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## Help with paying

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If you can't pay on time, we can help you.

You still need to lodge your activity statements and tax returns on time, even if you can't pay by the due date. You'll avoid a penalty for failing to lodge on time and show us that you're aware of your obligations and doing your best to meet them.

If you require a payment plan, for debts:

- \$100,000 or less – set up [online and automated payment plans](#)
- over \$100,000 – [phone us](#).

### Online and automated payment plans

If you're an individual or a sole trader with an income tax or an activity statement debt of \$100,000 or less, you may be eligible to use our online services for individuals to set up a payment plan. You'll need a [myGov account linked to the ATO](#) (<https://onlineservices.ato.gov.au/default.aspx?PageName=HomePage>).

<https://onlineservices.ato.gov.au/default.aspx?PageName=HomePage>

Alternatively, you can use our automated phone service to arrange a late payment or pay by instalments.

- Use the [payment plan estimator \(/Calculators-and-tools/Payment-plan-estimator/\)](#) to work out a plan that meets your circumstances, taking into account the payment plan conditions and how quickly you can pay off the debt, including how much interest you'll be charged.
- You can then phone our automated service to set up the payment plan. You'll need your tax file number or Australian business number.
  - Individuals phone **13 28 65**
  - Businesses phone **13 28 66**

If you pay late or enter into a payment plan, you will generally have to pay [interest \(/general/paying-the-ato/if-you-don-t-pay?anchor=GeneralinterestchargeGIC#GeneralinterestchargeGIC\)](#) on top of your debt.

If you can't enter a payment plan through our automated phone service, you'll be connected to a person who will help you.

Registered agents can request a payment plan using the Portal mail in the [Tax Agent Portal \(https://tap.ato.gov.au/\)](#) or [BAS Agent Portal \(https://basp.ato.gov.au/\)](#) :

- Topic: Debt and lodgment
- Subject: Payment arrangement request

### Phone for debts over \$100,000

If your tax debt is more than \$100,000, phone us on **13 11 42** during [operating hours \(/about-ato/about-us/contact-us/phone-us/\)](#) to discuss your options.

If you're trying to do the right thing, we're committed to understanding your situation and helping you where possible.

In some cases, we'll need to know more about your financial situation and your circumstances so we can work with you to set up a payment plan that is manageable and suits both of us.

Businesses may need to show that their business is [viable](#).

Even if you've made a payment plan to pay late or by instalments, interest will accrue on the unpaid debt (small businesses may be eligible for [interest-free payment plans for activity statement debts](#)).

If you default on a payment plan, we may impose stricter requirements before agreeing to a new plan. For example, we may ask for a higher upfront payment or ask that payments are made by direct debit, or both.

#### **We offer assistance for:**

- [businesses](#)
- [registered agents](#)
- [disasters and hardship](#)
- [managing payments \(/general/Paying-the-ATO/Help-with-paying/Managing-payments/\)](#)

Paying late can cost you time and money. Find out what happens [if you don't pay \(/General/Paying-the-ATO/If-you-don-t-pay/\)](#) on time.

#### **ASIC's MoneySmart website also has helpful resources for:**

- [managing debts \(https://www.moneysmart.gov.au/managing-your-money/managing-debts\)](https://www.moneysmart.gov.au/managing-your-money/managing-debts)
- [trouble with debt \(https://www.moneysmart.gov.au/managing-your-money/managing-debts/trouble-with-debt\)](https://www.moneysmart.gov.au/managing-your-money/managing-debts/trouble-with-debt)

## Disasters and hardship

If you've been affected by a [natural disaster \(/Individuals/Dealing-with-disasters/\)](#), such as a bushfire, storm or flood, we'll work with you to help you sort out your tax affairs when you're ready. Whether you're an individual or a business, you can phone our business infoline on **13 28 66** for assistance.

We may be able to [release you from some or all of the debt \(/General/Financial-hardship/In-detail/Release-from-your-tax-debt/\)](#). If paying your tax debt would cause you serious hardship – for example, you wouldn't be able to provide food and accommodation for you or your family – phone us on **13 11 42** during [operating hours \(/about-ato/about-us/contact-us/phone-us/?anchor=Speak#Speak\)](#) to discuss your circumstances.

If your income tax notice of assessment includes a compulsory Higher Education Loan Programme (HELP) or Student Financial Supplement Scheme (SFSS) repayment that would cause serious hardship, or there are other special reasons why you believe you shouldn't make a compulsory repayment, you can [apply to defer your compulsory HELP or SFSS repayment \(/Individuals/Study-and-training-support-loans/Deferring-repayments/\)](#).

#### **See also:**

- If you have been affected by drought, visit [Assistance for drought-affected taxpayers \(/General/Financial-hardship/In-detail/Help-for-drought-affected-taxpayers/\)](#)

## Help for businesses

#### **Find out about:**

- [Interest-free payment plans for activity statement debts](#)

- [Assessing business viability](#)

There are a number of online resources and services you can use to stay on top of your tax situation:

- [Small business newsroom \(/Newsroom/smallbusiness/\)](#)
- [Business Portal \(https://bp.ato.gov.au/\)](https://bp.ato.gov.au/)
- [Online services for individuals and sole traders \(/General/Online-services/Individuals-and-sole-traders/\)](#)

We also offer free, confidential and tailored [support services \(/Business/Starting-your-own-business/\)](#) aimed at keeping your business on track, or helping you get back on track.

## Interest-free payment plans for activity statement debts

If you're a small business with an activity statement debt you may be able to pay it off interest-free over 12 months. You need to have a good history of tax lodgments and payments.

To apply:

- Check your [Eligibility](#).
- Use the [payment plan estimator \(/Calculators-and-tools/Payment-plan-estimator/\)](#) to work out a suitable payment plan.
- Phone **13 28 66** (8.00am to 6.00pm weekdays) to set up the payment plan.

## Eligibility

You're eligible for an interest-free payment plan if your business:

- has an annual turnover of less than \$2 million
- has a recent activity statement debt of \$50,000 or less, which has been outstanding overdue for no longer than 12 months
- has a good payment and lodgment compliance history, including
  - no more than one payment plan default within the last 12 months
  - no outstanding activity statement lodgments
- is unable to obtain finance (such as a loan) through normal business channels
- is able to demonstrate ongoing viability.

## How it works

You have to agree to a payment plan that allows the debt to be paid by direct debit within 12 months. Even if you receive a letter stating that interest will apply, it will be remitted as long as you maintain your payment plan.

While you're paying off the debt:

- you can check your running account balance by logging into the [Business Portal \(https://bp.ato.gov.au/\)](#) or phoning us on **13 28 66** (8.00am to 6.00pm weekdays)
- registered agents can check by using the [Tax Agent Portal \(https://tap.ato.gov.au/\)](https://tap.ato.gov.au/) or [BAS Agent Portal \(https://basp.ato.gov.au/\)](https://basp.ato.gov.au/), or phone **13 72 86** (fast key code 1 2 5 1).

You must meet all of your other tax payment and lodgment obligations.

If you default on the plan, the interest-free period will end immediately.

## If you're already in a payment plan

You can ask us to change your existing payment plan to an interest-free payment plan if you satisfy the eligibility criteria.

If your request is approved, we'll cancel your previous plan. The interest-free period will start from the date you enter into the new plan.

If your debt is with an external collection agency, you'll need to negotiate this with them.

**See also:**

- [Assessing business viability](#)

**Assessing business viability**

If you're negotiating with us about a debt, we may require you to show that your business is viable. When assessing a business's viability, we look at its ability to pay its debts and meet ongoing commitments. The assessment considers a range of indicators, including:

- gross margin
- cash flow
- asset/liability position (including working capital)
- liquidity
- debtor/creditor position
- availability of funding.

If you're asked to demonstrate the viability of the business, you'll need to provide the following information within an agreed timeframe:

- a proposal to pay all amounts owed to us in the shortest possible timeframe, while allowing all future tax obligations to be met by the due date
- details on how the debt arose
- steps taken to mitigate the debt (for example, loan applications)
- the most recent statement for each bank or financial institution account held
- the following documents for the year to date and the two previous financial years:
  - detailed profit and loss statement or statement of financial performance
  - detailed balance sheet or statement of financial position
- details of any overdraft or loan facilities, including term loans, hire purchase and leasing facilities (include the balances owing, the monthly repayment amount for each debt commitment and the limit for overdrafts)
- aged creditors listing
- aged debtors listing
- any other relevant information that may help us assess your proposal.

**Next step:**

Send financial documentation with your ABN and company name on all documents to us.

You can send the documents using secure mail in the [Business Portal \(https://bp.ato.gov.au/\)](https://bp.ato.gov.au/) . Registered agents can use the [Tax Agent Portal \(https://tap.ato.gov.au/\)](https://tap.ato.gov.au/) or [BAS Agent Portal \(https://basp.ato.gov.au/\)](https://basp.ato.gov.au/) .

Alternatively, send the documents to us by:

- fax on **1300 724 793**
- mail to  
Australian Taxation Office  
PO Box 1129  
PENRITH NSW 2740

## Help for registered agents

We have online resources for registered agents:

- [Tax professionals newsroom \(/Tax-professionals/Newsroom/\)](#)
- [Tax Agent Portal \(https://tap.ato.gov.au/\)](https://tap.ato.gov.au/) or [BAS Agent portal \(https://basp.ato.gov.au/\)](https://basp.ato.gov.au/)

Registered agents can phone **13 72 86** to discuss their client's situation – use our [fast key code guide \(/tax-professionals/services-and-support/phone-services/tax-agent-phone-services-%28fast-key-code%29-guide/\)](#) to work out how to get to the right area.

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### Our commitment to you

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

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