



ESTABLISHING A COMPANY

Fact Sheet

Basic Facts of a company:

- is a separate legal entity
- appoints directors who are responsible for the operation of the company
- is taxed at 27.5% if income is under \$25 million
- has its own bank account
- can provide asset protection for directors personal assets
- maintains its own bank account
- pays wages to employees including working directors
- personal liability limited to the value of the upfront share capital and any debts personally guaranteed

Steps to set up a Company

- Register a new Company
- Apply for an ABN and TFN
- Register for GST (if over threshold of \$75,000), and PAYG Withholding
- If managing your own company, apply for an AUSKey
- Obtain Workers Compensation and any other applicable insurances

Resources

Sole Trader v Company: <https://www.business.gov.au/change-and-growth/restructuring/sole-trader-to-a-company/difference-between-a-sole-trader-and-a-company>

ASIC, Steps to register a company: <https://asic.gov.au/for-business/registering-a-company/steps-to-register-a-company/>

Business Australia checklists: <https://www.business.gov.au/planning/templates-and-tools/checklists/starting-your-business-checklist>

Set up a company: <https://register.business.gov.au/>

ABN and TFN Registration: <https://abr.gov.au/For-Business,-Super-funds---Charities/Applying-for-an-ABN/>

Register for GST and PAYG Withholding: do this as part of your ABN registration above, alternatively refer here <https://register.business.gov.au/additional>

Apply for an AUSKey to manage your company registrations: <https://register.business.gov.au/auskey>

Workers Compensation Insurance (NSW): <https://www.icare.nsw.gov.au/employers/take-out-a-policy/workers-insurance-policies/>



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