOV of the ATO contact person on the **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 the Sender Data Record 2 section of the TPAR file.

### 1.5.1.5 Define Australian Business Number of Company

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

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



The screenshot shows the 'Tax Control' page for 'ML-AUSTRALIA'. The 'Association No' field is highlighted with a red box, showing the value '53004085616'. Below this, the 'Tax Liability Countries' table is also highlighted with a red box. The table has columns for Country, Tax ID Type, Tax ID Number, Tax Registration Text, Branch, Valid From, and Valid Until. The first row shows 'AUSTRALIA' with Tax ID Type 'AU', Tax ID Number '53004085616', and Branch '1'.

| Country   | Tax ID Type | Tax ID Number | Tax Registration Text | Branch | Valid From | Valid Until |
|-----------|-------------|---------------|-----------------------|--------|------------|-------------|
| AUSTRALIA | AU          | 53004085616   |                       | 1      | 7/1/2022   | 12/31/2049  |

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

The Sender Australian Business Number (ABN) field will be printed in Sender Data Record 1 of the TPAR file. The branch number field will be printed in the Payer Identity Data Record of the 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.

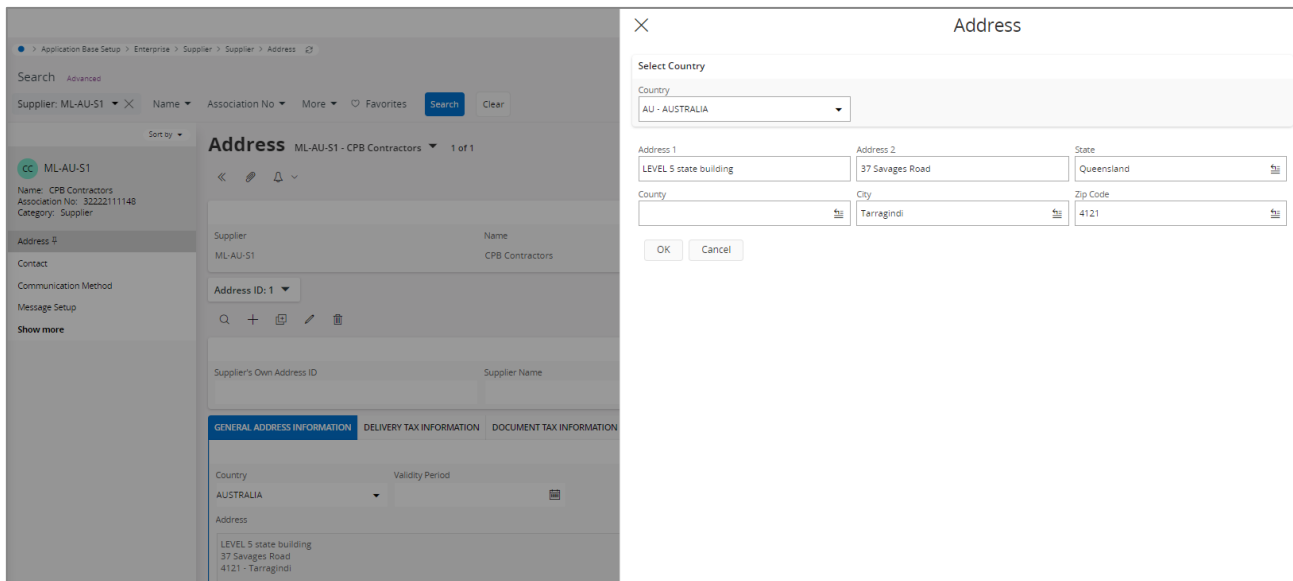
### 1.5.2 DEFINE SUPPLIER BASIC DATA

Set up Suppliers as per Standard Functionality in IFS Cloud.

#### 1.5.2.1 Define Supplier Address Information

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

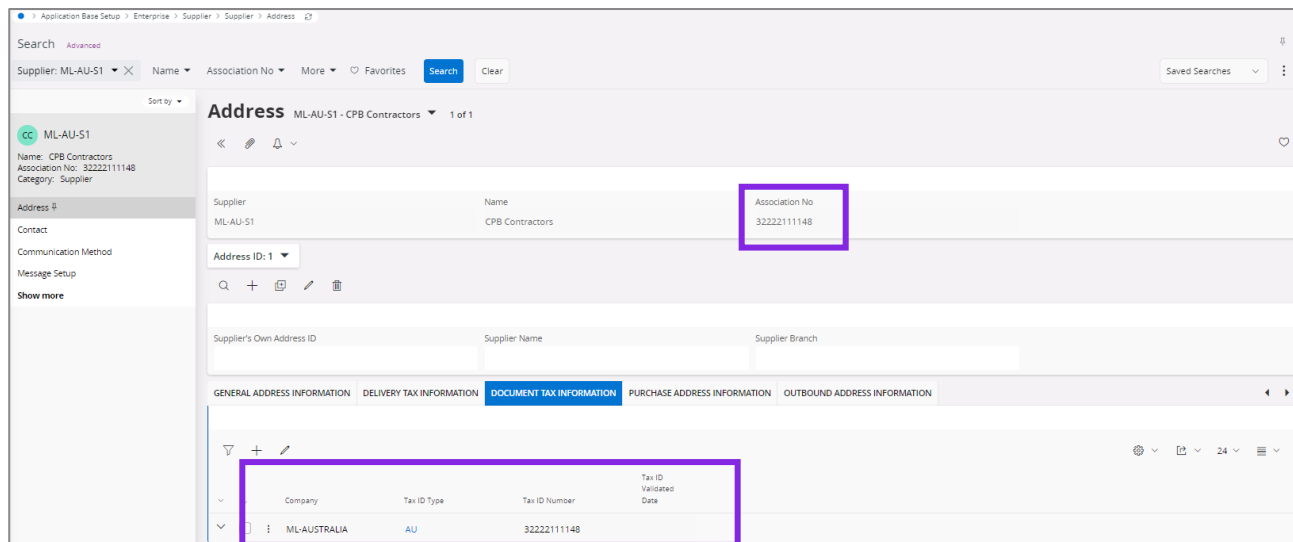




### 1.5.2.2 Define Australian Business Number of Suppliers

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

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



The Payee Australian business number will be filled in the Payee Data Records of the 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 the **Supplier/Communication Method** sub menu and add information relating to Phone and Email communication methods as required. This address information will be filled in the Payee Data Record sections of the TPAR file.

Application Base Setup > Enterprise > Supplier > Supplier > Communication Method

Search **Advanced**

Supplier: ML-AU-S1 Name Association No More Favorites Search Clear Saved Searches

Sort by

**Communication Method** ML-AU-S1 - CPB Contractors 1 of 1

Supplier: ML-AU-S1 Name: CPB Contractors Association No: 32222111148 Category: Supplier

Address Contact

Communication Method

Message Setup Invoice Payment Purchase SRM Show less

| Comm ID | Name  | Description | Communication Method | Value            | Default per Method | Address ID | Default per Method and Address | Validity Period |
|---------|-------|-------------|----------------------|------------------|--------------------|------------|--------------------------------|-----------------|
| 1       | Phone |             | Phone                | (07) 4540 0516   | No                 | 1          | No                             |                 |
| 2       | Fax   |             | Fax                  | (07) 4540 0520   | No                 | 1          | No                             |                 |
| 3       | Email |             | E-Mail               | manashal@ifs.com | No                 | 1          | No                             |                 |

#### 1.5.2.4 Define Invoice and Payment Information of Suppliers

Open the **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.

Application Base Setup > Enterprise > Supplier > Supplier > Invoice

Search **Advanced**

Supplier: ML-AU-S1 Name Association No More Favorites Search Clear Saved Searches

Sort by

**Invoice** ML-AU-S1 - CPB Contractors 1 of 1

Supplier: ML-AU-S1 Name: CPB Contractors Association No: 32222111148 Category: Supplier

Address Contact

Communication Method

Message Setup Invoice Payment Purchase SRM Show less

Company: ML-AU-STRALIA - ML-AU-STRALIA

Q + + Notes Default Cost Code String

**GENERAL** PROPERTIES TAX INFORMATION PO MATCHING MESSAGE DEFAULTS

Supplier Type: External Supplier Group: CLEANING - Cleaning Subcontractor Currency: AUD Default Currency Rate Type

Payment Term: 10 - 10 Days Net Automatic Payment Authorization: No Payment Authorizer: \* - PS Applications

Invoice Recipient: ML MANASHA - Manasha Livera Use Invoice Recipient From: File Invoicing Supplier: ML-AU-S1 - CPB Contractors

National Bank Code Inactive Date Inactive Reason

Posting Template Identity Mandatory to enter Payment Reference at... notes

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

Application Base Setup > Enterprise > Supplier > Supplier > Payment

Payment ML-AU-S1 - CPB Contractors 1 of 1

Supplier: ML-AU-S1, Name: CPB Contractors, Association No: 3222111148

Company: ML-AUSTRALIA - ML-AUSTRALIA

Payee Identity: Interest Template: 1 - Default Template, Payment Advice: No Advice, Payment Priority: 1

Confirmation Status: Netting Allowed: ☐ Blocked for Payment: ☐ One Invoice/Prepayment: ☐

AP Supplier Contact: Name, Comm Method, Value, Output Media: Printout

Payment Methods: Rule ID, Check Recipient: Payee, Use Default Payment Method for Incoming: ☐

Payment Method: Electronic Payment Addresses

Electronic Payment Address: Payment Method, Address ID, Description, Bank Account, BIC/SWIFT Code, Default

| Payment Method | Address ID | Description | Bank Account  | BIC/SWIFT Code | Default |
|----------------|------------|-------------|---------------|----------------|---------|
| EFT            | 1          | 1           | 2333222222222 |                | 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           | 2333222222222 | 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: S108 - Australian Taxable Payment Annual Report V03.0

Country Code: AU

Report Based on: Tax Transaction

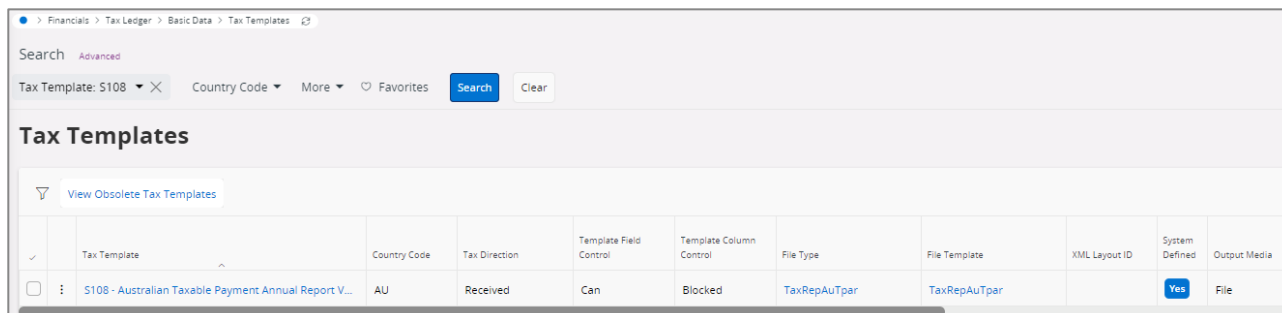
Selection Based on: Tax Codes

Template Field

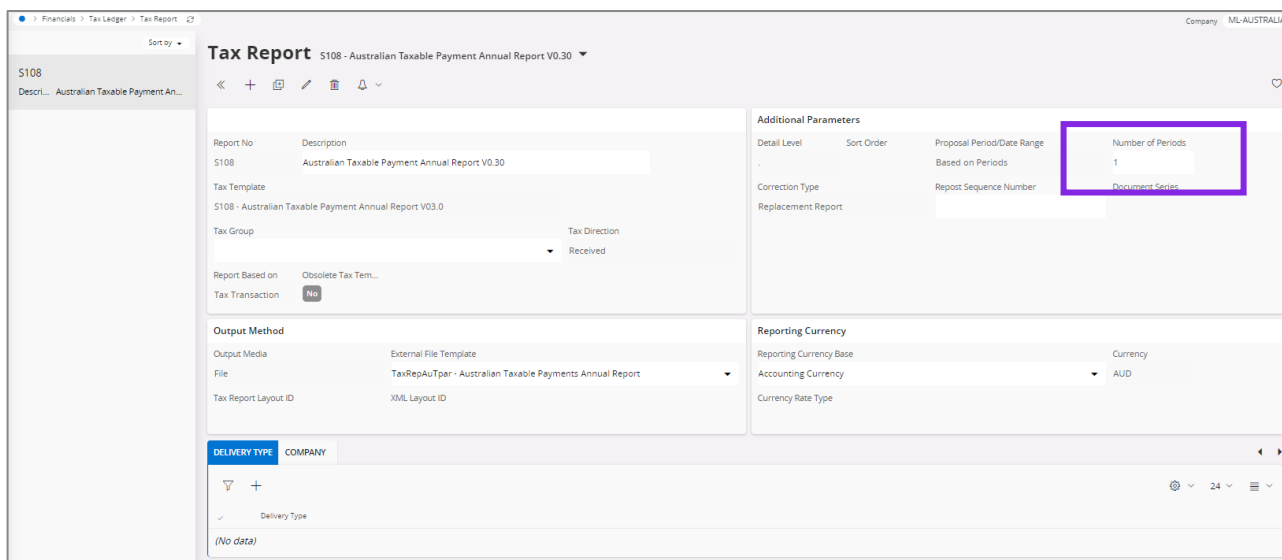
(No data)

### 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.



| Tax Template   | Country Code | Tax Direction | Template Field Control | Template Column Control | File Type    | File Template | XML Layout ID | System Defined | Output Media |
|--|--------------|---------------|------------------------|-------------------------|--------------|---------------|---------------|----------------|--------------|
| S108 - Australian Taxable Payment Annual Report V... | AU           | Received      | Can                    | Blocked                 | TaxRepAuTpar | TaxRepAuTpar  |               | Yes            | File         |



**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 V0.30  
Tax Group: Tax Direction: Received  
Report Based on: Tax Transaction: No  
Output Method: Output Media: External File Template: TaxRepAuTpar - Australian Taxable Payments Annual Report  
Tax Report Layout ID: XML Layout ID  
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  
Reporting Currency: Reporting Currency Base: Currency: AUD  
Accounting Currency: Currency Rate Type

The **Number of Periods** under **Additional Parameters** on the **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 the Total Paid amount and Total Tax (GST) amount will be filled in the TPAR file, for each supplier/payee in the Payee Data Record section.

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

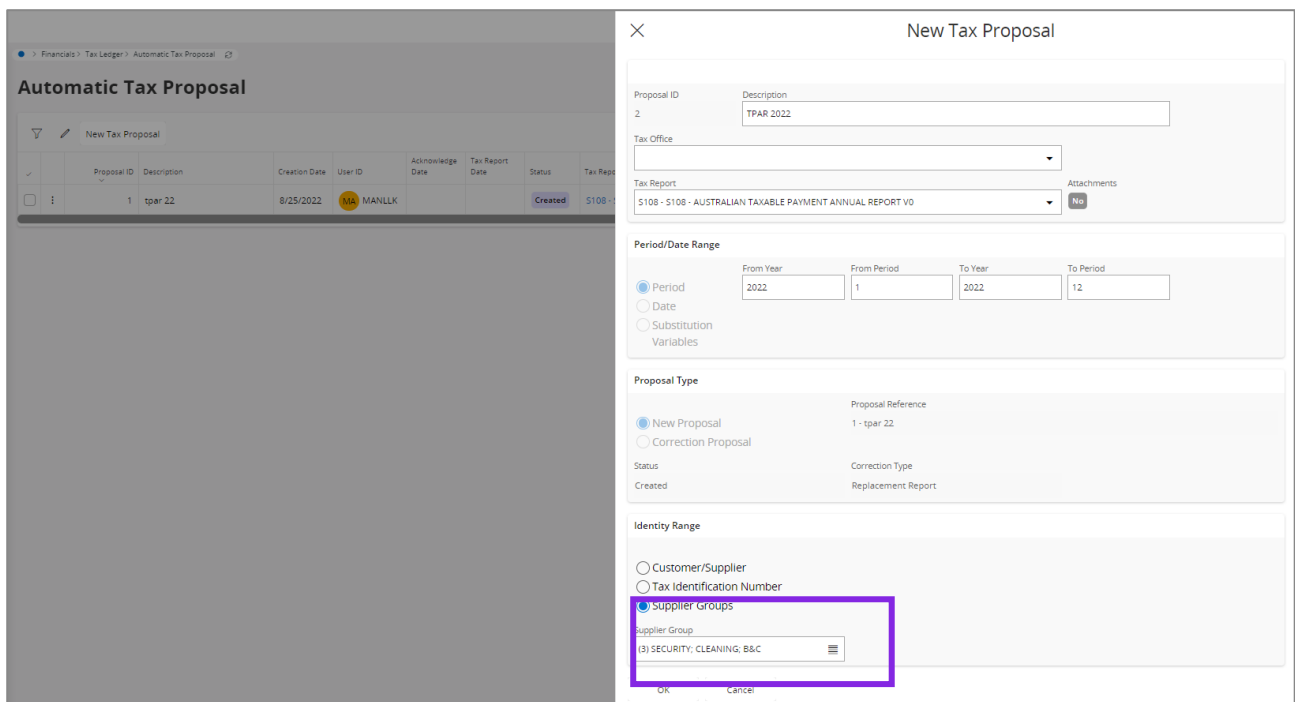
Once all the business transactions are entered into IFS Cloud user should update the posted transactions/vouchers to General Ledger and then Fetch the Tax Ledger Info before creating the TPAR file.

## 1.8 Create TPAR File

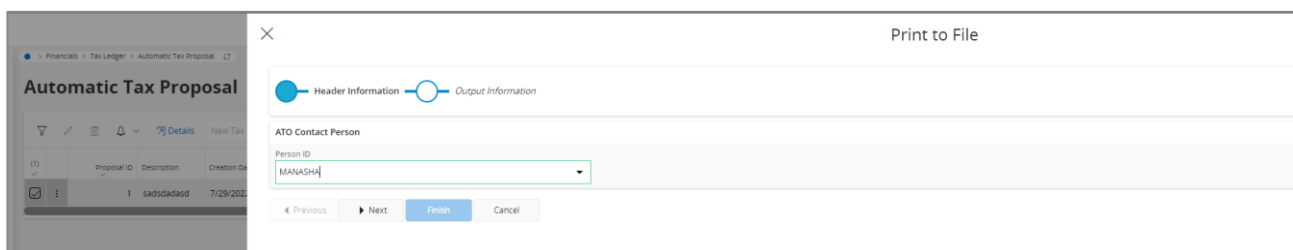
### 1.8.1 GENERATE TPAR REPORT

Here are the steps to create a TPAR text file.

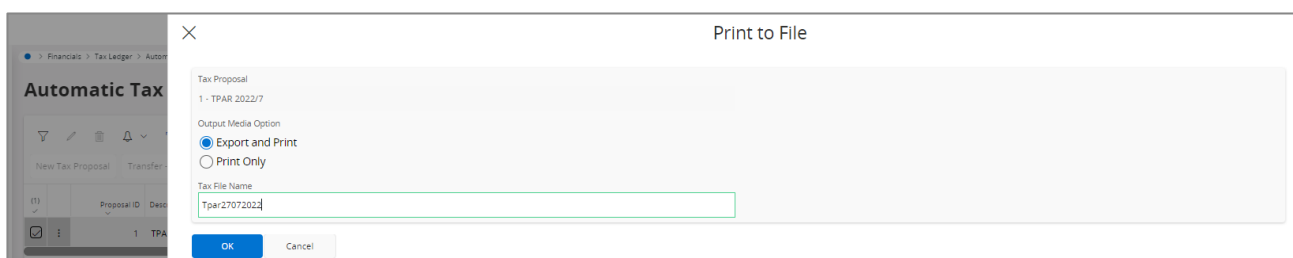
1. Open the **Automatic Tax Proposal** page.
2. Click **New Tax Proposal** command to create a new tax proposal.
3. Then enter the following data:
  - a. Add a Description
  - b. Select the tax report created using the S108 tax template
  - c. Enter the period range
  - d. In the **Identity Range** section,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



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



- b. A Tax File Name with the .txt file extension.



## 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.

Additional delimitations may apply; all relevant flows should be tested to ensure completeness.

## 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