



Australian Business Number (ABN)

What is an ABN?

- The Australian Business Number (ABN) is a single identifier for all business dealings with the Australian Taxation Office and for dealings with other government departments.
- ABNs are 11 digit numbers.

What is an ACN?

- The Australian Company Number (ACN) is a unique 9 digit number which has been issued to all companies in Australia since 1991 and no two companies can have the same ACN.

What is the difference between an ABN and an ACN?

- There a number of differences but the main one is an ACN only refers to registered companies whilst ABNs are applicable for all business entities eg. Companies, partnerships, sole traders, trusts.
- Nu Skin requires your ABN not your ACN.

Should a Distributor Apply for an ABN?

- Definitely YES. If you treat your Nu Skin activities as a business it is probably advisable to apply for an ABN.

Is applying for an ABN compulsory?

- NO - It is not compulsory to have an Australian business number (ABN).

What if a Distributor doesn't have an ABN?

- If you don't have an ABN, Nu Skin will be required, by law, to deduct withholding tax at the rate of 46.5% from amounts paid to you.

How much does it cost to get an ABN?

- The Australian Taxation Office does not impose a fee for applying for an ABN online or by paper application.
- If you consult a tax agent or accountant to complete an application for you they may charge a fee for their services. Otherwise, there is no cost.

How do I apply for an ABN? You can apply;

- Online through the Australian Business Register at www.abr.gov.au
- Through a tax agent, who will lodge your application electronically; or
- On a paper application – visit <https://abr.gov.au/abrweb/default.aspx?pid=90&sid=1&outcome=2&scripting=true&cookie=true>

How long does it take to get an ABN?

- Provided you have supplied all the information required, you will usually receive on-line notification of your ABN immediately upon completion of the ABN application.

Need further details?

[http://www.abr.business.gov.au/\(p53ota55lfaewzvmzji5p55\)/content.aspx?page=FAQabn](http://www.abr.business.gov.au/(p53ota55lfaewzvmzji5p55)/content.aspx?page=FAQabn)



Goods & Services Tax (GST) and Recipient Created Tax Invoices (RCTI)

What is Goods & Services Tax?

- It is a broad based tax of 10% on most goods and services supplied in Australia.
- It's similar to Value Added Taxes (VAT) operating in many other countries around the world.

If I have an ABN do I need to be registered for GST?

- Not unless your turnover is \$75,000 or more.

Can I be GST registered if my turnover is less than \$75,000?

- Yes.

What are the benefits of being GST registered?

- You will be able to claim for your input tax credits. What does that mean? It means that you get back the GST that you have paid BUT it also means that you have to submit a BAS each quarter in order to receive that GST money back again. This means keeping good records right from the beginning.

How do you register for GST?

- To register for GST you will need to complete an application form.
- If you wish to apply for an ABN at the same time, then use the same form.
- Be aware that you need an Australian Business Number (ABN) to register for GST, as the ABN is part of the GST system. Your ABN will also be your GST registration number.
- <http://www.ato.gov.au/Businesses/content.asp?doc=/content/20724.htm&page=6&H6>

How much does it cost to get GST registered?

- The Australian Taxation Office does not impose a fee for registering online or by paper application.
- If you consult a tax agent or accountant to complete an application for you they may charge a fee for their services. Otherwise, there is no cost.

Recipient Created Tax Invoice (RCTI) agreement – What is it?

- If you are registered for GST, the Australian Taxation Office requires Distributors (you) to issue Recipients (Nu Skin) with valid Tax Invoices for commissions paid.
- In practice, this would be very difficult for you to manage.
- An alternate arrangement exists where we as the recipient can issue the relevant documentation (known as Recipient Created Tax Invoices or RCTI's), provided certain requirements are met. One such requirement is a valid Recipient Created Tax Invoice (RCTI) Agreement.

Where can I find the RCTI Agreement?

- The RCTI Form is available for you to download from the 'Printable Forms and Documents' section in the 'My Office' section (Library tab) of the www.nuskin.com.au website.



Are you still confused and need further advice?

- Please speak to your accountant or tax agent. They should understand your current financial position and be able to advise the best option.
- Don't hesitate to call the Australian Taxation Office on 13-28-66.
- Visit the following website

<http://www.business.gov.au/BusinessTopics/Taxation/Pages/default.aspx>