# Important Information for Community Playgroups with an active Australian Business Number (ABN)

There have been changes in the reporting requirements for Playgroups with an ABN.

From the 2023-24 income year, non-charitable not-for-profits (including Playgroups) with an active ABN need to lodge an annual return.

**Is our Playgroup affected?**

Your playgroup is only affected if it has an ABN.

**Why would a Playgroup have an ABN?**

There are many reasons why a Playgroup may have applied for an ABN at a point in time. The most common ones include:

- An ABN was needed for grant applications or fundraising
- A bank may have required it to open accounts.

**How do we know if our Playgroup has an ABN?**

It may be hard to know if your Playgroup has an ABN. Committee members change over time, and it is possible that a previous committee member may have applied for an ABN and this information has not been passed on.

The best and most accurate way to check whether your Playgroup has an ABN registered in its name is to do an online search here https://abr.business.gov.au/

**If our Playgroup has an ABN, what action do we need to take?**

You will need to choose which action suits you best. The three options are:

1. Cancel your Playgroup ABN
2. Keep the ABN and submit the annual self-review return to the ATO each year
3. Apply for ACNC status (only eligible if already an Incorporated group).

**When do we need to take action?**

As soon as possible as these changes have already come into effect.

**How will we decide whether or not to keep our ABN?**

It depends on the purpose for having an ABN and is the decision of your Playgroup committee. For example, if you have an ABN for bank account reasons, you may wish to change your account. Or if you have an ABN to access certain grant opportunities, you may consider whether to have Playgroup NSW auspice these.

The Australian Tax Office (ATO) has provided advice on their website to assist playgroups in their decision: https://www.ato.gov.au/businesses-and-organisations/not-for-profit-organisations/your-organisation/does-your-not-for-profit-need-to-pay-income-tax. They also have a Not-for-profit Infoline on 1300 130 248 (8:00 am to 6:00 pm Monday to Friday) if you would prefer to telephone.

You may also wish to seek independent financial advice about your options.

*Playgroup NSW recommends that if you do have an ABN and are not an Incorporated group, you seriously consider the reason(s) for holding your ABN and whether your playgroup needs it.*

**How do we cancel a Playgroup ABN?**

To cancel an ABN, you need to be listed as an authorised user of the ABN.

Follow this link to update your ABN details or cancel your ABN https://www.abr.gov.au/business-super-funds-charities/updating-or-cancelling-your-abn

**What do we do if we have decided to keep the ABN and submit the annual review?**

The ATO has information on its website for you to follow:

- https://www.ato.gov.au/businesses-and-organisations/not-for-profit-organisations/statements-and-returns/in-detail/reporting-requirements-to-self-assess-income-tax-exemption/how-to-access-and-lodge-the-self-review-return

**How do we apply for ACNC status if we are an Incorporated group?**

The ACNC has advice on its website:

- https://www.acnc.gov.au/organisations-have-been-self-assessing-income-tax-exempt
- https://www.acnc.gov.au/for-charities/start-charity/apply