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MYPRM EBOOK · 2026–27 EDITION

Dealing with the ATO

BAS, payment plans, interest and staying out of trouble

Figures checked against official sources · 1 November 2026 · myprm.com.au

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How to use this ebook. Each chapter stands alone and ends with its official sources (ATO, Services Australia, RBA, ASFA, Moneysmart, TPB and others). Figures are for 2026–27 or as stated, and can change; the online version of each chapter is listed at its end.

General information only. This ebook does not take into account your circumstances and is not tax, legal or financial advice. Rates and rules change; figures were checked against the official sources listed in each chapter as at 1 November 2026. Get advice for your business before acting.

CHAPTER 1

BAS and tax due dates 2026–27: a calendar for Brisbane businesses

Most late-lodgment penalties are not about money. They are about a date nobody wrote down. Here is the 2026–27 year on one page, with the agent extensions shown separately so you know which date is actually yours.

Quarterly BAS

If your GST turnover is under \$20 million and the ATO hasn't told you to report monthly, you lodge quarterly. The standard dates, and the later dates that can apply when an eligible statement is lodged electronically through a registered tax or BAS agent, are:

Quarter	Standard due date	Agent lodgment program date
Q1: July to September 2026	28 October 2026	25 November 2026
Q2: October to December 2026	28 February 2027	No extension (already includes one)
Q3: January to March 2027	28 April 2027	26 May 2027
Q4: April to June 2027	28 July 2027	25 August 2027 (to be confirmed by the ATO)

The agent dates only apply to eligible statements, lodged electronically, generated after the previous one was lodged electronically. If you lodge yourself online, the ATO says you may get an extra 2 weeks instead. The date printed on your activity statement is the one that counts.

Monthly BAS

Monthly activity statements are due on the 21st of the following month. The exception is December: due 21 January, or 21 February for businesses with turnover up to \$10 million that report GST monthly and lodge electronically through a registered agent.

Super: Payday Super from 1 July 2026

Quarterly super due dates are gone for pay from 1 July 2026. Super guarantee (12% of qualifying earnings) now has to be **received by the employee's fund within 7 business days after each payday**. Late money attracts the super guarantee charge, which the ATO assesses. The ATO's advice is to pay super at the same time as wages. Read more in our Payday Super guide.

Other dates worth putting in the calendar

- **Queensland payroll tax:** periodic returns are due 7 days after the end of each return period, and the annual reconciliation is due 21 July. See Queensland payroll tax in 2026.
- **FBT:** the FBT year runs 1 April to 31 March. The 2027 return is due 21 May 2027, or generally 25 June 2027 if a tax agent lodges electronically and you are on their FBT client list by 21 May.
- **TPAR:** building, construction and some other industries lodge the taxable payments annual report by 28 August. See TPAR for builders and trades.
- **STP finalisation:** by 14 July after the end of the financial year. See Single Touch Payroll basics.
- **Company and trust tax returns:** the due date depends on your tax agent's lodgment program and your prior-year history. Ask your agent for your actual date rather than relying on a generic one.

If a date is going to be missed

Lodge on time even if you can't pay in full, and talk to the ATO or your agent before the due date. Our guide on what to do if you owe the ATO covers payment plans. To stop the scramble each quarter, set money aside weekly: how much tax to set aside.

Quick answers

When is the October to December 2026 BAS due?

28 February 2027. There is no further agent extension for this quarter because the due date already includes one.

When is the July to September 2026 quarterly BAS due?

28 October 2026, or 25 November 2026 for eligible statements lodged electronically through a registered tax or BAS agent.

Is super still due quarterly?

No. For pay from 1 July 2026, super guarantee must be received by the employee's fund within 7 business days after each payday (Payday Super).

Read online with live links: myprm.com.au/blog/bas-and-tax-due-dates-2026-27/

CHAPTER 2

Missed the BAS due date? What to do in the next few days

The July to September quarterly BAS is due 28 October 2026 for businesses that lodge it themselves on paper or by the standard date. If that date has crept up on you, it's fixable. What you do in the next few days matters far more than the date you missed.

1. Check which date is actually yours

Before you worry, check your own due date. If a registered tax or BAS agent lodges electronically for you, the July to September 2026 quarter may be due **25 November 2026** under the agent lodgment program. The ATO also says businesses that lodge online themselves may get an extra two weeks. The date printed on your activity statement is the one that counts. All the dates are in our 2026–27 BAS and tax calendar.

2. Lodge, even if you can't pay

Lodging and paying are two separate things. The ATO's consistent message is to lodge on time even when you can't pay in full. A lodged BAS stops the late-lodgment penalty building, shows the ATO what you owe, and is the starting point for a payment plan. A nil BAS still needs to be lodged.

3. Know what the penalty actually is

The ATO's **failure to lodge on time penalty** is one penalty unit for every 28 days (or part of 28 days) a statement is overdue, capped at five units. For lodgments due on or after 1 July 2026, a penalty unit is **\$364**.

How late	Small business (individuals and small withholders)
Up to 28 days	\$364
29 to 56 days	\$728
57 to 84 days	\$1,092
85 to 112 days	\$1,456
113 days or more	\$1,820 (maximum)

The amount is doubled for a *medium withholder* and multiplied by five for a *large withholder*, based on the size of the business when the statement was due. The ATO also says it generally doesn't apply penalties in isolated cases of late lodgment, and that it will warn you by phone or in writing first. If a registered agent

lodges for you, safe harbour rules may apply.

4. Interest runs on what's unpaid

Separately from the penalty, the general interest charge (GIC) accrues daily on any amount not paid by the due date. Since 1 July 2025, GIC is no longer tax deductible, so an ATO balance costs more to carry than it used to. If you can't clear it, a payment plan is usually the next step. The ATO says businesses owing \$200,000 or less may be able to set one up themselves online. Our guide *owe the ATO? what to do next* covers the options.

5. Company directors: don't let PAYG or super sit unreported

For companies, unpaid PAYG withholding and super guarantee can become a personal problem for directors. If those amounts are not reported within three months of their due date, the usual ways of limiting a director penalty notice can fall away. Reporting on time keeps more options open. See *director penalty notices explained*.

6. Fix the habit before the next one

Most late BAS comes down to two things: bookkeeping that isn't reconciled when the date arrives, and GST and PAYG money that was spent instead of set aside. Two small changes help most:

- **A separate tax account.** Move GST and PAYG withholding across as money comes in. See *cash flow and BAS habits* and how much tax to set aside.
- **A monthly close.** Reconcile the bank every month so the quarter is mostly done before it ends. The month-end close checklist takes you through it.

The next quarter, October to December, is due **28 February 2027** and lands straight after the Christmas cash squeeze. The Christmas shutdown cash flow plan helps you get there with the money set aside.

Quick answers

What is the penalty for lodging a BAS late?

The ATO's failure to lodge on time penalty is one penalty unit for every 28 days (or part of 28 days) a statement is overdue, up to five units, for individuals and small withholders. A penalty unit is \$364 for lodgments due on or after 1 July 2026. It is doubled for medium withholders and multiplied by five for large withholders. The ATO says it generally doesn't apply penalties in isolated cases of late lodgment and warns you first.

Should I lodge my BAS if I can't pay it?

Yes. The ATO's consistent message is to lodge on time even if you can't pay in full. Lodging stops the late-lodgment penalty building, and a payment plan can then be set up for the amount owing.

Is the 28 October BAS date the real deadline for everyone?

No. If a registered tax or BAS agent lodges electronically for you, the July to September 2026 quarter may be due 25 November 2026 under the agent lodgment program, and the ATO says businesses that lodge online themselves may get an extra two weeks. The date on your own activity statement is the one that counts.

Read online with live links: myprm.com.au/blog/missed-bas-due-date/

CHAPTER 3

Owe the ATO money? What small business owners can do next

A tax debt feels personal. It isn't. Plenty of good businesses fall behind in a growth year or a bad quarter. What matters is what you do in the next few weeks.

1. Keep lodging, even if you can't pay

The ATO's consistent message is to lodge on time even when you can't pay in full. Failing to lodge adds penalties and makes it harder to agree a plan.

2. A payment plan may be simpler than you think

According to the ATO, if a business owes \$200,000 or less, it may be able to set up a payment plan itself through Online services for business or the self-help phone line. Above that, or if the online option doesn't work, you call the ATO. A registered tax or BAS agent can also set one up for you. The ATO's payment plan estimator helps you work out an upfront amount and instalments.

3. The interest is no longer deductible

From 1 July 2025, ATO interest charges (GIC and SIC) can't be claimed as a tax deduction. That makes carrying an ATO debt more expensive than it used to be, so it's worth comparing a payment plan with other ways of paying it down.

4. New bills still need paying on time

A payment plan covers the old debt. Your next BAS and tax still need to be paid in full and on time, or the plan can fall over. This is where a separate tax account helps; see our cash flow and BAS habits.

5. Fix the cause, not just the bill

Most ATO debts come from one of three things: tax not being set aside as money comes in, a profitable year nobody planned for, or growth that ties cash up in stock and unpaid invoices. A short 13-week cash flow forecast shows which one it is.

Only just missed a due date? Start with missed the BAS due date? what to do next.

Who to talk to

Your accountant or registered tax agent first. If the business is under real financial pressure, the Australian Small Business and Family Enterprise Ombudsman and government-funded small business financial counselling services can also help.

Quick answers

Can a small business set up an ATO payment plan online?

The ATO says businesses owing \$200,000 or less may be able to set one up through Online services for business or the self-help phone line.

Is ATO interest tax deductible?

Not any more. GIC and SIC incurred on or after 1 July 2025 can't be claimed as a deduction.

Sources

- [ATO: Setting up a payment plan](#)
- [ATO: Denying deductions for ATO interest charges](#)

Read online with live links: myprm.com.au/blog/owe-the-ato-what-to-do/

CHAPTER 4

ATO payment plans: how to set one up and keep it

If you cannot pay a tax debt in full, an ATO payment plan lets you pay it off in instalments. Interest keeps accruing, so the aim is the shortest plan you can actually keep.

Setting one up

- **\$200,000 or less:** you may be able to set up a plan yourself through Online services for business (Accounts and payments, then Payment plans) or the ATO's automated phone service. Your registered tax or BAS agent can also set it up.
- **Over \$200,000**, or needing more than two years, in hardship, or after defaulting on two or more plans in 12 months: you need to call the ATO and give details of your income, expenses, assets and bank balances.
- Income tax and activity statement debts need separate plans.

The cost

The general interest charge keeps running on the balance: 11.51% a year for October to December 2026, and not deductible. See what a tax debt really costs.

Keeping it on track

1. Keep lodging and paying new BAS on time. New debts can break the plan.
2. Set instalments you can meet from a realistic 13-week cash flow forecast.
3. Put tax money aside in a separate account: how much to set aside.
4. If you are going to miss a payment, call before it is due.

Directors: unpaid PAYG withholding and super can become personal: director penalty notices. Want us to handle the ATO? See what we fix.

Quick answers

Can I set up an ATO payment plan online?

If you owe \$200,000 or less, you may be able to through Online services for business or the ATO automated phone service.

Does interest stop on a payment plan?

No. General interest charge continues to accrue on the unpaid balance.

Sources

- [ATO: Setting up a payment plan](#)
- [ATO: Accounts and payments in Online services for business](#)

Read online with live links: myprm.com.au/blog/ato-payment-plan-how-it-works/

CHAPTER 5

The ATO is charging 11.51% interest: what a tax debt really costs

For October to December 2026, the ATO general interest charge (GIC) is 11.51% a year, or 0.03153425% a day. It compounds daily on overdue tax, and from 1 July 2025 it can no longer be claimed as a tax deduction.

The numbers

- **October–December 2026:** 11.51% a year (0.03153425% a day).
- **July–September 2026:** 11.43% a year.
- The rate is reset each quarter and is usually announced about two weeks before the quarter starts.

What that means in dollars

At 11.51% compounding daily, a \$50,000 overdue BAS debt grows by roughly \$15 to \$16 a day, or about \$6,000 over a year if nothing is paid. Because GIC is not deductible, that cost comes straight out of after-tax profit.

What to do if you owe the ATO

1. **Keep lodging on time**, even if you cannot pay. Late lodgment adds penalties and can lead to director penalty notices.
2. **Talk to the ATO early**. A payment plan you can actually keep is better than silence.
3. **Compare the cost**. If a business loan is cheaper than 11.51% after tax, refinancing the debt may make sense. See getting lender ready.
4. **Fix the cause**. Most tax debts start with tax money being spent on running the business: how much tax to set aside.

More: what to do if you owe the ATO, missed a BAS due date, or our ATO debt help.

Quick answers

What is the ATO GIC rate for October to December 2026?

11.51% a year, or 0.03153425% a day, compounding daily.

Is the general interest charge tax deductible?

Not for income years starting on or after 1 July 2025.

Sources

- [ATO: General interest charge \(GIC\) rates](#)
- [ATO: General interest charge](#)

Read online with live links: myprm.com.au/blog/ato-general-interest-charge-rate-2026/

CHAPTER 6

Director penalty notices

If your company doesn't pay PAYG withholding, GST or super guarantee, the ATO can make you, as a director, personally liable through the director penalty regime.

What's covered

- PAYG withholding.
- Net GST (and some related amounts).
- Super guarantee charge.

How it works

The ATO issues a director penalty notice (DPN). If the company reported the amounts on time (lodged BAS, IAS or SGC statements within three months of the due date), directors can generally have the penalty remitted by paying the debt, appointing an administrator or small business restructuring practitioner, or putting the company into liquidation within 21 days of the notice. If the company didn't lodge on time, a "lockdown" DPN applies and those options to remit generally fall away.

How to protect yourself

- Lodge on time, even if you can't pay.
- Talk to the ATO early about a payment plan; see *Owe the ATO? What to do*.
- New directors: you can become liable for existing debts if they aren't dealt with within 30 days of appointment.
- Keep super current, especially under Payday Super.

Quick answers

Can directors be personally liable for company GST?

Yes, under the director penalty regime, per the ATO.

Read online with live links: myprm.com.au/blog/director-penalty-notices/

CHAPTER 7

PAYG instalments explained: paying tax as you go

PAYG instalments are regular prepayments of your expected income tax, usually quarterly with your BAS. They stop a large bill landing after your tax return, but only if they are set right.

How you get into the system

The ATO usually enters you automatically once your business or investment income reaches certain levels in your latest return. You can also opt in voluntarily.

Two ways to pay

- **Instalment amount:** pay the amount the ATO works out. Simple, but based on last year.
- **Instalment rate:** multiply your actual instalment income for the quarter by the ATO's rate. Better when income goes up and down.

Varying

If this year's income will be lower, you can vary instalments down. Be careful: if you vary too low, the ATO can charge interest. If income is rising sharply, consider paying more to avoid a shock.

Cash flow tips

- Put instalments in your cash flow forecast.
- Keep tax in a separate account: how much to set aside.
- Know the dates: BAS and tax due dates 2026–27.

Quick answers

What are PAYG instalments?

Regular prepayments of expected income tax, usually quarterly, credited against your tax when you lodge.

Can I change my PAYG instalments?

Yes, you can vary them, but varying too low can attract interest.

Sources

- [ATO: Starting PAYG instalments](#)

- [ATO: Calculate your PAYG instalments](#)

Read online with live links: myprm.com.au/blog/payg-instalments-explained/

CHAPTER 8

How much tax should a small business set aside?

The honest answer is “it depends”. But you can get close with four buckets and a separate bank account.

Bucket 1: GST

If you're registered for GST, roughly one-eleventh of what customers pay you (on taxable sales) isn't yours. Less the GST on your business purchases, that's what goes on your BAS.

Bucket 2: PAYG withheld

Tax you withhold from staff wages belongs to the ATO from the moment payday happens. Move it aside the same day.

Bucket 3: Superannuation

From 1 July 2026, under Payday Super, employers pay super for each payday rather than quarterly, and the [fund must receive it within 7 business days](#). Treat it like part of the wage bill.

Bucket 4: Income tax

This depends on structure. A company that qualifies as a base rate entity pays 25% company tax; otherwise it's 30%. Then there's personal tax when profit reaches you as wages or dividends. Sole traders and trust beneficiaries pay personal rates. A common starting point is to set aside 25 to 30% of net profit, then let your accountant refine it.

Make it automatic

Open a separate account and move money into it every week. The business tax health check gives you a rough monthly figure in two minutes.

When the numbers don't add up

If setting aside tax leaves too little to run the business, that's a pricing, margin or cash flow problem, not a tax problem. Our 13-week cash flow forecast guide is a good place to start.

Quick answers

What tax rate does a small company pay?

A company that is a base rate entity pays 25%; other companies pay 30%.

What percentage of profit should I set aside for tax?

Many owners start with 25 to 30% of net profit plus GST and PAYG, then refine it with their accountant.

Sources

- [ATO: About Payday Super](#)

Read online with live links: myprm.com.au/blog/how-much-tax-to-set-aside-small-business/

CHAPTER 9

BAS agent vs accountant vs tax agent: who do you need?

Bookkeeper, BAS agent, accountant, tax agent: the titles blur together. The legal line is simple. Anyone charging for tax services must be registered with the Tax Practitioners Board, and the type of registration decides what they can do.

BAS agents

A registered BAS agent can prepare and lodge your BAS, handle GST, PAYG withholding and payroll (including Single Touch Payroll), lodge your taxable payments annual report, advise on fuel tax credits, deal with the ATO about those matters, and help with payment plans on BAS debts.

A BAS agent **cannot** prepare or lodge income tax returns or give income tax advice.

Tax agents

A registered tax agent can do everything a BAS agent can (unless their registration has conditions) plus income tax returns, tax planning and representing you with the ATO on income tax.

"Accountant"

Accountant is a broad title, not a registration. What matters for tax work is TPB registration. Check anyone on the [TPB public register](#).

Which do you need?

- Bookkeeping, BAS and payroll only: a BAS agent can cover it.
- Company or trust returns, tax planning, structure: a tax agent.
- Cash flow, budgets and decisions: an adviser or fractional CFO, see CFO vs bookkeeper vs accountant.

Need BAS help now? See BAS and GST help in Brisbane.

Quick answers

Can a BAS agent lodge my tax return?

No. Only a registered tax agent can prepare and lodge income tax returns for a fee.

How do I check if someone is a registered BAS or tax agent?

Search the Tax Practitioners Board public register at tpb.gov.au.

Sources

- [TPB: BAS services](#)
- [TPB: Know your obligations \(BAS vs tax agent\)](#)
- [TPB: Public register](#)

Read online with live links: myprm.com.au/blog/bas-agent-vs-accountant/

CHAPTER 10

ATO small business benchmarks: are you outside the range?

The ATO publishes benchmarks for hundreds of industries showing typical ratios of costs to turnover. Businesses outside the range can attract ATO attention, but the benchmarks are also a useful health check.

The ratios

Each ratio is the cost divided by turnover (excluding GST) $\times 100$. Common ones: cost of sales, total expenses, labour, rent and motor vehicle expenses. The ATO groups businesses by industry and turnover range.

How to check

1. Find your industry and turnover range on the ATO's Compare your business page.
2. Calculate your ratios from your profit and loss.
3. See where you sit in the range.

If you are outside the range

- Look for real reasons: start-up year, unusual large job, change in business model, location.
- Check for errors: wrong coding, private costs in the business, missing sales.
- Document the reasons. Being outside the range is not proof of a problem, but you should be able to explain it.

Use it to improve

A labour or cost of sales ratio above your peers often means a pricing or productivity issue: see markup vs margin and KPIs for small business. Our business health check covers this.

Quick answers

How are ATO benchmark ratios calculated?

The relevant cost divided by turnover excluding GST, multiplied by 100, compared with businesses in the same industry and turnover range.

What if my business is outside the benchmark?

Check for errors and document genuine reasons. Being outside the range is not proof of a problem.

Sources

- [ATO: Compare your business now](#)
- [ATO: How we calculate benchmark ratios](#)

Read online with live links: myprm.com.au/blog/ato-small-business-benchmarks/

Want this applied to your situation?

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