

***Are you a Director? Have you moved lately? Update your residential address on the ASIC register – or else!!***

Company directors **MUST** ensure their residential address details are kept up to date on the ASIC register.

If the ATO issues a Director Penalty Notice (“DPN”) – they send it to your home address as per the ASIC register.

If you don’t get it because it went to a previous address – that is no defence to the personal liability and loss of personal assets that the DPN will cause if not acted upon within 14 days from the date of the notice.

The NSW Court of Appeal recently held that a DPN was validly served by the ATO because it was sent by prepaid post to the directors address recorded on ASICs register, notwithstanding that the address was wrong.

The ATO is entitled to rely on the ASIC register and it does not have to go beyond such register to establish the correct address (*Robertson v DCT*).

**Again, a director served with a DPN has fourteen (14) days to take corrective action in order to avoid personal liability.** Such action includes

- Paying the debt
- Entering into an installment arrangement to pay the debt
- Appointing a Voluntary Administrator
- Appointing a Liquidator

If you or your clients have been served with a DPN you **MUST** act to avoid personal liability.

**The ATO CANNOT issue a DPN once the company has been placed into Liquidation or Voluntary Administration.**