



Attachment J – Guidance on the Shadow Economy Procurement Connected Policy

People Panel – Phase 2: Labour Hire Services

Introduction

The Shadow Economy Procurement Connected Policy (the Policy) applies to this procurement. Information about the Policy is available at [Black Economy Procurement Connected Policy – Increasing the integrity of government procurement | Treasury.gov.au](#).

The Policy aims to increase the integrity of Commonwealth Government procurement processes by promoting good tax behaviour and creating an even playing field for businesses that comply with their tax obligations.

You must provide a Satisfactory Statement of Tax Record (STR) with your tender

It is a mandatory requirement that Respondents submit with their Tender either:

- a) a Satisfactory Statement of Tax Record (STR) for the Respondent/s that is valid at the Closing Time; or
- b) a receipt demonstrating that an STR has been requested from the Australian Taxation Office (ATO) for the Respondent.

Where a receipt has been provided you must provide a Satisfactory STR to the Request Manager by emailing PeoplePanel@finance.gov.au no later than four (4) business days from the Closing Time.

If you do not meet this requirement your submission will be excluded from evaluation.

What is a Satisfactory Statement of Tax Record (STR)?

A STR is an official document issued by the ATO to show whether the entity has met the requirements of the procurement connected policy.

A Satisfactory STR will be issued if the following conditions are met:

- (a) The applicant is up-to-date with registration requirements which may include being registered for an Australian Business Number (ABN) and GST, and having a Tax File Number;
- (b) The applicant has lodged at least 90 per cent of all income tax returns, Fringe Benefit Tax returns and Business Activity Statements that were due in the last four (4) years or the period of operation if less than four (4) years. Reasonable delays in lodgements due to extensions agreed to by the ATO will not affect the receipt of a satisfactory STR; and
- (c) On the date the STR is issued, the applicant does not have \$10,000 or greater in overdue debt due to the ATO (excluding debt subject to a taxation objection, review or appeal under the provisions of Part IV C of the *Taxation Administration Act 1953*). If the applicant has entered into a payment plan with the Australian Taxation Office, they will meet this criterion.

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If the applicant does not have a record with the ATO or has a record of less than four (4) years, they need to meet additional conditions outlined in the Policy.

Statement of Tax Record documentation

There are three types of documents that are provided by the ATO after you apply for an STR.

- 1) **Statement of Tax Record** – This is the document you need to include with your tender. It will say whether or not you have met the criteria for a Satisfactory STR.

Example:

	Australian Government Australian Taxation Office
<TITLE> <FIRST NAME> <SURNAME> <ORGANISATION> <ADDRESS LINE 1> <ADDRESS LINE 2> <LOCALITY> <STATE> <POSTCODE> <COUNTRY>	Our Reference: <ABN/ARN> <ABN/ARN> Date of issue: <DD Month CCYY> Date of expiry: <DD Month CCYY>
<h3 style="color: #0070C0;">Statement of Tax Record</h3> <hr/>	
<p>This Statement of Tax Record is issued to Entity Name to confirm that this entity has met the criteria of having a satisfactory engagement with the Australian tax system, as detailed in the Commonwealth Procurement Connected Policy - Black Economy - Increasing the integrity of Government Procurement.</p> <p>For further information on how the criteria is applied to determine the outcome of a Statement of Tax Record see ato.gov.au/STR.</p> <p>Yours faithfully, Deputy Commissioner of Taxation</p>	

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- 2) **STR Receipt** – this is the record that an application for has been made to the ATO. If you haven't received your STR by the Closing Time, you can provide the receipt with your tender and then provide the STR within four (4) working days of the Closing Time.

If you apply using the ATO online services for individuals, agents or Business Portal you will receive your STR receipt through the same online service.

Example:

The image shows a sample receipt from the Australian Taxation Office (ATO). At the top right is the ATO logo and name. Below it, there are fields for recipient details: <TITLE> <FIRST NAME> <SURNAME> <ORGANISATION>. To the right, the receipt number is shown as <AENRARN>: <ABNRARN> <Letter Dates>. The main heading is 'Receipt for Statement of Tax Record request'. A grey box contains two bullet points: 'Your request for a Statement of Tax Record was successfully submitted on DD Month YYYY at HH.MM am/pm AEDT/AEST' and 'Your receipt number is at the top of this page'. Below this, the text reads: 'To whom it may concern, Thank you for your request for a Statement of Tax Record for Entity name. The Statement of Tax Record will be available through <Name Of Electronic Channel>. In most cases it will take only a short time to process. However it could take up to 4 working days. Yours faithfully, Deputy Commissioner of Taxation'. A blue box on the right says 'NEED HELP?' with a link to visit <ato.gov.au/STR> for more information. A large red 'SAMPLE' watermark is overlaid diagonally across the center.

- 3) **STR Taxpayer Report** – The STR Taxpayer Report is issued for your information only. It provides information about how you met or did not meet the requirements for a Satisfactory STR. Note: Do not submit this document with your tender.

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Multiple Statement of Tax Records (STRs)

You may need to submit more than one STR depending on the structure of your organisation. It is important that you request correct STRs for your business entity. The examples below explain what STRs you need to provide for each organisational structure.

A body corporate or natural person requires:

A Satisfactory STR in respect of that body corporate or person.

Example:

<p>Statement of Tax Record COMPANY</p> <p><TITLE> <FIRST NAME> <SURNAME> <ORGANISATION> <ADDRESS LINE 1> <ADDRESS LINE 2> <LOCALITY> <STATE> <POSTCODE> <COUNTRY></p>	 <p>Australian Government Australian Taxation Office</p> <p>Our Reference: <ABN/ARN>: <ABN/ARN> Date of issue: <DD Month CCYY> Date of expiry: <DD Month CCYY></p>
<h3>Statement of Tax Record</h3> <hr/> <p>This Statement of Tax Record is issued to Entity Name to confirm that this entity has met the criteria of having a satisfactory engagement with the Australian tax system, as detailed in the Commonwealth Procurement Connected Policy - Black Economy - Increasing the Integrity of Government Procurement.</p> <p>For further information on how the criteria is applied to determine the outcome of a Statement of Tax Record see ato.gov.au/STR</p> <p>Yours faithfully, Deputy Commissioner of Taxation</p>	

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- i. on behalf of the partnership; and
- ii. for each partner, if a partner is proposed to hold the roles of Service Provider's Representative or Service Provider's Senior Executive, as defined in clauses 6.3 and 6.4 of the Head Agreement.

Example:

<p>Statement of Tax Record INDIVIDUAL</p> <p><TITLE> <FIRST NAME> <SURNAME> <ORGANISATION> <ADDRESS LINE 1> <ADDRESS LINE 2> <LOCALITY> <STATE> <POSTCODE> <COUNTRY></p>	 <p>Australian Government Australian Taxation Office</p> <p>Our Reference: <ABN/ARN>: <ABN/ARN> Date of issue: <DD Month CCYY> Date of expiry: <DD Month CCYY></p>
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Statement of Tax Record

<p>Statement of Tax Record PARTNERSHIP</p> <p><TITLE> <FIRST NAME> <SURNAME> <ORGANISATION> <ADDRESS LINE 1> <ADDRESS LINE 2> <LOCALITY> <STATE> <POSTCODE> <COUNTRY></p>	 <p>Australian Government Australian Taxation Office</p> <p>Our Reference: <ABN/ARN>: <ABN/ARN> Date of issue: <DD Month CCYY> Date of expiry: <DD Month CCYY></p>
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This Statement of Tax Record is issued to Individual of having a satisfactory engagement with the Australia Procurement Connected Policy - Black Economy - Increasing the Integrity of Government Procurement >

For further information on how the criteria is applied see ato.gov.au/STR

Yours faithfully,
Deputy Commissioner of Taxation

Statement of Tax Record

This Statement of Tax Record is issued to Entity Name to confirm that this entity has < not > met the criteria of having a satisfactory engagement with the Australian tax system, as detailed in the Commonwealth Procurement Connected Policy - Black Economy - Increasing the Integrity of Government Procurement >

For further information on how the criteria is applied to determine the outcome of a Statement of Tax Record see ato.gov.au/STR

Partnership

This entity is a partnership. Each partner that is directly involved in the delivery of the contract must also provide their own Statement of Tax Record to satisfy the Procurement Connected Policy. Refer to the tender process documentation for more information.

Yours faithfully,
Deputy Commissioner of Taxation

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A Satisfactory STR in respect of the:

- i. trustee; and
- ii. the trust.

Example:

<p>Statement of Tax Record COMPANY</p> <p><TITLE> <FIRST NAME> <SURNAME> <ORGANISATION> <ADDRESS LINE 1> <ADDRESS LINE 2> <LOCALITY> <STATE> <POSTCODE> <COUNTRY></p>	 <p>Australian Government Australian Taxation Office</p> <p>Our Reference: <ABN/ARN>: <ABN/ARN> Date of issue: <DD Month CCYY> Date of expiry: <DD Month CCYY></p>
<p>Statement of Tax Record</p> <hr/>	

<p>This Statement of Tax Record is issued to Entity a satisfactory engagement with the Australian tax system, as detailed in the Commonwealth Procurement Connected Policy - Black Economy - Increasing the Integrity of Government Procurement.</p> <p>For further information on how the criteria is applied to determine the outcome of a Statement of Tax Record see ato.gov.au/STR.</p> <p>Yours faithfully, Deputy Commissioner of Taxation</p>	<p>Statement of Tax Record TRUST</p> <p><TITLE> <FIRST NAME> <SURNAME> <ORGANISATION> <ADDRESS LINE 1> <ADDRESS LINE 2> <LOCALITY> <STATE> <POSTCODE> <COUNTRY></p> <p>Our Reference: <ABN/ARN>: <ABN/ARN> Date of issue: <DD Month CCYY> Date of expiry: <DD Month CCYY></p>
<p>Statement of Tax Record</p> <hr/>	
<p>This Statement of Tax Record is issued to <Entity Name> to confirm that this entity has met the criteria of having a satisfactory engagement with the Australian tax system, as detailed in the Commonwealth Procurement Connected Policy - Black Economy - Increasing the Integrity of Government Procurement.</p> <p>For further information on how the criteria is applied to determine the outcome of a Statement of Tax Record see ato.gov.au/STR.</p> <p>Trust</p> <p>This entity is a trust. The Trustee will also need to provide a Statement of Tax Record to satisfy the Procurement Connected Policy.</p> <p>Yours faithfully, Deputy Commissioner of Taxation</p>	

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A Satisfactory STR in respect of:

- i. each participant in the joint venture; and
- ii. if the operator of the joint venture is not a participant in the joint venture, the joint venture operator.

Example:

<p>Statement of Tax Record</p> <p>COMPANY</p> <p><TITLE> <FIRST NAME> <SURNAME> <ORGANISATION> <ADDRESS LINE 1> <ADDRESS LINE 2> <LOCALITY> <STATE> <POSTCODE> <COUNTRY></p>	 <p>Australian Government Australian Taxation Office</p> <p>Our Reference: <ABN/ARN>: <ABN/ARN> Date of issue: <DD Month CCYY> Date of expiry: <DD Month CCYY></p>
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Statement of Tax Record

<p>This Statement of Tax Record is issued to E a satisfactory engagement with the Australia Connected Policy - Black Economy - Inceas</p> <p>For further information on how the criteria is see ato.gov.au/STR</p> <p>Yours faithfully, Deputy Commissioner of Taxation</p>	<p>Statement of Tax Record</p> <p>JOINT VENTURE</p>  <p>Australian Government Australian Taxation Office</p> <p>Our Reference: <ABN/ARN>: <ABN/ARN> Date of issue: <DD Month CCYY> Date of expiry: <DD Month CCYY></p> <p><TITLE> <FIRST NAME> <SURNAME> <ORGANISATION> <ADDRESS LINE 1> <ADDRESS LINE 2> <LOCALITY> <STATE> <POSTCODE> <COUNTRY></p>
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Statement of Tax Record

This Statement of Tax Record is issued to <Entity Name> to confirm that this entity has met the criteria of having a satisfactory engagement with the Australian tax system, as detailed in the Commonwealth Procurement Connected Policy - Black Economy - Increasing the Integrity of Government Procurement.

For further information on how the criteria is applied to determine the outcome of a Statement of Tax Record see ato.gov.au/STR

Joint Venture

If the entity is applying for tender as part of a joint venture, the other participants including a nominated joint venture operator will also need to provide a Statement of Tax Record to satisfy the Procurement Connected Policy.

Yours faithfully,

Deputy Commissioner of Taxation

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A Satisfactory STR in respect of:

- i. the relevant member of the Consolidated Group; and
- ii. the head company in the Consolidated Group.

Example:

<p>Statement of Tax Record COMPANY</p> <p><TITLE> <FIRST NAME> <SURNAME> <ORGANISATION> <ADDRESS LINE 1> <ADDRESS LINE 2> <LOCALITY> <STATE> <POSTCODE> <COUNTRY></p>	 <p>Australian Government Australian Taxation Office</p> <p>Our Reference: <ABN/ARN>: <ABN/ARN> Date of issue: <DD Month CCYY> Date of expiry: <DD Month CCYY></p>
<p>Statement of Tax Record</p> <hr/>	

This Statement of Tax Record is issued to confirm that the entity has met the criteria of having a satisfactory engagement with the Australian tax system, as detailed in the Commonwealth Procurement Connected Policy - Black Economy - Increasing the Integrity of Government Procurement.

For further information on how the criteria is applied to determine the outcome of a Statement of Tax Record see ato.gov.au/STR

Yours faithfully,

Deputy Commissioner of Taxation

<p>Statement of Tax Record SUBSIDIARY OF AN INCOME TAX CONSOLIDATED GROUP</p> <p><TITLE> <FIRST NAME> <SURNAME> <ORGANISATION> <ADDRESS LINE 1> <ADDRESS LINE 2> <LOCALITY> <STATE> <POSTCODE> <COUNTRY></p>	 <p>Australian Government Australian Taxation Office</p> <p>Our Reference: <ABN/ARN>: <ABN/ARN> Date of issue: <DD Month CCYY> Date of expiry: <DD Month CCYY></p>
<p>Statement of Tax Record</p> <hr/>	
<p>This Statement of Tax Record is issued to confirm that this entity has met the criteria of having a satisfactory engagement with the Australian tax system, as detailed in the Commonwealth Procurement Connected Policy - Black Economy - Increasing the Integrity of Government Procurement.</p> <p>For further information on how the criteria is applied to determine the outcome of a Statement of Tax Record see ato.gov.au/STR</p>	
<p>Consolidated group</p> <p>This entity is part of a consolidated group for Income Tax for Taxation purposes. Its Income Tax Group Head will also need to provide its own Statement of Tax Record to satisfy the Procurement Connected Policy.</p>	
<p>Yours faithfully,</p> <p>Deputy Commissioner of Taxation</p>	

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A Satisfactory STR in respect of the:

- i. the GST Group member; and
- ii. the GST Group representative.

Example:

<p>Statement of Tax Record</p> <p>COMPANY</p> <p><TITLE> <FIRST NAME> <SURNAME> <ORGANISATION> <ADDRESS LINE 1> <ADDRESS LINE 2> <LOCALITY> <STATE> <POSTCODE> <COUNTRY></p>	 <p>Australian Government Australian Taxation Office</p> <p>Our Reference: <ABN/ARN>: <ABN/ARN> Date of issue: <DD Month CCYY> Date of expiry: <DD Month CCYY></p>
<p>Statement of Tax Record</p>	

<p>This Statement of Tax Record is issued to Ent...</p> <p>a satisfactory engagement with the Australian Connected Policy - Black Economy - Inceas...</p> <p>For further information on how the criteria is ... see ato.gov.au/STR</p> <p>Yours faithfully, Deputy Commissioner of Taxation</p>	<p>Statement of Tax Record</p> <p>MEMBER OF A GST GROUP</p> <p><TITLE> <FIRST NAME> <SURNAME> <ORGANISATION> <ADDRESS LINE 1> <ADDRESS LINE 2> <LOCALITY> <STATE> <POSTCODE> <COUNTRY></p> <p>Our Reference: <ABN/ARN>: <ABN/ARN> Date of issue: <DD Month CCYY> Date of expiry: <DD Month CCYY></p>
<p>Statement of Tax Record</p>	
<p>This Statement of Tax Record is issued to <Entity Name> to confirm that this entity has met the criteria of having a satisfactory engagement with the Australian tax system, as detailed in the Commonwealth Procurement Connected Policy - Black Economy - Increasing the Integrity of Government Procurement.</p> <p>For further information on how the criteria is applied to determine the outcome of a Statement of Tax Record see ato.gov.au/STR</p> <p>GST group</p> <p>This entity is part of a GST Group for Goods and Services Tax. Its GST Group Representative member will also need to provide its own Statement of Tax Record to satisfy the Procurement Connected Policy.</p> <p>Yours faithfully, Deputy Commissioner of Taxation</p>	

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The Respondent will need to provide a statement to the ATO that states it:

- i. is a non-resident with no tax record or a tax record of less than four (4) years in Australia (applicable to foreign entities);
- ii. will comply and pay all their Australian tax obligations (applicable to Australian and foreign entities);
- iii. has no tax related convictions in the last four (4) years (applicable to Australian and foreign entities); and
- iv. is complying with its tax obligations outside of Australia (applicable to foreign entities and new Australian businesses).

Example:

<p>Statement of Tax Record</p> <p>NEW BUSINESSES – this template applies to all New Businesses which are Individuals, Companies, Partnerships, Trusts, Consolidated Groups and Joint Ventures</p> <p><TITLE> <FIRST NAME> <SURNAME> <ORGANISATION> <ADDRESS LINE 1> <ADDRESS LINE 2> <LOCALITY> <STATE> <POSTCODE> <COUNTRY></p>	 <p>Australian Government Australian Taxation Office</p> <p>Our Reference: <ABN/ARN>: <ABN/ARN> Date of issue: <DD Month CCYY> Date of expiry: <DD Month CCYY></p>
<p>Statement of Tax Record</p> <hr/> <p>This Statement of Tax Record is issued to Entity Name to confirm that this entity has an Australian tax record of less than four years and has met the criteria of having a satisfactory engagement with the Australian tax system, as detailed in the Commonwealth Procurement Connected Policy - Black Economy - Increasing the Integrity of Government Procurement.</p> <p>The entity has made the following statements that it:</p> <ul style="list-style-type: none"> > is a non-resident, with less than four years tax record in Australia, > will comply with and pay all of its Australian tax obligations, > has no tax-related convictions in the last four years, and > is complying with or does not have tax obligations outside of Australia. <p>For further information on how the criteria is applied to determine the outcome of a Statement of Tax Record see ato.gov.au/STR.</p> <p>Yours faithfully, Deputy Commissioner of Taxation</p>	

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Contact

Should you have any questions regarding this policy, please email BlackEconomy@treasury.gov.au.

For additional information regarding this RFT, please contact the Request Manager at PeoplePanel@finance.gov.au.

For more information of how to apply for a STR please visit [Statement of tax record | Australian Taxation Office \(ato.gov.au\)](#).