

Director Identification Number requirements

Members are advised that **the Australian Government ('the Government')** has introduced a regime requiring directors of Australian companies to hold a unique Director Identification Number (DIN).

The requirement to hold a DIN emanates from the Government's launch of the [2020 Digital Business Plan](#) and the implementation of its Modernising Business Registers (MBR) program.

The MBR has established a new register service under [Australian Business Registry Services \(ABRS\)](#) that will act as repository of business information as well as a method of maintaining your business information with the government.

What is a DIN and why is there such a requirement?

A DIN is a unique 15-digit identifier allocated to a director, who has had their identity verified with the ABRS.

The introduction of the DIN has been deemed necessary by the Government to deal with illegal phoenix activities and improve the traceability of company directors over time.^[1]

Directors must apply for their own DIN and they will only ever have one, which they will keep forever.

Who will administer the new MBR and ABRS?

The Australian Commissioner of Taxation has been appointed as the Registrar and will lead the MBR program. The Registrar will administer the MBR, perform statutory registry functions and exercise powers under the law.

Who is required to apply for a DIN?

A director, an alternate director, a future director, or any other officer of a body corporate registered under the *Corporations Act 2001 (Cth)*, or the *Corporations (Aboriginal and Torres Strait Islander) Act 2006 (Cth)* is required to apply for a DIN.

The DIN is attached to a director permanently. This will result in businesses being able to search potential directors on the ABRS, have an opportunity to check for potential conflicts of interest and view their history as directors.

When should you apply for a DIN?

Current directors under the *Corporations Act 2001(Cth)* and the *Corporations (Aboriginal and Torres Strait Islander) Act 2006 (Cth)*, who have been appointed as directors on or before 31 October 2021, can apply for a DIN from 1 November 2021. Importantly, current directors must have applied for the DIN by 30 November 2022.^[2]

If you are to be appointed as a director between 1 November 2021 and 4 April 2022 you must apply for a DIN within 28 days of the appointment.

If you are appointed as a director from 5 April 2022 you will be required to apply for a DIN before appointment.

The DIN application will be available from November 2021 at abrs.gov.au

Other

Directors must apply for a DIN for themselves, because they will need to verify their identity. As such, no one can apply on their behalf.

Members are urged to seek their own professional advice on issues relating this new requirement.

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[1] Matthew Laming , Coming Soon: Director Identification Number requirements (2021 Webpage) <<https://www.bdo.com.au/en-au/insights/business-services/articles/coming-soon-director-identification-number-requirement>> [4].

[2] Michelle Eastwell, Vanessa Murphy & Chris Wright , *Director Identification Numbers incoming* (2021) (Web page Hall and Wilcox) < [Director Identification Numbers incoming - Lexology - practical know-how](#)> [1].