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Company formation in Australia

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Coat of arms

Common form	Proprietary limited company (Pty Ltd) [1]
Registry	Australian Securities and Investments Commission (ASIC) [1]
Minimum capital	None [1]
Directors	1 director, who needs a director ID [1]
Local director	At least 1 director must ordinarily reside in Australia [1]
Corporate tax	30% (25% for base rate entities) [2]
VAT / sales tax	10% GST [2]
Typical timeline	Often the same day online [1]
Tax treaties	Domestic rates and treaty list [7]
Currency	Australian dollar (AUD)

In short: To set up a company in Australia, most founders form a proprietary limited company, registered with the Australian Securities and Investments Commission (ASIC). [1] Minimum capital: none. Corporate tax: 30% (25% for base rate entities). Registration: often the same day online (as of November 2026).

A **proprietary limited company (Pty Ltd)** in **Australia** is registered with **ASIC**, often online on the same day. At least one director must ordinarily live in Australia, and every director needs a director identification number.

Business structures

Most founders in Australia form a proprietary limited company, registered with the Australian Securities and Investments Commission (ASIC). [1] Other forms are listed below.

- **Pty Ltd** – proprietary limited company, the usual choice
- **Public company (Ltd)** – for larger or listed businesses
- **Sole trader, partnership, trust** – common unincorporated structures

Requirements

Minimum share capital in Australia (2026): none. Directors required: 1 director, who needs a director ID. Local resident director: at least 1 director must ordinarily reside in Australia. [1]

- A company name that is available, checked with the registry.
- Share capital: none.
- Directors: 1 director, who needs a director ID.
- Local residency: at least 1 director must ordinarily reside in Australia.
- A registered office address in Australia.
- Articles of association; standard templates are often available.
- Beneficial owners reported to the members register kept by the company.

Registration process

Typical time to register a company in Australia (2026): often the same day online. [1] The usual steps are:

1. Choose the company form and check that the name is available.
2. Prepare and sign the articles of association.
3. File the registration with the Australian Securities and Investments Commission (ASIC).
4. Receive the company's registration number, and pay in the share capital where required.
5. Register for corporate tax and VAT or sales tax with the Australian Taxation Office (ATO).

Taxation

The corporate tax rate in Australia in 2026 is 30% (25% for base rate entities). [2] Standard VAT or sales tax: 10% GST. [2]

Tax	Rate and notes
Corporate income tax	30% (25% for base rate entities)
VAT / indirect tax	10% GST
Withholding tax on dividends to non-resident companies	30%

Ongoing compliance

Annual compliance in Australia: Companies pay ASIC's annual review fee, keep their details current, lodge a company tax return with the ATO, and lodge business activity statements for GST. [1]

Double tax treaties

Australia has a network of double tax treaties. A double tax treaty decides which country may tax cross-border income and usually caps the withholding tax the paying country can charge.

Domestic withholding tax on payments to non-resident companies

Dividends	Interest	Royalties
30%	10%	30%

Fully franked dividends are exempt.

The reduced rate for each partner country is set by the treaty concerned; PwC's withholding tax summary for Australia lists them.

Domestic rates from the PwC Worldwide Tax Summaries withholding tax quick chart (November 2026). Treaty benefits require proof of tax residence and are subject to anti-abuse rules.

Frequently asked questions

How long does it take to register a company in Australia?

Typical registration time in Australia: often the same day online (as of November 2026), once all documents are ready. Opening a bank account and tax registrations can take longer.

What is the minimum share capital for a company in Australia?

Minimum share capital in Australia: none (as of November 2026).

What is the corporate tax rate in Australia in 2026?

The corporate tax rate in Australia in 2026 is 30% (25% for base rate entities). See the Taxation section for reduced rates and other taxes.

Can a foreigner own 100% of a company in Australia?

Yes, for most activities, though some sectors restrict foreign ownership or require approval. Local director rule in Australia: at least 1 director must ordinarily reside in Australia.

What withholding tax applies to dividends paid from Australia?

Australia withholds 30% on dividends paid to non-resident companies under domestic law, often reduced by a tax treaty. See the Double tax treaties section.

Official registries and resources

- Australian Securities and Investments Commission (ASIC)
- Australian Taxation Office (ATO)

Figures as of November 2026. Rates, thresholds and procedures change; confirm with the official registry, the tax authority or a local adviser before filing.

See also

- Comparison of company formation by country

- Company formation in Singapore
- Company formation in Hong Kong
- Company formation in Japan
- Company formation in India
- All countries

References

Entries marked **Official** are the registry, government and tax authority sources for this country; footnote numbers in the infobox point to them.

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2. Official Australian Taxation Office (ATO) . Government of Australia. Accessed November 2026.
3. Australia: Corporate – Taxes on corporate income (reviewed 30 June 2026) . PwC Worldwide Tax Summaries. Accessed November 2026.
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