

Director Identification Numbers soon to be mandatory for all company directors

Director Identification Numbers (DINs) are a new registration requirement for company directors. Announced by the Federal Government as part of the 2020 Budget Digital Business Plans, directors can begin applying for their ID from next month, and they will be mandatory for all directors by 30th November 2022.



The introduction of DINs is intended to combat a range of illegal activities, by making it easier to trace the movements of directors between entities. Illegal phoenix activities are one example, where a company is wound up or abandoned to avoid paying its debts, only to reappear in a new form, undertaking the same activities. The use of Director IDs will make it easier to track common directorships between different entities.

All directors will eventually be required to have a DIN. This includes not only directors of trading companies, but also directors of corporate trustees for family trusts and self-managed super funds, those of charities that use a corporate structure, and eligible officers of Aboriginal and Torres Strait Islander Corporations.

When should I apply?

The application process opens November 2021, but the timetable for application will vary depending on the circumstances of the director.

Importantly, current company directors (i.e. those who are directors on or before 31st October) will have a year to apply. Applications must be submitted by 30th November 2022.

Directors appointed after 31st October, but before 4th April 2022, will have 28 days to apply after their appointment.

From 5th April 2022 onwards, all newly appointed company directors must apply for a DIN before they are appointed.

How do I apply?

Directors applying for a DIN will need to have a [myGovID](#). myGovID is the Federal Government's digital identity tool, and is used for accessing a range of Government services. Confusingly, myGovID is different to a person's myGov account. myGov is itself a service that collates various Government services and information in one place, such as Medicare and Centrelink. A myGovID is the login that can be used to access myGov, amongst other things, with a verified identity.

There is an application process for a myGovID that includes submitting identification documents such as a birth certificate, passport and/or driver's license. Once confirmed, myGovID requires the use of an app on a mobile device.

For those who cannot get a myGovID, there will be a phone process (good luck!) and even a paper form. But the easiest way to both apply for and manage a DIN on an ongoing basis is to login online with a myGovID.

Once you have logged in with your myGovID, you will need to provide further identification documents, including your Tax File Number (TFN), and then complete the application process.

Please note: The requirement to apply using a myGovID and identify yourself means that we cannot manage the application process for our clients who are directors. We will however send out regular reminders between now and the deadline, and will be available to assist you with any questions or issues you may have.

What happens after that?

Once you have successfully applied for a DIN, the ID will need to be provided to all organisations for which you are a director. The ID is held for life and will move with you when you change companies or stop being a director.

We will include the recording of DINs as a part of our processes when setting up and managing our clients' companies.

There is a reasonable timeline to comply, but once the relevant deadlines have passed, penalties and charges may apply for any directors who have not applied for a DIN.

If you have any questions about this measure or would like to discuss further how it affects your circumstances, please [contact us](#).

Liability limited by a scheme approved under Professional Standards Legislation.

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