

Cashmere Connections Pty. Ltd,
4 Osborne Street,
Bacchus Marsh,
Victoria,
Australia. 3340

ABN: 93 088 001 807
Phone: (03) 5367 4222



How to Consign Alpaca for Sale to Cashmere Connections

Packaging your clip

1. Consolidate your clip into a nylon wool pack.

Mark Bales Clearly:-

1. To:
Cashmere Connections
4 Osborne Street,
Bacchus Marsh,
Victoria. 3340
2. From: Grower's name or trading name, address and **phone number**.
3. If more than one bale mark the outer number and total number of outers on each bale.
eg. bale 1 of 3, bale 2 of 3, bale 3 of 3.

Consignment Note.

1. Please fill out the consignment note in clear legible writing.
2. Use the consignment note to indicate the lots/fleeces in each bale / outer.
3. Keep a **copy** of the consignment note for your own records.
4. If more than one consignment is being delivered, please complete a separate consignment note for each consignment.

Personal Delivery Of Your Fibre

Personal delivery of fibre can be made if arranged with Cashmere Connections. Phone in advance for a mutually convenient time.

Cashmere Connections' phone number: **(03) 53674222**

Terms and Conditions of Sale

- 1: In submitting cashmere for sale to Cashmere Connections Pty Ltd, the seller declares that the said fibre is free from any bills of sale, liens, charges or other encumbrances.
- 2: Cashmere Connections' official weights will be deemed to be the weight of the fibre received.
- 3: That all testing requested by the seller will be paid for by the seller.
- 4: That any government levies for which the seller is liable will be deducted from the gross proceeds of the fibre sold.
- 5: A seller registered for GST (and has supplied an ABN) agrees to the following.
 - a) Cashmere Connections can generate a Tax invoice for the supplies where appropriate.
 - b) The registered seller shall not issue tax invoices in respect of the supplies for which Cashmere Connections has generated an invoice.
 - c) The registered seller is registered for GST.
- 6: If the seller does not supply an ABN or sign the declaration that the supply is private or hobby related, Cashmere Connections must send 48,5% of the payment to the TAX office.

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Cashmere Connections Alpaca Consignment Note Page 1

A completed copy of this consignment note should be included with your consigned fibre in a position which is secure but easy to locate. Send fibre and note to; Cashmere Connections, 4 Osborne Street, Bacchus Marsh, Victoria. 3340.

Your details

Trading name: _____

Address line 1: _____

Address line 2: _____

Postcode: _____

Contact
Person: _____

Phone(BH): _____

Phone(AH): _____

Mobile phone: _____

Fax: _____

Email: _____

If registered for GST and you require a tax receipt please supply your ABN number.

ABN: _____

If not registered for GST and supply is private in nature or hobby based please sign here.

Signed: _____

Date: _____

Payment can be made by direct bank deposit into your nominated account

Bank: _____

Account Name: _____

BSB: _____

Account number: _____

Fibre details.

Total bales
consigned: _____

Statement by a supplier

(reason for not quoting an ABN to an enterprise)

PURPOSE

This fact sheet provides guidance on:

- pay as you go (PAYG) withholding from payments for supplies, and
- the requirements for quoting an Australian business number (ABN).

When you pay suppliers who provide goods or services to your business, those suppliers generally need to quote an ABN. They can quote their ABN on an invoice or some other document that relates to the goods and/or services they provide. If any supplier does not provide their ABN, you may need to withhold an amount from the payment for that supply. This is sometimes referred to as 'No ABN withholding'.

WITHHOLDING FROM PAYMENTS

Generally, you must withhold 46.5% of the total payment for a supply unless:

- you have an invoice or some other document relating to the supply on which the supplier's ABN is quoted
- the ABN of the supplier's agent is quoted (if the supply is made through the agent), or
- one of the exceptions to withholding applies or the supplier is not entitled to an ABN.

You may also be required to withhold 46.5% from the payment if you have reasonable grounds to believe that the ABN quoted is invalid (for example, it belongs to another entity).

QUOTING AN ABN

A supplier must quote their ABN by the time the payment is made to prevent 46.5% of that payment being withheld. A supplier may quote their ABN on an invoice or other document relating to the supply.

Documents on which an ABN may be quoted include:

- invoices
- quotes
- renewal notices (such as for insurance or subscriptions)

- order forms
- receipts
- contracts or lease documents
- letterheads, emails or internet records (web pages)
- records of over-the-phone quotation of an ABN and/or
- catalogues (and other promotional documents) the supplier produces.

You must keep this information with other records relating to the supply.

➤ You do not have to check whether the ABN is valid. However, if you suspect that the ABN quoted does not belong to the supplier or the supplier's agent, you can check it by either visiting www.abr.business.gov.au or phoning the Tax Office on **13 72 26**, 24 hours a day, seven days a week.

WHEN WITHHOLDING IS NOT REQUIRED

You do not have to withhold an amount from a payment if:

- the payer is not making the payment in the course of carrying on an enterprise in Australia
- the payment is \$75 or less, excluding any goods and services tax (GST)
- the supply that the payment relates to is wholly input-taxed, or
- the supplier is an individual and has given you a written statement which says:
 - the supply relates to a private recreational pursuit or hobby, or
 - the supply is wholly of a private or domestic nature for that supplier.

However, you should withhold if you have reasonable grounds to believe that this statement is false or misleading.

- The supplier is an individual aged under 18 years and the payment does not exceed \$120 a week.



You also should not withhold an amount from a payment if you are satisfied that:

- the supply is made by an individual or partnership without a reasonable expectation of profit or gain
- the supplier is not entitled to an ABN as they are not carrying on a business or enterprise in Australia, or
- the whole of the payment is exempt income for the supplier.

! If a supplier has applied for an ABN, they may ask you to hold back payment until the ABN has been obtained and quoted. This is a matter for you and the supplier to work out. However, unless one of the above exceptions applies, you must withhold 46.5% of the payment if it is made before an ABN is quoted. If you do not withhold from the payment, you may have to pay a penalty equal to the amount you should have withheld.

INFORMING THE PAYER IF NO WITHHOLDING APPLIES

As the payer, you may request a written statement from the supplier to justify not withholding if the supply:

- relates to a private recreational pursuit or hobby
 - For example, a hobby artist receives a prize of \$100 in a shopping centre art show.

or

- is wholly of a private or domestic nature for the supplier.
 - For example, a home owner sells some personal furniture to a second hand store.

As a minimum, the statement should contain:

- the supplier's name and address
- why it was not necessary to withhold, **and**
- the supplier's signature.

The Tax Office has developed a form, *Statement by a supplier*, which is attached to this fact sheet and can be used for this purpose.

If you do not withhold because an exception applies, you should keep sufficient records to:

- identify the supply and the supplier, and
- justify the reason for not withholding.

You may choose to obtain a signed statement from the supplier containing the required information or use our form. If we conduct a review and find that the statement was incorrect, you won't be penalised if we believe it was reasonable for you to rely on the supplier's signed statement.

IF YOU ARE REQUIRED TO WITHHOLD

If you are required to withhold an amount, you must:

- be registered for PAYG withholding. This can be done by phoning **13 28 66** between 8.00am and 6.00pm Monday to Friday. You may already be registered if you are withholding from other payments, such as wages to employees.
- withhold 46.5% of the payment unless an exception applies.
- report and pay the withheld amounts to the Tax Office using your activity statement.
- complete a *PAYG payment summary – withholding where ABN not quoted* (NAT 3283), providing a copy to the supplier at the time of payment or as soon as possible afterwards. Suppliers can use the payment summary to claim a credit in their income tax return for the amount withheld.
- keep a copy of the payment summary with your records.
- complete a *PAYG withholding where ABN not quoted – annual report* (NAT 3448).

IF YOU DO NOT WITHHOLD WHEN REQUIRED

You may be subject to penalties if you do not withhold an amount when required. The penalty will be equal to the amount that should have been withheld. It is an offence not to withhold and the payer may be prosecuted in appropriate cases.

> MORE INFORMATION

If you need more information about ABNs, you can:

- visit **www.ato.gov.au**
- phone the Tax Office on **13 28 66** between 8.00am and 6.00pm Monday to Friday, or
- speak to your tax adviser.

If you do not speak English well and want to talk to a tax officer, phone the Translating and Interpreting Service on **13 14 50** for help with your call.

If you have a hearing or speech impairment and have access to appropriate TTY or modem equipment, phone **13 36 77**. If you do not have access to TTY or modem equipment, phone the Speech to Speech Relay Service on **1300 555 727**.

OUR COMMITMENT TO YOU

The information in this publication is current at April 2008.

