

Director Identification Number
Do you have one?

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**30 November 2022 Deadline to apply for
Director Identification Number is fast
approaching**
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Company directors must be aware that you have less than two weeks left to apply for a Director Identification Number (**DIN**), or risk exposure to a substantial monetary penalty.

The introduction of the DIN initiative seeks to promote good corporate governance and facilitate simpler tracking of directors, thereby reducing the time and costs incurred by both liquidators and administrators.

Key Takeaways

- A DIN is a unique 15 digit identifier that seeks to prevent the use of fraudulent director identities, and aims to deter business misconduct.
- Under the new legislation, all company directors are required to apply for a DIN.
- Failure to apply for a DIN by the 30 November 2022 deadline may result in severe civil or criminal penalties.

Background

In June 2020, the Federal Government introduced the *Treasury Laws Amendment (Registries Modernisation and Other Measures) Act 2020* (Cth) (the **Act**), requiring every director to obtain a Director Identification Number (DIN). The Act invokes a new Part 9.1A of the *Corporations Act 2001* (Cth), which sets out the new DIN requirements and introduces offences for failing to obtain a DIN.

The DIN regime

A DIN is a unique identifier issued to a current or prospective director by the Australian Business Registry Services (**ABRS**). The DIN remains with the director for life, and is intended to confirm a director's identity. Each director will retain this identifier, even if their circumstances change, and they:

- cease to be a director;
- relocate interstate or overseas;
- change their name; or
- move to another company.

The DIN regime is designed to improve traceability of a director's involvement in the operation of companies. In turn, it aims to assist regulators with investigating unlawful activity such as illegal phoenixing activity.

Who is required to obtain a DIN?

A DIN is required for all directors, if you are an eligible officer of:

1. a company, registered Australian body or registered foreign company under the *Corporations Act 2001* (Cth); and/or
2. an Aboriginal or Torres Strait Islander corporation registered under the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (Cth).

An 'eligible officer' is regarded as an individual who is either appointed as a director or as an alternate director acting in that capacity.

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What is the deadline for submitting a DIN application?

The deadline for applying for a DIN varies according to the date on which the eligible director was appointed.

The timeframes to apply for a DIN are:

- If appointed on or before 31 October 2021 – by 30 November 2022;
- If appointed between 1 November 2021 and 4 April 2022 – you had 28 days from the date of appointment;
- If appointed from 5 April 2022 – prior to appointment; and
- Incoming new directors – prior to appointment

How to apply for a DIN

Applying for a DIN is a relatively simple process, and can be done through an online application with ABRS with a myGovID.

Penalties for non-compliance

Directors that fail to hold a DIN by the relevant deadline may be exposed to severe criminal and/or civil penalties.

Any directors that commit additional breaches, such as misrepresenting their DIN, applying for multiple DIN's or providing a false DIN, may be in breach of a director ID offence under the *Corporations Act 2001*.

Need help with a DIN?

If you are a director required to apply for a DIN or would like further information on the DIN regime, please contact [Chris Kintis](#) or your usual ClarkeKann contact.