



Australian Government
Department of Finance



Commonwealth Contracting Suite (CCS)
Change Record – 01 July 2022



Commonwealth Purchase Order Terms v6.3 - v6.4

Authority	Supplier Pay On-Time or Pay Interest Policy (RMG 417)
Changes:	<p>C.C.17 Supplier Payments:</p> <p><u>For the purpose of this clause:</u></p> <p><u>“Peppol” means the Pan-European Public Procurement On-Line framework as described at the Australian Taxation Office website https://softwaredevelopers.ato.gov.au/eInvoicing.</u></p> <p><u>“Electronic invoicing” or “eInvoicing” means the automated exchange of invoices directly between the Customer and Supplier’s software or financial systems, as long as both Parties are Peppol eInvoicing enabled.</u></p> <p><u>“Business Days” means a day that is not a Saturday, a Sunday or a public holiday or bank holiday in the place concerned, as defined by the <i>Corporations Act 2001</i> (Cth), and also excludes the period between Christmas Day and New Year’s Day.</u></p> <p>If the Supplier is required to submit an invoice to trigger payment, the invoice must be a Correctly Rendered Invoice.</p> <p>The Supplier must promptly provide to the Customer such supporting documentation and other evidence reasonably required by the Customer to substantiate performance of the Contract by the Supplier.</p> <p>Payment of any invoice is payment on account only, and does not substantiate performance of the Contract.</p> <p>If the Supplier owes any amount to the Customer in connection with the Contract, the Customer may offset that amount, or part of it, against its obligation to pay any Correctly Rendered Invoice.</p> <p>Where the total contract value is under A\$10,000 (inclusive of GST and merchant service fees) and the Supplier can accept payment via a payment card, the Customer will promptly pay via a payment card.</p> <p>Where the Customer and the Supplier both have the capability to deliver and receive e-Invoices through the Peppol framework <u>Pan-European Public Procurement On-Line (PEPPOL) framework</u> and have agreed to use electronic invoicing (e-Invoicing), <u>following receipt of a Correctly Rendered Invoice, including acceptance of the Goods and/or Services by the Customer</u>, the Customer will pay the amount of a Correctly Rendered Invoice to the Supplier within five (5) calendar days after receiving it, or if this day is not a Business Day, on the next Business Day.</p> <p>In all other circumstances <u>following receipt of a Correctly Rendered Invoice, including acceptance of the Goods and/or Services by the Customer</u>, the Customer will pay the amount of a Correctly Rendered Invoice to the Supplier within twenty (20) calendar days after receiving it, or if this day is not a Business Day, on the next Business Day.</p> <p>Where <u>Where</u> the Customer fails to make a payment to the Supplier by the Business Day it is due, the Customer will pay the unpaid amount plus interest on the unpaid amount, provided the amount of interest payable under this clause exceeds A\$100.</p> <p>Interest payable under this clause will be simple interest calculated in respect of each calendar day from the day after the amount was due and payable, up to and including the day that the Customer effects payment, calculated using the General Interest Charge Rate available as published <u>available as published</u> on the Australian Taxation Office website as it applies on the day the amount was due and payable expressed as a daily rate <u>https://www.ato.gov.au/Rates/General-interest-charge-(GIC)-rates/</u>.</p>

Additional Contract Terms

Authority	Supplier Pay On-Time or Pay Interest Policy (RMG 417)
Changes:	<p><u>Interest on Late Payments</u><u>Payment Terms</u></p> <p><u>For the purpose of this clause:</u></p> <p><u>“Peppol” means the Pan-European Public Procurement On-Line framework as described at the Australian Taxation Office website https://softwaredevelopers.ato.gov.au/eInvoicing.</u></p> <p><u>“Electronic invoicing” or “eInvoicing” means the automated exchange of invoices directly between the Customer and Supplier’s software or financial systems, as long as both Parties are Peppol eInvoicing enabled.</u></p> <p><u>“Business Days” means a day that is not a Saturday, a Sunday or a public holiday or bank holiday in the place concerned, as defined by the <i>Corporations Act 2001</i> (Cth), and also excludes the period between Christmas Day and New Year’s Day.</u></p> <p>Where the Customer and the Supplier both have the capability to deliver and receive e-Invoices through the <u>Peppol framework</u> Pan-European Public Procurement On-Line (PEPPOL) framework and have agreed to use <u>electronic invoicing (e-Invoicing)</u>, <u>following receipt of a Correctly Rendered Invoice, including acceptance of the Goods and/or Services by the Customer,</u> the Customer will pay the amount of a Correctly Rendered Invoice to the Supplier within five (5) calendar days after receiving it, or if this day is not a b<u>B</u>usiness d<u>D</u>ay, on the next b<u>B</u>usiness d<u>D</u>ay.</p> <p>In all other circumstances <u>following receipt of a Correctly Rendered Invoice, including acceptance of the Goods and/or Services by the Customer,</u> the Customer will pay the amount of a Correctly Rendered Invoice to the Supplier within twenty (20) calendar days after receiving it, or if this day is not a b<u>B</u>usiness d<u>D</u>ay, on the next b<u>B</u>usiness d<u>D</u>ay.</p> <p>If the total initial value of the Contract (excluding any options, extensions, renewals or other mechanisms that may be executed over the life of the contract) is less than A\$1 million (GST inclusive) and <u>Where</u> the Customer fails to make a payment to the Supplier by the b<u>B</u>usiness d<u>D</u>ay it is due, the Customer will pay the unpaid amount plus interest on the unpaid amount, provided the amount of interest payable under this clause exceeds A\$100.</p> <p>Interest payable under this clause will be simple interest calculated in respect of each calendar day from the day after the amount was due and payable, up to and including the day that the Customer effects payment, calculated using the General Interest Charge Rate <u>available as published</u> on the Australian Taxation Office website as it applies on the day the amount was due and payable expressed as a daily rate<u>https://www.ato.gov.au/Rates/General-interest-charge-(GIC)-rates/</u>.</p>

Additional DoSO Terms

Authority	Supplier Pay On-Time or Pay Interest Policy (RMG 417)
Changes:	<p><u>Interest on Late Payments</u><u>Payment Terms</u></p> <p><u>For the purpose of this clause:</u></p> <p><u>“Peppol” means the Pan-European Public Procurement On-Line framework as described at the Australian Taxation Office website https://softwaredevelopers.ato.gov.au/eInvoicing.</u></p> <p><u>“Electronic invoicing” or “eInvoicing” means the automated exchange of invoices directly between the Customer and Supplier’s software or financial systems, as long as both Parties are Peppol eInvoicing enabled.</u></p> <p>Where the Customer and the Supplier both have the capability to deliver and receive e-Invoices through the Peppol framework Pan-European Public Procurement On-Line (PEPPOL) framework and have agreed to use <u>electronic invoicing (e-Invoicing), following receipt of a Correctly Rendered Invoice, including acceptance of the Goods and/or Services by the Customer,</u> the Customer will pay the amount of a Correctly Rendered Invoice to the Supplier within five (5) calendar days after receiving it, or if this day is not a b<u>B</u>usiness d<u>D</u>ay, on the next b<u>B</u>usiness d<u>D</u>ay.</p> <p>In all other circumstances <u>following receipt of a Correctly Rendered Invoice, including acceptance of the Goods and/or Services by the Customer,</u> the Customer will pay the amount of a Correctly Rendered Invoice to the Supplier within twenty (20) calendar days after receiving it, or if this day is not a b<u>B</u>usiness d<u>D</u>ay, on the next b<u>B</u>usiness d<u>D</u>ay.</p> <p>If the total initial value of the Contract (excluding any options, extensions, renewals or other mechanisms that may be executed over the life of the contract) is less than A\$1 million (GST inclusive) and <u>Where</u> the Customer fails to make a payment to the Supplier by the b<u>B</u>usiness d<u>D</u>ay it is due, the Customer will pay the unpaid amount plus interest on the unpaid amount, provided the amount of interest payable under this clause exceeds A\$100.</p> <p>Interest payable under this clause will be simple interest calculated in respect of each calendar day from the day after the amount was due and payable, up to and including the day that the Customer effects payment, calculated using the General Interest Charge Rate available as published on the Australian Taxation Office website as it applies on the day the amount was due and payable expressed as a daily rate https://www.ato.gov.au/Rates/General-interest-charge-(GIC)-rates/.</p>