



A New Tax System (Goods and Services Tax) Regulations 2019

I, General the Honourable Sir Peter Cosgrove AK MC (Ret'd), Governor-General of the Commonwealth of Australia, acting with the advice of the Federal Executive Council, make the following regulations.

Dated 21 March 2019

Peter Cosgrove
Governor-General

By His Excellency's Command

Stuart Robert
Assistant Treasurer

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Chapter 1—Introduction

Part 1—Preliminary

1 Name

This instrument is the *A New Tax System (Goods and Services Tax) Regulations 2019*.

2 Commencement

- (1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this instrument	1 April 2019.	1 April 2019

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

- (2) Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

3 Authority

This instrument is made under the *A New Tax System (Goods and Services Tax) Act 1999*.

Chapter 2 The basic rules

Part 2-5 Registration

Division 23 Who is required to be registered and who may be registered

Section 23-15.01

Chapter 2—The basic rules

Part 2-5—Registration

Division 23—Who is required to be registered and who may be registered

23-15.01 Registration turnover threshold (other than for non-profit bodies)

For the purposes of paragraph 23-15(1)(b) of the Act, the amount of \$75,000 is specified.

23-15.02 Registration turnover threshold for non-profit bodies

For the purposes of paragraph 23-15(2)(b) of the Act, the amount of \$150,000 is specified.

Part 2-6—Tax periods

Division 29—What is attributable to tax periods

Subdivision 29-C—Tax invoices and adjustment notes

29-80.01 Value of taxable supply for which tax invoice not required

For the purposes of subsection 29-80(1) of the Act, the amount of \$75 is specified.

29-80.02 Amount for which adjustment note not required

For the purposes of subsection 29-80(2) of the Act, the amount of \$75 is specified.

Part 2-7—Returns, payments and refunds

Division 33—Payments of GST

33-15.01 Object of this Division

The object of this Division is to provide for the deferral of payments of amounts of assessed GST on taxable importations.

33-15.01A Circumstances in which payments of assessed GST on taxable importations are deferred

For the purposes of paragraph 33-15(1)(b) of the Act, amounts of assessed GST on taxable importations are to be paid in accordance with section 33-15.01B of this instrument if both of the following requirements are met:

- (a) GST returns in relation to the importer are lodged with the Commissioner in the approved form;
- (b) either:
 - (i) the goods in question are entered for home consumption (within the meaning of the *Customs Act 1901*) by computer and the importer is an approved entity at the time of the taxable importation; or
 - (ii) the goods in question are taken to have been entered for home consumption for the purposes of the *A New Tax System (Goods and Services Tax) Act 1999* under subsection 105D(2) of the *Customs Act 1901* and the importer is an approved entity at that time.

33-15.01B Payment

- (1) An amount of assessed GST on a taxable importation that is payable by an approved entity must be paid to the Commissioner on or before the 21st day after the end of the month in which the liability for the assessed GST arose.
- (2) Amounts of assessed GST must be paid by electronic payment.

33-15.02 Application for approval

An entity may apply to the Commissioner in the approved form for approval to make deferred payments of assessed GST on taxable importations.

33-15.03 Requirements for approval

- (1) The Commissioner must, in writing, approve an application by an entity if the Commissioner is satisfied that:
 - (a) the entity is registered under Part 2-5 of the Act; and
 - (b) the entity has an ABN; and
 - (c) if the entity is an individual—the entity is not an undischarged bankrupt; and
 - (d) the tax period applying to the entity is each individual month; and

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- (e) if the entity is a member (but not the representative member) of a GST group—the representative member of the group is an approved entity; and
 - (f) the entity will be able to meet the requirements in sections 33-15.01A and 33-15.01B; and
 - (g) the bank guarantee (if any) required under section 33-15.04 has been provided; and
 - (h) it would not be appropriate to refuse the application under subsection (2), (3) or (4) of this section.
- (2) The Commissioner may refuse the application if the entity is a Chapter 5 body corporate (within the meaning of section 9 of the *Corporations Act 2001*).
- (3) The Commissioner may refuse the application if, in the period of 3 years before the date of the application:
- (a) the entity; or
 - (b) if the entity is not an individual—an individual who is relevant to the entity's application;
- has been convicted by a court, whether in Australia or in another country, of an offence in relation to taxation requirements, customs requirements, the misdescription of goods, trade practices, fair trading or the defrauding of a government.
- Note: Part VIIC of the *Crimes Act 1914* includes provisions that, in certain circumstances, relieve persons from the requirement to disclose spent convictions and require persons aware of such convictions to disregard them.
- (4) The Commissioner may refuse the application if the entity, or any of its related entities, has:
- (a) an outstanding tax-related liability (within the meaning of section 995-1 of the *Income Tax Assessment Act 1997*); or
 - (b) a return outstanding under a taxation law.

33-15.04 Bank guarantee requirement

- (1) If:
- (a) an entity applies for approval; and
 - (b) a previous approval of the entity has been revoked under section 33-15.08 of this instrument or regulation 33-15.08 of the *A New Tax System (Goods and Services Tax) Regulations 1999*;
- the Commissioner may require the entity to provide a bank guarantee in relation to the payment of deferred payments of assessed GST on taxable importations.
- (2) The guarantee must provide that, if an amount of assessed GST on taxable importations is not paid to the Commissioner on or before the day mentioned in subsection 33-15.01B(1), the bank will pay to the Commissioner the lesser of:
- (a) the overdue amount; and
 - (b) the guarantee amount worked out under subsection (3) of this section.
- (3) The guarantee amount is 1.5 times the highest monthly amount of assessed GST on taxable importations that was payable by the entity:

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- (a) in the 12 months before the application mentioned in paragraph (1)(a) was made; or
- (b) if no monthly amounts of assessed GST on taxable importations were payable in that 12 months—in the 12 months before the previous approval was revoked.

33-15.05 Decision on application—notice and date of effect

- (1) If the Commissioner approves an entity's application, the Commissioner must give the entity written notice of the approval.
- (2) The approval takes effect on the day specified in the approval.
- (3) If the Commissioner refuses an entity's application, the Commissioner must give the entity written notice of the refusal.
- (4) The notice must:
 - (a) state the reasons for the refusal; and
 - (b) state that the entity has a right under section 33-15.09 to object against the decision.

33-15.08 Revocation of approval

- (1) The Commissioner may, in writing, revoke an entity's approval if the Commissioner is satisfied that:
 - (a) the entity has failed to meet a requirement in section 33-15.01A or 33-15.01B; or
 - (b) the entity no longer meets the requirements for approval in section 33-15.03; or
 - (c) the bank guarantee (if any) provided by the entity under section 33-15.04 has lapsed; or
 - (d) the entity is liable to pay general interest charge on an amount; or
 - (e) the entity is being prosecuted for, or has been convicted of, an offence under Part III of the *Taxation Administration Act 1953*.
- (2) The revocation takes effect on the day specified in the revocation.
- (3) If the Commissioner revokes an entity's approval, the Commissioner must give the entity written notice of the revocation.
- (4) The notice must:
 - (a) state the reasons for the revocation; and
 - (b) state that the entity has a right under section 33-15.09 to object against the decision.

33-15.09 Review of decisions

An entity that is dissatisfied with a decision of the Commissioner to:

- (a) refuse an application by the entity under section 33-15.03; or
- (b) require the entity to provide a bank guarantee under section 33-15.04; or

(c) revoke an approval of the entity under section 33-15.08;
may object against the decision in the manner set out in Part IVC of the *Taxation Administration Act 1953*.

Chapter 3—The exemptions

Part 3-1—Supplies that are not taxable supplies

Division 38—GST-free supplies

Subdivision 38-A—Food

38-3.01 Food additives

- (1) For the purposes of paragraph 38-3(1)(e) of the Act, food additives other than exempt food additives are specified.
- (2) Each of the following is an *exempt food additive*:
 - (a) a food additive which, at the time of supply is packaged and marketed for retail sale;
 - (b) a food additive which, at the time of supply:
 - (i) has a measurable nutritional value; and
 - (ii) is supplied for use solely or predominantly in the composition of food; and
 - (iii) is essential to the composition of that food.

38-3.02 GST-free beverages supplied from vending machines

For the purposes of subsection 38-3(2) of the Act, section 38-3 of the Act does not apply to a supply of a beverage that:

- (a) is specified in the third column (which is headed “Beverages”) of the table in clause 1 of Schedule 2 to the Act; and
- (b) apart from this section, would not be GST-free; and
- (c) is supplied on premises from a vending machine for consumption on the premises.

Subdivision 38-B—Health

38-45.01 Medical aids and appliances

- (1) For the purposes of paragraph 38-45(1)(a) of the Act, supplies of the medical aids and appliances mentioned in the following table are specified.

Medical aids and appliances		
Item	Category	Medical aid or appliance
1	Advanced wound care	(a) alginate; and (b) hydro colloids; and (c) hydro gel; and (d) polyurethane film; and (e) polyurethane foam

Section 38-185.01

Medical aids and appliances		
Item	Category	Medical aid or appliance
2	Communication aids for people with disabilities	(a) tracheostomy appliances and accessories; and (b) laryngotomy appliances and accessories
3	Continence	skin bond
4	Daily living for people with disabilities	(a) artificial ears; and (b) nose prostheses
5	Hearing/speech	hearing loops
6	Infusion systems for the delivery of a measured dose of a medication	(a) infusion sets; and (b) infusion pumps
7	Mobility of people with disabilities— physical: orthoses	compression garments
8	Mobility of people with disabilities— physical: prostheses	supplements and aids associated with mammary prostheses
9	Mobility of people with disabilities— physical: seating aids	postural support seating
10	Mobility of people with disabilities— physical: walking aids	accessories associated with walking frames or specialised ambulatory orthoses
11	Personal hygiene for people with disabilities	customised modifications and accessories for the aids or appliances mentioned in items 111 to 121 of Schedule 3 to the Act
12	Respiratory appliances	tilt tables
13	Stoma	stoma products including all bags and related equipment for patients with urostomies

(2) Section 182-15 of the Act applies in relation to the second column of the table in subsection (1) of this section as if that column were the second column of the table in Schedule 3 to the Act.

Note: The second column in the table in subsection (1) of this section and the second column of the table in Schedule 3 to the Act are both headed “Category”.

Subdivision 38-E—Exports and other cross-border supplies

38-185.01 Export of goods by travellers as accompanied baggage

Schedule 1 specifies rules for the purposes of item 7 of the table in subsection 38-185(1) of the Act.

Division 40—Input taxed supplies

Subdivision 40-A—Financial supplies

40-5.01 Object of Subdivision 40-A

The object of this Subdivision is to identify supplies that are financial supplies.

Note 1: For the meaning of *supply*, see section 9-10 of the Act.

Note 2: Subsection 40-5(2) of the Act provides that *financial supply* has the meaning given by this instrument.

40-5.05 Acquisition

In this Division, *acquisition*, in relation to the provision or disposal of an interest, includes acceptance and receipt of the interest.

40-5.06 Financial supply providers

- (1) An entity, in relation to the supply of an interest that was:
- (a) immediately before the supply, the property of the entity; or
 - (b) created by the entity in making the supply;
- is the *financial supply provider* of the interest.

Note 1: Examples of interests to which paragraph (a) applies are:

- (a) a share or bond that is sold; and
- (b) rights assigned under a derivative.

Note 2: Examples of interests to which paragraph (b) applies are:

- (a) a share or bond that is issued; and
- (b) a derivative that is entered into.

- (2) The entity that acquires that interest is also the *financial supply provider* of the interest.

40-5.07 Financial supply facilitators

A *financial supply facilitator*, in relation to the supply of an interest, is an entity facilitating the supply of the interest for a financial supply provider.

40-5.08 When supply may be financial supply

For the purposes of subsection 40-5(2) of the Act, a supply is a financial supply if:

- (a) the supply is a financial supply under section 40-5.09 and is not excluded by section 40-5.12; or
- (b) the supply is an incidental financial supply under section 40-5.10.

40-5.09 What supplies are financial supplies

- (1) The provision, acquisition or disposal of an interest mentioned in subsection (3) is a financial supply if:
 - (a) the provision, acquisition or disposal is:
 - (i) for consideration; and
 - (ii) in the course or furtherance of an enterprise; and
 - (iii) connected with the indirect tax zone; and
 - (b) the supplier is:
 - (i) registered or required to be registered; and
 - (ii) a financial supply provider in relation to supply of the interest.
- (2) However, if Division 84 (offshore supplies) of the Act applies to the provision, acquisition or disposal of an interest mentioned in subsection (3), the provision, acquisition or disposal is a financial supply to the extent that it would, apart from subparagraphs (1)(a)(iii) and (b)(i), be a financial supply.
- (3) For the purposes of subsections (1) and (2), the interest is an interest in or under a matter mentioned in an item in the following table.

Financial supplies

Item	An interest in or under ...
1	An account made available by an Australian ADI in the course of: <ol style="list-style-type: none"> (a) its banking business within the meaning of the <i>Banking Act 1959</i>; or (b) its State banking business
2	A debt, credit arrangement or right to credit, including a letter of credit
3	A charge or mortgage over real or personal property
4	A regulated superannuation fund, an approved deposit fund, a pooled superannuation trust or a public sector superannuation scheme within the meaning of the <i>Superannuation Industry (Supervision) Act 1993</i> , or a retirement savings account within the meaning of the <i>Retirement Savings Accounts Act 1997</i>
5	An annuity or allocated pension
6	A life insurance business (within the meaning of the <i>Life Insurance Act 1995</i>): <ol style="list-style-type: none"> (a) which consists of the issuing of life policies (within the meaning of that Act); or (b) to which a declaration under subsection 12(2) or section 12A of that Act applies; or related reinsurance business
7	A guarantee
7A	An indemnity that holds a person harmless from any loss as a result of a transaction the person enters with a third party
8	Credit under a hire purchase agreement entered into before 1 July 2012 in relation to goods, if: <ol style="list-style-type: none"> (a) the credit for the goods is provided for a separate charge; and (b) the charge is disclosed to the recipient of the goods
9	Australian currency, the currency of a foreign country, digital currency or an agreement to buy or sell any of these 3 things
10	Securities, including:

Section 40-5.09

Financial supplies

Item An interest in or under ...

- (a) a debenture described in paragraph (a), (b), (c), (e) or (f) of the definition of *debenture* in section 9 of the *Corporations Act 2001*; and
 - (b) a document issued by an individual that would be a debenture if it were issued by a body corporate; and
 - (c) a scheme described in paragraph (e), (i) or (m) of the definition of *managed investment scheme* in section 9 of the *Corporations Act 2001*; and
 - (d) the capital of a partnership or trust
-

11 A derivative

12 An account made available by a non-resident in the course of carrying on banking business (within the meaning of the *Banking Act 1959*) in a foreign country in which the entity is authorised under the law of that country to carry on banking business

13 A foreign superannuation fund (within the meaning of the *Income Tax Assessment Act 1997*)

Note 1: If something is within the scope of both an item in the table in this subsection and an item in the table in section 40-5.12, it will *not* be a financial supply (see paragraph 40-5.08(a)).

Note 2: Subparagraph (1)(b)(ii) has the effect that a supply by a financial supply facilitator is *not* a financial supply.

Note 3: Supply of something that is mentioned in more than one item in the table in this subsection will still be a financial supply.

- (4) A supply by an Australian ADI for a fee of not more than \$1,000 is a financial supply if:
 - (a) item 1 of the table in subsection (3) does not apply to the supply because the recipient of the supply does not have an account with the ADI but the item would have applied to the supply if the recipient had an account with the ADI; or
 - (b) the fee relates to an application to the ADI that, if accepted, would result in the creation of an account by the ADI.

Example 1: For paragraph (a), electronic transfer to another Australian ADI for a person who does not hold an account with the ADI.

Example 2: For paragraph (b), a loan application fee.

- (5) A supply by an entity for a fee of not more than \$1,000 is a financial supply if it is a supply of one or more of the following ATM services:

- (a) a withdrawal from an account;
- (b) a deposit into an account;
- (c) an electronic transfer from an account;
- (d) advice of the balance of an account.

- (6) A reference in item 10 of the table in subsection (3) to a security does not include a security in relation to which an entity is given a right to participate in a barter scheme under which each participant may obtain goods or services from another participant for consideration that is wholly or substantially in kind rather than in cash.

40-5.10 Incidental financial supplies

If something is supplied by an entity to a recipient directly in connection with a financial supply to the recipient by the entity, the thing is an *incidental financial supply* if:

- (a) it is incidental to the financial supply; and
- (b) it and the financial supply are supplied, at or about the same time, but not for separate consideration; and
- (c) it is the usual practice of the entity to supply the thing, or similar things, and the financial supply together in the ordinary course of the entity's enterprise.

Note: Section 40-5.12 does not apply in relation to incidental financial supplies. As a result, if something is both an incidental financial supply and within the scope of an item in the table in section 40-5.12, it will still be a financial supply.

Example: Advice, for which a separate charge is not made, in relation to a housing loan.

40-5.11 Examples of supplies that are financial supplies

- (1) Schedule 2 sets out examples of supplies that relate to matters mentioned in the table in subsection 40-5.09(3).
- (2) If an example in Schedule 2 is inconsistent with any other provision of this instrument, the provision prevails.

Note 1: The examples are not to be taken as exhaustive. See section 15AD of the *Acts Interpretation Act 1901*.

Note 2: Something that is within the scope of an item in the table in subsection 40-5.09(3) can be a financial supply even if it is not mentioned as an example in Schedule 2.

40-5.12 What supplies are not financial supplies

For the purposes of subsection 40-5(2) of the Act, a supply mentioned in section 40-5.09 of this instrument is not a financial supply if it is the supply of something, or an interest in or under something, that is mentioned in an item in the following table.

Supplies that are not financial supplies	
Item	Supply of, or supply of an interest in or under ...
1	Cheque and deposit forms and books supplied to an Australian ADI in connection with an account mentioned in item 1 of the table in subsection 40-5.09(3)
2	Special forms, or overprinting of standard forms, by an Australian ADI to the requirements of particular account holders in connection with an account mentioned in item 1 of the table in subsection 40-5.09(3)
3	Professional services, including information and advice, in relation to a financial supply
4	A payment system, except to the extent that it is digital currency
5	Stored value facility cards and prepayments not linked to accounts provided by an Australian ADI in connection with an account mentioned in item 1 of the table in subsection 40-5.09(3)
6	Goods in accordance with agreements under which the goods are supplied under a lease, if:

Chapter 3 The exemptions
Part 3-1 Supplies that are not taxable supplies
Division 40 Input taxed supplies

Section 40-5.13

Supplies that are not financial supplies

Item	Supply of, or supply of an interest in or under ...
	(a) the lessees have no obligation or option to acquire the rights of the lessors in the goods; or (b) the lessors dispose of their rights in the goods to the lessees
7	An option, right or obligation to make a taxable supply or acquire something the supply of which is a taxable supply, except a mortgage or charge mentioned in item 3 of the table in subsection 40-5.09(3)
8	A supply made as a result of the exercise of an option or right, or the performance of an obligation, to make taxable supply or acquire something the supply of which is a taxable supply, including an option, right or obligation under a mortgage or charge mentioned in item 3 of the table in subsection 40-5.09(3)
9	Facilities for: (a) trading securities or derivatives; and (b) clearance and settlement of those trades
10	Insurance and reinsurance business, except life insurance business mentioned in item 6 of the table in subsection 40-5.09(3)
11	Broking services
12	Management of the assets or liabilities of another entity, including investment portfolio management and administration services for trusts or superannuation, pension or annuity funds
13	Debt collection services
14	Sales accounting services under a factoring arrangement, or an arrangement having the same effect as a factoring arrangement
15	Trustee services
16	Custodian services in relation to money, digital currency, documents and other things
17	Australian currency, or the currency of a foreign country, the market value of which exceeds its stated value as legal tender, or an agreement to buy or sell currency of either kind the market value of which exceeds its stated value as legal tender
18	An arrangement for the provision of goods to an entity for display or demonstration pending disposal of the goods to a third party
19	Goods supplied under a hire purchase agreement entered into on or after 1 July 2012
20	Credit under a hire purchase agreement entered into on or after 1 July 2012
21	A warranty for goods

- Note 1: If something is within the scope of both an item in the table in subsection 40-5.09(3) and an item in the table in this section, it will *not* be a financial supply (see paragraph 40-5.08(a)).
- Note 2: This section does not apply in relation to incidental financial supplies. As a result, if something is both an incidental financial supply and within the scope of an item in the table in this section, it will still be a financial supply.
- Note 3: Sections 7-1 and 9-70 of the Act, and this section in respect of items 7 and 8 of the table in this section, have the effect that GST is payable on the premium (if any) on a taxable deliverable commodity derivative and the price on settlement when the commodity is delivered.

40-5.13 Examples of supplies that are not financial supplies

- (1) Schedule 3 sets out examples of supplies mentioned in section 40-5.12.
- (2) If an example in Schedule 3 is inconsistent with any other provision of this instrument, the provision prevails.

Note: The examples are not to be taken as exhaustive. See section 15AD of the *Acts Interpretation Act 1901*.

Chapter 4—The special rules

Part 4-1—Special rules mainly about particular ways entities are organised

Division 48—GST groups

Subdivision 48-A—Formation and membership of GST groups

48-10.01 Trust distribution and beneficiaries

For the purposes of this Subdivision, if the trustee of a trust distributes income or capital of the trust in such a way that another entity receives the income or capital indirectly through one or more interposed trusts or companies:

- (a) the trustee is taken also to distribute the income or capital to the other entity; and
- (b) the other entity is taken also to be a beneficiary of the trust.

48-10.02 Membership requirements for partnerships

- (1) For the purposes of subparagraph 48-10(1)(a)(ii) of the Act, this section sets out the requirements that a partnership must satisfy.

Note: The partnership must also satisfy other membership requirements set out in section 48-10 of the Act.

- (2) If the GST group or proposed GST group includes entities other than partnerships, the partnership must satisfy the requirements of subsection (4), (5), (6) or (7).
- (3) If the GST group or proposed GST group consists only of partnerships:
 - (a) there are no further requirements for one of the partnerships; and
 - (b) each other partnership must satisfy the requirements of subsection (7).

Requirements that may be satisfied

- (4) The partnership satisfies the requirements of this subsection if, for at least one company that is a member of the GST group or proposed GST group:
 - (a) the partnership has at least a 90% stake in the company (worked out in accordance with section 190-5 of the Act as if the partnership were a company); or
 - (b) shares of the company are held in such a way that:
 - (i) if there is one shareholder—the shareholder is an associated person in relation to a partner in the partnership; and
 - (ii) if there is more than one shareholder—at least 2 shareholders are associated persons in relation to different partners in the partnership.
- (5) The partnership satisfies the requirements of this subsection if each partner in the partnership is:

- (a) an individual who is a member of the GST group or proposed GST group;
or
 - (b) a family member of such an individual.
- (6) The partnership satisfies the requirements of this subsection if, for at least one trust that is a member of the GST group or proposed GST group, the beneficiaries include at least 2 persons who are associated persons in relation to different partners in the partnership.
- (7) The partnership (the *candidate partnership*) satisfies the requirements of this subsection if:
- (a) there is a partnership (the *member partnership*) that is a member of the GST group or proposed GST group because of:
 - (i) paragraph (3)(a) or subsection (4), (5) or (6); or
 - (ii) this subsection, including the repeated application of this subsection;
and
 - (b) each partner in the candidate partnership is an individual, a family trust of an individual or a family company of an individual; and
 - (c) for each partner in the candidate partnership that is an individual, a family trust of an individual or a family company of an individual, one of the following is a partner in the member partnership:
 - (i) the individual;
 - (ii) a family trust of the individual;
 - (iii) a family company of the individual;
 - (iv) a family member of the individual;
 - (v) another individual for whom the first individual is a family member;
 - (vi) a family trust of a family member mentioned in subparagraph (iv) or the other individual mentioned in subparagraph (v);
 - (vii) a family company of a family member mentioned in subparagraph (iv) or the other individual mentioned in subparagraph (v); and
 - (d) at least 2 of the partners in the candidate partnership comply with paragraph (c) through different partners in the member partnership (whether or not they also comply through the same partner in the member partnership).

48-10.03 Membership requirements for trusts

- (1) For the purposes of subparagraph 48-10(1)(a)(ii) of the Act, the following are the requirements that a trust must satisfy:
- (a) if the GST group or proposed GST group consists only of fixed trusts—
either the requirement set out in subsection (2) or the alternative requirements set out in section 48-10.03A;
 - (b) in any other case—the requirement set out in subsection (2).

Note: The trust must also satisfy other membership requirements set out in section 48-10 of the Act.

Section 48-10.03A

Requirements that may be satisfied

- (2) One of the following must be satisfied for the trustee of the trust (the ***candidate trustee***):
- (a) the candidate trustee has at least a 90% stake in a company that is a member of the GST group or proposed GST group (worked out in accordance with section 190-5 of the Act as if the trustee were a company);
 - (b) the candidate trustee distributes any income or capital of the trust only to beneficiaries that are permitted beneficiaries (whether or not other distributions could lawfully be made);
 - (c) the candidate trustee is the sole beneficiary of any distribution of income or capital by the trustee of another trust that is a member of the GST group or proposed GST group;
 - (d) the candidate trustee distributes income or capital of the trust, and the trustee of another trust that is a member of the GST group or proposed GST group distributes income or capital of the other trust, only to persons who are all family members of the same individual (whether or not other distributions could lawfully be made).
- Note: Distributions to beneficiaries may be direct or indirect (section 48-10.01).
- (3) Each of the following is a ***permitted beneficiary***:
- (a) a company that is a member of the GST group or proposed GST group;
 - (b) an endorsed charity or a gift-deductible entity;
 - (c) an individual who is a member of the GST group or proposed GST group;
 - (d) a family member of an individual who is a member of the GST group or proposed GST group;
 - (e) a trustee of a trust that is a member of the GST group or proposed GST group.
- (4) For a company that is a member of the GST group or proposed GST group, each associated person in relation to a shareholder of the company is also a ***permitted beneficiary*** if:
- (a) for a company with one shareholder—the beneficiaries of the trust include an associated person in relation to the shareholder; and
 - (b) for a company with more than one shareholder—the beneficiaries of the trust include at least 2 beneficiaries who are associated persons in relation to different shareholders.
- (5) For a partnership that is a member of the GST group or proposed GST group, each associated person in relation to a partner in the partnership is also a ***permitted beneficiary*** if the beneficiaries of the trust include at least 2 beneficiaries who are associated persons in relation to different partners.

48-10.03A Alternative membership requirements for groups of fixed trusts

- (1) This section sets out the alternative requirements mentioned in paragraph 48-10.03(1)(a) for a trust to satisfy in relation to a GST group or proposed GST group that consists only of fixed trusts.

Note: The fixed trust must also satisfy other membership requirements set out in section 48-10 of the Act.

- (2) The fixed trust must be a member of the same 90% owned trust group as all other fixed trusts in that group.
- (3) For the purposes of this section:
 - (a) two fixed trusts are members of the same **90% owned trust group** if:
 - (i) the trustee of one of the trusts has at least a 90% trust stake in the other trust; or
 - (ii) the trustee of a third trust has at least a 90% trust stake in each of the 2 trusts; and
 - (b) the trustee of a fixed trust (the **head trust**) has **at least a 90% trust stake** in another fixed trust (the **sub-trust**) if the trustee:
 - (i) owns at least 90% of the issued units in the sub-trust (whether directly or indirectly through one or more interposed trusts or companies); and
 - (ii) has the right to receive at least 90% of any distribution of capital or income of the sub-trust.

48-10.04 Membership requirements for individuals

- (1) For the purposes of subparagraph 48-10(1)(a)(ii) of the Act, this section sets out the requirements that an individual must satisfy.

Note: The individual must also satisfy other membership requirements set out in section 48-10 of the Act.

- (2) The individual must satisfy the requirements of subsection (3), (4) or (5).

Requirements that may be satisfied

- (3) The individual satisfies the requirements of this subsection if, for at least one company that is a member of the GST group or proposed GST group:
 - (a) the individual has at least a 90% stake in the company (worked out in accordance with section 190-5 of the Act as if the individual were a company); or
 - (b) each shareholder of the company is either the individual or a family member of the individual.
- (4) The individual satisfies the requirements of this subsection if, for at least one partnership that is a member of the GST group or proposed GST group, the partners of the partnership are:
 - (a) the individual and one or more family members of the individual; or
 - (b) family members of the individual.
- (5) The individual satisfies the requirements of this subsection if, for at least one trust that is a member of the GST group or proposed GST group:
 - (a) the beneficiaries of the trust include either or both of the individual and family members of the individual; and
 - (b) the trustee of the trust distributes income or capital of the trust only to permitted beneficiaries.

Division 51—GST joint ventures

Subdivision 51-A—Formation of and participation in GST joint ventures

51-5.01 Specified purposes for GST joint ventures

- (1) For the purposes of paragraph 51-5(1)(a) of the Act, each of the following purposes are specified:
 - (a) research and development;
 - (b) the provision of insurance, other than life insurance;
 - (c) fishing;
 - (d) agriculture;
 - (e) cultivation, or exploitation, of timber;
 - (f) design, or building, or maintenance, of residential or commercial premises;
 - (g) civil engineering, including the design, construction and maintenance of roads, railways, bridges, canals, dams, ports, harbours, airports and similar installations;
 - (h) generation, or transmission, or distribution, of electricity;
 - (i) transmission, or distribution, of water;
 - (j) receipt, or storage, or distribution, of oil and gas products;
 - (k) refining, or processing, of oil and gas products;
 - (l) beneficiation of minerals and primary metal production, including alloy production;
 - (m) charitable activities;
 - (n) transportation.
- (2) If a joint venture is a joint venture for more than one of the purposes specified in subsection (1) or paragraph 51-5(1)(a) of the Act, the combination of those purposes is specified as a purpose.

Part 4-2—Special rules mainly about supplies and acquisitions

Division 70—Financial supplies (reduced credit acquisitions)

70-5.01 Objects of this Division

The objects of this Division are:

- (a) to specify the kind of acquisitions that relate to making financial supplies that can give rise to an entitlement to a reduced input tax credit; and
- (b) to specify the percentage to which the input tax credit is reduced.

70-5.01A Meaning of *closely related*

An enterprise is *closely related* to another enterprise if any of the following conditions apply:

- (a) both enterprises are carried on by the same entity;
- (b) one enterprise is carried on by a 100% subsidiary of the entity that carries on the other enterprise;
- (c) both enterprises are carried on by 100% subsidiaries of the same entity.

70-5.02 Acquisitions that attract reduced input tax credits: general

- (1) For the purposes of subsection 70-5(1) of the Act, an acquisition mentioned in the following table that relates to making financial supplies can give rise to an entitlement to a reduced input tax credit.

Reduced credit acquisitions—general

Item	Acquisition
Transaction banking and cash management services	
1	The service of opening, issuing, closing, operating, maintaining or performing a transaction in respect of an account by a financial supply facilitator, including by using the following facilities: <ul style="list-style-type: none">(a) telephone banking;(b) internet banking;(c) Bank@Post
2	Processing services in relation to account information for account providers, including the following: <ul style="list-style-type: none">(a) archives storage, retrieval and destruction services;(b) statement processing and bulk mailing;(c) processing and manipulation of information relating to accounts, including information about transactions to which item 7 applies
3	Acquisition of transaction cards by card account providers
4	Acquisition of passbooks, deposit and withdrawal forms and cheques and chequebooks by account providers

Chapter 4 The special rules

Part 4-2 Special rules mainly about supplies and acquisitions

Division 70 Financial supplies (reduced credit acquisitions)

Section 70-5.02

Reduced credit acquisitions—general

Item Acquisition

- 5 Processing services in relation to account applications for account providers, including providing credit reference and credit scoring assessments
-

Payment and fund transfers services

- 6 Supplies to which the following payment system fees relate:
(a) fees charged by the operator of a payment system to a participant in the system;
(b) fees charged by a participant in a payment system to a third party in relation to access to the system;
(c) fees charged between participants in a payment system
-
- 7 Processing, settling, clearing and switching transactions of the following kinds:
(a) direct credit and debit;
(b) other credit and debit transactions;
(c) charge, credit and debit card transactions;
(d) cheque;
(e) electronic funds transfer;
(f) ATM;
(g) BPAY;
(h) internet banking;
(i) Bank@Post;
(j) the SWIFT (Society for Worldwide Interbank Financial Telecommunications) Payment Delivery System
-
- 8 Services to a third party mentioned in paragraph (b) in item 6, including:
(a) processing of account data; and
(b) electronic payment services
-

Securities transactions services

- 9 Arrangement, by a financial supply facilitator, of the provision, acquisition (within the meaning of Division 40) or disposal of an interest in a security, including the following:
(a) order placement and trade execution;
(b) clearance and settlement of trades;
(c) management of the issue of securities, including rights and bonus issues;
(d) arranging flotations and privatisations;
(e) arranging mergers and acquisitions;
(f) arranging takeover bids;
(g) performing a settlement, including issue of drafts and encashment;
(h) other securities transactions, including lodgement, withdrawal and exchange control;
(i) underwriting, except a matter that is described in the table in subsection 40-5.09(3)
-
- 10 Securities and unit registry services to securities and unit issuers, including the following:
(a) managing portfolios of assets;
(b) allotting of share issues;
(c) making dividend payments;
(d) receiving applications for issue of shares;
(e) performing a redemption or capital repayment;
(f) placing scrip orders;
-

Reduced credit acquisitions—general

Item Acquisition

- (g) bonus issues;
 - (h) scrip settlement;
 - (i) client account processing;
 - (j) transaction processing and recording;
 - (k) handling investor inquiries
-

Loans services

- 11 The following supplies by a financial supply facilitator:
- (a) loan agency services;
 - (b) provision of a loan facility;
 - (c) mortgage broking;
 - (d) arranging syndicated loans;
 - (e) introducing and broking
-
- 12 Lenders mortgage and title insurance
-
- 12A Lenders mortgage reinsurance
-
- 13 Loan protection insurance
-
- 14 The following loan application, management and processing services:
- (a) loan origination and brokerage;
 - (b) settlement and discharge of loans, including document preparation;
 - (c) registration of loan documents;
 - (d) credit reference assessment and credit scoring analysis;
 - (e) valuations;
 - (f) property title searches;
 - (g) registration and certification of titles;
 - (h) mortgage variations, including name changes;
 - (i) lodging and removing caveats to titles
-
- 15 The following loan management services:
- (a) processing of repayments;
 - (b) statement preparation;
 - (c) filing and requisitioning of loan file records
-

Credit union services

- 16 Supply to a credit union by:
- (a) an entity that is wholly owned by 2 or more credit unions; or
 - (b) an entity that is wholly owned by an entity mentioned in paragraph (a)
-

Debt collection services

- 17 The following debt collection services:
- (a) debt recovery;
 - (b) litigation;
 - (c) lodgement of documents;
 - (d) management by a financial supply facilitator of the recovery of sums due by borrowers
-

Chapter 4 The special rules

Part 4-2 Special rules mainly about supplies and acquisitions

Division 70 Financial supplies (reduced credit acquisitions)

Section 70-5.02

Reduced credit acquisitions—general

Item	Acquisition
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Asset based finance services

18	Arrangement by a financial supply facilitator of hire purchase to which item 8 in the table in subsection 40-5.09(3) applies
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Trade finance services

19	Trade finance transaction processing and recording
20	Trade finance remittance services

Capital markets and financial instruments services

21	Arrangement by a financial supply facilitator of any of the following: (a) the supply of a derivative or the currency of a foreign country, or an agreement to buy or sell the currency; (b) the sale of a forward contract; (c) the supply of digital currency, or an agreement to buy or sell digital currency
22	Transaction processing, account maintenance and report generation services provided to any of the following: (a) suppliers of derivatives; (b) suppliers of the currency of a foreign country, or an agreement to buy or sell the currency; (c) suppliers of digital currency, or an agreement to buy or sell digital currency

Funds management services

23	The following investment portfolio management functions, including those functions for superannuation schemes: (a) management of a client’s asset portfolio; (b) management of an investment portfolio for a trust or superannuation fund; (c) acting as a trustee of a trust or superannuation fund; (d) acting as a single responsible entity; (e) asset allocation services
24	The following administrative functions in relation to investment funds, including those functions for superannuation schemes: (a) maintaining member and employer and trustee records and associated accounting; (b) processing of applications, contributions, benefits and distributions; (c) processing transfers between funds and trusts; (d) production of reports, statements and forms and distribution to members, employers and trustees; (e) handling of inquiries and complaints made by members; (f) archives storage, retrieval and destruction services; (g) statement processing and bulk mailing; (h) compliance with industry regulatory requirements, excluding taxation and auditing services; (i) processing and assessing claims under life insurance policies

Insurance services

25	Brokerage of general or life insurance
26	The following life insurance administration services provided for a life insurer:

Reduced credit acquisitions—general

Item Acquisition

- (a) maintaining policyholder records and associated accounting;
 - (b) processing of premiums and benefits;
 - (c) processing and assessing claims under policies;
 - (d) production of reports, statements and forms and distribution to policyholders, including statement processing and bulk handling;
 - (e) handling of inquiries and complaints made by policyholders;
 - (f) archives storage, retrieval and destruction services;
 - (g) processing and assessing applications;
 - (h) compliance with industry regulatory requirements, excluding taxation and auditing services;
 - (i) managing reinsurance requirements
-

Services remunerated by commission and franchise fees

- | | |
|----|--|
| 27 | Supplies for which financial supply facilitators are paid commission by financial supply providers |
| 28 | Supplies provided by financial supply facilitators to franchisors, for which the facilitators are paid a franchise fee |
-

Trustee and custodial services

- | | |
|----|---|
| 29 | Trustee and custodial services (except safe custody of money, documents and other things), including the following: <ul style="list-style-type: none"> (a) transfer of cash without purchase, sale or transfer of assets, excluding cash delivery and collection from branches of Australian ADIs; (b) undertaking and settling of securities transactions by a financial supply facilitator; (c) collecting income and other payments; (d) registration of interests and rights; (e) proxy voting; (f) exercise of options and warrants; (g) opening and maintaining accounts with Australian ADIs; (h) nominee services in relation to financial supplies |
| 30 | The following master custody services: <ul style="list-style-type: none"> (a) maintenance of accounting records; (b) taxation reporting; (c) mandate monitoring; (d) trade execution monitoring; (e) portfolio performance analysis; (f) risk management reporting |
-

- | | |
|----|------------------------------------|
| 31 | Single responsible entity services |
|----|------------------------------------|
-

Supplies to recognised trust schemes

- | | |
|----|--|
| 32 | Supplies acquired by a recognised trust scheme, to the extent that: <ul style="list-style-type: none"> (a) the supplies are acquired on or after 1 July 2012; and (b) the supplies acquired are not: <ul style="list-style-type: none"> (i) a supply by way of sale of goods, or a supply of real property, made by selling a freehold interest in land, selling a stratum unit or granting or selling a long-term |
|----|--|
-

Section 70-5.02A

Reduced credit acquisitions—general

Item Acquisition

- lease; or
- (ii) a brokerage service covered by item 9 or 21; or
 - (iii) a service covered by paragraph (a), (b) or (e) of item 23; or
 - (iv) a service covered by paragraph (a), (b), (c), (d), (e), (f), (g) or (i) of item 24; or
 - (v) a custodial service covered by item 29; or
 - (vi) a master custody service covered by item 30; or
 - (vii) a monitoring or reporting service covered by item 33
-

Monitoring services

- 33 Monitoring and reporting services (other than taxation and auditing services) that:
- (a) are acquired on or after 1 July 2012; and
 - (b) are required for compliance with the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*
-

Note: These are reduced credit acquisitions: see subsection 70-5(1) of the Act.

- (2) However, something that is used in making a reduced credit acquisition is not, for that reason, a reduced credit acquisition.

Example 1: Information technology services used for brokerage services.

Example 2: Labour hire services used for life insurance administration services.

70-5.02A Acquisitions that attract reduced input tax credits: certain offshore supplies

- (1) For the purposes of subsection 70-5(1) of the Act, an acquisition mentioned in subsection (3) of this section that relates to making financial supplies can give rise to an entitlement to a reduced input tax credit if:
- (a) the supply or transfer that gives rise to the acquisition (the **relevant supply**) consists of:
 - (i) the transfer of something to an enterprise in the indirect tax zone (a **receiving enterprise**) from an enterprise outside the indirect tax zone (a **supplying enterprise**); or
 - (ii) the doing of something for a receiving enterprise by a supplying enterprise; and
 - (b) the relevant supply is a taxable supply because of section 84-5 of the Act (including a supply that is not connected to the indirect tax zone because of section 84-15 of the Act); and
 - (c) the receiving enterprise and the supplying enterprise are closely related.
- (2) In determining the reduced credit acquisition, the price of the relevant supply is reduced by the amount passed on by the supplying enterprise to the receiving enterprise for any unabsorbed contribution.
- (3) The acquisitions are set out in the following table.

Reduced credit acquisitions—certain offshore supplies

Item Acquisition

Senior executive management

- 1 Provision of senior management services, including the following:
(a) corporate strategy and development;
(b) investment strategy and performance measurement functions;
(c) profit or business centre performance support
-
- 2 Provision of support systems associated with the provision of senior management services
-

Human resources support

- 3 Provision of human resources support services, including the following:
(a) general advice and planning;
(b) recruitment assistance;
(c) compensation advice and management;
(d) training
-
- 4 Processing and maintenance of employee data and files
-

Corporate marketing and communications

- 5 Provision of corporate information and communication services
-
- 6 Provision of marketing administration and media support services
-

Financial management

- 7 Performance of financial management service functions, including the following:
(a) tax law compliance;
(b) corporate treasury operations;
(c) financial control (including statutory reporting and accounting policy);
(d) general ledger account reporting functions, including paying and processing invoices and payment instructions;
(e) internal audit functions;
(f) management reporting systems;
(g) setting intrabank transfer pricing policy;
(h) corporate insurance;
(i) centralised payroll functions
-

Supply procurement and management

- 8 Process and management services for the procurement of supplies
-

Credit, operational and risk management

- 9 Establishment and application of credit policy
-
- 10 Development, establishment and application of policies, monitoring systems and procedures to manage market and operational risk
-
- 11 Development and application of security processes related to fraud prevention
-

Relationship management

- 12 Provision of supervision, monitoring and management services in support of client relationships
-

In-house legal services

- 13 Provision of legal services, including:
-

Chapter 4 The special rules

Part 4-2 Special rules mainly about supplies and acquisitions

Division 70 Financial supplies (reduced credit acquisitions)

Section 70-5.02D

Reduced credit acquisitions—certain offshore supplies

Item Acquisition

- (a) company secretary functions; and
 - (b) regulatory and legal compliance
-

Technology systems

- 14 Provision of systems development and computer programming services
 - 15 Maintenance and operation of transaction processing systems (including communications and applications systems)
 - 16 Development and maintenance of disaster recovery systems
-

Business services

- 17 Provision of transport, security and mail services
 - 18 Property management
-

- (4) However, something that is used in making a reduced credit acquisition is not, for that reason, a reduced credit acquisition.

Example 1: Consultant's services used in the provision of recruitment services.

Example 2: Labour hire services used in the provision of security services.

- (5) The performance by a third party, on behalf of the supplying enterprise or a closely related enterprise of the supplying enterprise, of all or part of the relevant supply is an **unabsorbed contribution** if:

- (a) the amount paid or payable, or part of the amount paid or payable, by the supplying enterprise for the performance is passed on by the supplying enterprise to the receiving enterprise as part of the price of the relevant supply; and
- (b) the enterprise carried on by the third party is not closely related to the supplying enterprise; and
- (c) the thing that is involved in the performance by the third party retains, at the time of the relevant supply, the substance and character that it had when first purchased, for the purposes of the relevant supply, by the supplying enterprise or an entity that carries on an enterprise that is closely related to the supplying enterprise.

Example: For paragraph (c), legal advice that is given in the following circumstances is an unabsorbed contribution:

- (a) the advice is acquired by the supplying enterprise from a third party service provider as part of the provision of in-house legal services by the supplying enterprise to its 100% subsidiary in the indirect tax zone;
- (b) the external legal service provider is not closely related to the supplying enterprise;
- (c) the advice is passed on to the 100% subsidiary in the indirect tax zone by the supplying enterprise;
- (d) the amount paid or payable for the advice is passed on to the 100% subsidiary in the indirect tax zone as part of the price that the supplying enterprise charges for the provision of in-house legal services.

70-5.02D Prohibition against claiming twice

To avoid doubt, an entity is not entitled to a reduced input tax credit under sections 70-5.02 and 70-5.02A for the same acquisition.

70-5.03 Percentage to which input tax credits are reduced

For the purposes of subsection 70-5(2) of the Act, the percentage to which an input tax credit is reduced is as follows:

- (a) for a reduced credit acquisition covered by item 32 of the table in subsection 70-5.02(1)—55%;
- (b) for a reduced credit acquisition covered by item 32 and one or more other items of the table in subsection 70-5.02(1):
 - (i) to the extent that the acquisition is covered by item 32—55%; and
 - (ii) to the extent that the acquisition is not covered by item 32—75%;
- (c) for all other kinds of reduced credit acquisitions—75%.

Division 78—Insurance

78-105.01 Statutory compensation schemes

For the purposes of paragraph 78-105(c) of the Act, a scheme or arrangement mentioned in column 1 of an item in the following table established under the law mentioned in column 2 of the item is specified.

Statutory compensation schemes		
Item	Column 1 Scheme or arrangement	Column 2 Australian law
1	Commonwealth government employees workers' compensation insurance scheme	<i>Safety, Rehabilitation and Compensation Act 1988</i> (Cth)
2	ACT government employees workers' compensation insurance scheme	<i>Safety, Rehabilitation and Compensation Act 1988</i> (Cth)
3	Rehabilitation and compensation scheme	<i>Safety, Rehabilitation and Compensation (Defence-related Claims) Act 1988</i> (Cth)
4	Military rehabilitation and compensation scheme	<i>Military Rehabilitation and Compensation Act 2004</i> (Cth)
5	NSW Treasury Managed Fund	<i>Government Insurance Office (Privatisation) Act 1991</i> (NSW)
6	Sporting injuries insurance scheme	<i>Sporting Injuries Insurance Act 1978</i> (NSW) <i>Motor Accidents Compensation Act 1999</i> (NSW)
7	WorkCover scheme	<i>Workers Compensation Act 1987</i> (NSW) <i>Workplace Injury Management and Workers Compensation Act 1998</i> (NSW)
8	General insurance schemes provided by the Victorian Managed Insurance Authority	<i>Victorian Managed Insurance Authority Act 1996</i> (Vic.)
9	Workers' compensation insurance scheme	<i>Accident Compensation Act 1985</i> (Vic.) <i>Workers Compensation Act 1958</i> (Vic.) <i>Workplace Injury Rehabilitation and Compensation Act 2013</i> (Vic.)
10	Statutory insurance scheme	<i>Queensland Building and Construction Commission Act 1991</i> (Qld)
11	Workers' compensation scheme	<i>Workers' Compensation and Rehabilitation Act 2003</i> (Qld)
12	Workers' compensation scheme	<i>Workers' Compensation and Injury Management Act 1981</i> (WA)
13	RiskCover Fund	<i>Insurance Commission of Western Australia Act 1986</i> (WA)
14	Workers' rehabilitation and compensation scheme	<i>Return to Work Act 2014</i> (SA)
15	Workers' compensation insurance scheme	<i>Workers Rehabilitation and Compensation</i>

Statutory compensation schemes		
Item	Column 1	Column 2
	Scheme or arrangement	Australian law
		<i>Act 1988 (Tas.)</i>
16	WorkCover scheme	<i>Workers Compensation Act 1951 (ACT)</i>
17	Workers' compensation insurance scheme	<i>Workers Compensation Act 1951 (ACT)</i>

Division 79—Compulsory third party schemes

79-35.01 CTP ancillary payment or supply

For the purposes of paragraph 79-35(3)(b) of the Act, the following kinds of payments are specified:

- (a) a payment for medical treatment provided by a medical practitioner;
- (b) a payment for surgical treatment provided by a medical practitioner;
- (c) a payment for treatment provided by a registered nurse;
- (d) a payment for dental treatment;
- (e) a payment for hospital treatment;
- (f) a payment for ambulance services;
- (g) a payment for the conveyance of an injured person to obtain emergency medical treatment;
- (h) a payment for the cost of travel for a medical practitioner or registered nurse to provide medical treatment;
- (i) a payment made according to a bulk-billing arrangement under section 54 of the *Motor Accidents Compensation Act 1999* (NSW).

Note: Under section 79-35 of the Act, the payments mentioned in this section must be made under a compulsory third party scheme. Section 79-35 sets out other requirements in relation to a CTP ancillary payment or supply.

Division 81—Payment of taxes, fees and charges

81-10.01 Fees and charges which constitute consideration

- (1) Subject to section 81-15.02 of this instrument, for the purposes of subsection 81-10(2) of the Act, the following kinds of Australian fee or charge are prescribed:
- (a) a fee for parking a motor vehicle in a ticketed or metered parking space;
 - (b) a toll for driving a motor vehicle on a road;
 - (c) a fee for hire, use of, or entry to a facility, other than an entry fee to a national park;
 - (d) a fee for the use of a waste disposal facility;
 - (e) a fee for pre-lodgement advice if:
 - (i) the advice relates to an application to which subsection 81-10(4) of the Act applies; and
 - (ii) it is not compulsory to seek the advice;
 - (f) a fee or charge for the provision of information by an Australian government agency if the provision of the information is of a non-regulatory nature;
 - (g) a fee or charge for a supply of a non-regulatory nature;
 - (h) a fee or charge for a supply by an Australian government agency, where the supply may also be made by a supplier that is not an Australian government agency.
- (2) Despite subsection (1), a fee or charge the payment of which is covered by subsection 9-17(3) or (4) of the Act is not prescribed.

Note: *Australian fee or charge* is defined in section 195-1 of the Act.

81-15.01 Fees and charges which do not constitute consideration

Subject to section 81-15.02 of this instrument, for the purposes of section 81-15 of the Act, payment of the following kinds of Australian fees and charges, or the discharging of a liability to make such a payment, is not the provision of consideration:

- (a) a fee or charge for:
 - (i) the kerbside collection of waste; or
 - (ii) the supply, exchange or removal of bins or crates used in connection with kerbside collection of waste;
- (b) royalties charged in relation to natural resources;
- (c) a fee or charge imposed on an industry to finance regulatory or other government activities connected with the industry;
- (d) a fee or charge to compensate an Australian government agency for costs incurred by the agency in undertaking regulatory activities;
- (e) a fee or charge imposed in relation to a court, tribunal, commission of inquiry or sheriff's office;
- (f) a fee or charge for a supply of a regulatory nature made by an Australian government agency;

Chapter 4 The special rules

Part 4-2 Special rules mainly about supplies and acquisitions

Division 81 Payment of taxes, fees and charges

Section 81-15.02

(g) a fee or charge for entry to a national park.

81-15.02 Fees and charges covered by sections 81-10.01 and 81-15.01

Fee or charge for a supply of a non-regulatory nature is not consideration if covered by section 81-15.01

- (1) For the purposes of section 81-15 of the Act, payment of, or the discharging of a liability to pay, a fee or charge covered by both paragraph 81-10.01(1)(g) and section 81-15.01 of this instrument is not the provision of consideration.

Other fees or charges covered by section 81-10.01 are consideration even if covered by section 81-15.01

- (2) Section 81-15.01 does not apply in relation to an Australian fee or charge covered by subsection 81-10.01(1) (other than one covered by paragraph 81-10.01(1)(g)).

Part 4-7—Special rules mainly about returns, payments and refunds

Division 168—Tourist refund scheme

Subdivision 168-A—Kinds of acquisitions

168-5.01 Acquisition

For the purposes of paragraphs 168-5(1)(b) and (1A)(b) of the Act, an acquisition that meets the requirements in this Subdivision is specified.

Note: Part of a person's eligibility for the tourist refund scheme involves making an acquisition:

- (a) the supply of which is a taxable supply; and
- (b) that is of a kind specified in this instrument.

168-5.02 Goods to which this Subdivision applies

This Subdivision applies to an acquisition of goods the supply of which is a taxable supply, except any of the following goods:

- (a) tobacco;
- (b) tobacco products;
- (c) alcoholic beverages, except wine on which wine tax is taken to have been borne (within the meaning of section 31-10 of the Wine Tax Act);
- (d) goods that have been partly consumed at the time at which the acquirer leaves the indirect tax zone.

168-5.03 Registered entity

The goods must have been acquired from a registered entity.

168-5.04 Purchase price

- (1) If one item has been acquired from a registered entity, the purchase price paid by the acquirer must be at least \$300.
- (2) If 2 or more items have been acquired from the same registered entity, the total purchase price paid by the acquirer for the items must be at least \$300.

168-5.05 Tax invoice

- (1) The acquisition may consist of one or more acquisitions from the same registered entity for which the acquirer holds one or more tax invoices.
- (2) Each acquisition must be accompanied by a tax invoice.

Section 168-5.05A

Subdivision 168-B—Departure from the indirect tax zone

168-5.05A Leaving the indirect tax zone

For the purposes of paragraph 168-5(1)(c) and subparagraph 168-5(1A)(e)(ii) of the Act, the circumstances in which the acquirer must leave the indirect tax zone are specified in this Subdivision.

Note: Part of a person's eligibility for the tourist refund scheme involves leaving the indirect tax zone in circumstances specified in this instrument.

168-5.06 Departure

The acquirer must leave the indirect tax zone other than in the course of the acquirer's employment as:

- (a) the person in charge or command of an aircraft or ship; or
- (b) a member of the crew of an aircraft or ship.

168-5.07 Place of departure

The acquirer must leave the indirect tax zone at an airport, or seaport, at which the tourist refund scheme is administered.

Subdivision 168-C—Export as accompanied baggage

168-5.08 Accompanied baggage

For the purposes of paragraph 168-5(1)(c) of the Act, the circumstances in which the goods must be exported from the indirect tax zone as accompanied baggage are specified in this Subdivision.

Note: Part of a person's eligibility for the tourist refund scheme involves exporting goods from the indirect tax zone as accompanied baggage in circumstances specified in this instrument.

168-5.09 Time of export

The goods must be exported within 60 days after the day on which they were acquired.

168-5.10 Verification of export

- (1) The acquirer must present to an officer of Customs, on request, at a TRS verification facility:
 - (a) the tax invoice relating to the goods; and
 - (b) as many of the following as are requested:
 - (i) the goods (unless subsection (4) applies);
 - (ii) the acquirer's passport;
 - (iii) documents that confirm the acquirer's entitlement to leave the indirect tax zone on an aircraft or ship (for example, the acquirer's boarding pass or ticket).

- (2) However, if a TRS verification facility enables an acquirer to lodge a claim for payment, the acquirer may instead:
- (a) complete a claim for payment; and
 - (b) include the acquirer's tax invoice with the claim; and
 - (c) lodge the claim for payment at the TRS verification facility.

Note: A TRS verification facility may enable an acquirer to lodge a claim for payment, for example, by placing the claim in a drop box facility.

Time for compliance

- (3) The acquirer must comply with subsection (1) or (2):
- (a) if the acquirer is leaving the indirect tax zone on an aircraft—at least 30 minutes before the aircraft's scheduled departure time; or
 - (b) if the acquirer is leaving the indirect tax zone on a ship—at least 60 minutes before the ship's scheduled departure time.

Note: The scheduled departure time of an aircraft or ship may change, for example, because of a delay.

Requirements for checked in goods

- (4) If the acquirer checks in the goods as accompanied baggage, the tax invoice must be endorsed by an officer of Customs with a statement to the effect that the goods have been checked in.
- (5) The acquirer must request the endorsement mentioned in subsection (4):
- (a) before presenting to an officer of Customs at a TRS verification facility; and
 - (b) in the manner and form approved in writing by the Comptroller-General of Customs.

Subdivision 168-D—Export by resident of an external Territory as unaccompanied baggage

168-5.10A Export of goods to an external Territory

For the purposes of subparagraph 168-5(1A)(e)(ii) of the Act, the circumstances in which the goods must be exported to an external Territory are specified in this Subdivision.

Note: Part of a person's eligibility for the tourist refund scheme involves exporting goods to an external Territory other than as accompanied baggage in circumstances specified in this instrument.

168-5.10B Time of export

The goods must be exported within 60 days after the day on which they were acquired.

Section 168-5.10C

168-5.10C Verification of export

- (1) The acquirer must present to an officer of Customs, on request, at a TRS verification facility:
 - (a) the tax invoice relating to the goods; and
 - (b) documentary evidence that the acquirer is an individual to whom paragraph 168-5(1A)(c) of the Act applies; and
 - (c) documentary evidence that:
 - (i) the goods have been exported to an external Territory; or
 - (ii) arrangements have been made for the exportation of the goods to an external Territory within 60 days after the day on which the goods were acquired.
- (2) However, if a TRS verification facility enables an acquirer to lodge a claim for payment, the acquirer may instead:
 - (a) complete a claim for payment; and
 - (b) include the following documents with the claim:
 - (i) the acquirer's tax invoice;
 - (ii) documentary evidence referred to in paragraph (1)(b);
 - (iii) documentary evidence referred to in subparagraph (1)(c)(i) or (ii); and
 - (c) lodge the claim for payment at the TRS verification facility.

Note: A TRS verification facility may enable an acquirer to lodge a claim for payment, for example, by placing the claim in a drop box facility.

Time for compliance

- (3) The acquirer must comply with subsection (1) or (2):
 - (a) if the acquirer is leaving the indirect tax zone on an aircraft—at least 30 minutes before the aircraft's scheduled departure time; or
 - (b) if the acquirer is leaving the indirect tax zone on a ship—at least 60 minutes before the ship's scheduled departure time.

Note: The scheduled departure time of an aircraft or ship may change, for example, because of a delay.

Requirements for evidence of export

- (4) If the acquirer presents the evidence mentioned in subparagraph (1)(c)(ii), documentary evidence that the goods have been exported to an external Territory as described in that subparagraph must be given to the Comptroller-General of Customs within 90 days after the day on which the goods were acquired.

Subdivision 168-E—Proportion of amount of GST for payment in cash

168-5.11 Cash payment

- (1) For the purposes of paragraphs 168-5(1)(e) and (1A)(g) of the Act, this section applies if:
 - (a) an amount of GST on a taxable supply is to be paid to an acquirer in cash; and

- (b) the amount of GST is not an exact multiple of 5 cents.
- (2) The amount of GST is to be rounded up or down to the nearest exact multiple of 5 cents (rounding up if the amount is an exact multiple of 2.5 cents). The result is the proportion of the amount of GST that is to be paid to the acquirer.

Subdivision 168-F—Documentation relating to entitlement to payment

168-5.12 Payment authority

- (1) This section applies if:
 - (a) an acquirer complies with subsections 168-5.10(1) and (3) or subsections 168-5.10C(1) and (3) at the request of an officer of Customs; and
 - (b) the officer is satisfied that the acquirer is entitled to be paid an amount under section 168-5 of the Act.
- (2) The officer must give the acquirer a payment authority that includes:
 - (a) information identifying the acquirer; and
 - (b) the amount to which the acquirer is entitled.

Subdivision 168-G—Period and manner of payment

168-5.14 Processing payment authority given to officer of Customs at airport

- (1) For the purposes of subsection 168-5(2) of the Act, this section applies if:
 - (a) an acquirer gives a payment authority to an officer of Customs at a TRS verification facility:
 - (i) that is located at an airport; and
 - (ii) at which facilities exist for making cash payments; and
 - (b) the amount to be paid to the acquirer (including any amount payable to the acquirer, in relation to the acquisition, under section 25-5 of the Wine Tax Act) is \$200 or less.

Note: Facilities for making cash payments to acquirers will only be available at some airports, and will not be available at seaports.

- (2) If it is practicable to pay cash to the acquirer, the amount must be paid to the acquirer, in Australian currency, before the acquirer leaves the indirect tax zone.
- (3) If it is not practicable to pay cash to the acquirer, an officer of Customs must make arrangements for the acquirer to lodge the payment authority at a TRS verification facility before leaving the indirect tax zone.

Example 1: A shortage of cash at the TRS verification facility.

Example 2: Passenger congestion that would make it unreasonable to pay cash to each acquirer within the time available.

168-5.15 Processing payment authority lodged at a TRS verification facility

- (1) For the purposes of subsection 168-5(2) of the Act, this section applies if an acquirer:

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- (a) lodges a payment authority at a TRS verification facility when the acquirer is leaving the indirect tax zone; and
- (b) includes with the authority instructions for paying an amount to the acquirer by:
 - (i) crediting the amount to a credit card account or an Australian bank account; or
 - (ii) posting a cheque for the amount to a nominated address.
- (2) The acquirer must be paid the amount in accordance with the instructions given with the authority.
- (3) The payment must be made within 60 days after the payment authority is lodged.

168-5.16 Processing payment authority given to Comptroller-General of Customs

- (1) For the purposes of subsection 168-5(2) of the Act, this section applies if:
 - (a) an acquirer posts a payment authority, from a place outside the indirect tax zone, to the Comptroller-General of Customs; and
 - (b) the acquirer includes with the authority instructions for paying an amount to the acquirer by:
 - (i) crediting the amount to a credit card account or an Australian bank account; or
 - (ii) posting a cheque for the amount to a nominated address; and
 - (c) the Comptroller-General of Customs receives the authority not later than 30 days after the day on which the payment authority was given to the acquirer.
- (2) The acquirer must be paid the amount in accordance with the instructions given with the authority.
- (3) The payment must be made within 60 days after the Comptroller-General of Customs receives the payment authority.

168-5.17 Processing claim for payment

- (1) For the purposes of subsection 168-5(2) of the Act, this section applies if:
 - (a) an acquirer lodges a claim for payment in accordance with subsections 168-5.10(2) and (3) or subsections 168-5.10C(2) and (3); and
 - (b) the acquirer includes with the claim instructions for paying an amount to the acquirer by:
 - (i) crediting the amount to a credit card account or an Australian bank account; or
 - (ii) posting a cheque for the amount to a nominated address; and
 - (c) the Comptroller-General of Customs is satisfied that the acquirer is entitled to be paid an amount under section 168-5 of the Act.
- (2) The acquirer must be paid the amount in accordance with the instructions given with the claim.

- (3) The payment must be made within 60 days after whichever is the later of the following:
- (a) the day the Comptroller-General of Customs receives the claim;
 - (b) if the Comptroller-General of Customs asks the acquirer to give information relating to the claim for payment—the day the Comptroller-General receives the information.

Chapter 6—Interpretation

Part 6-3—Dictionary in the Act

Division 195—Dictionary in the Act

195-1.01 Compulsory third party schemes

For the purposes of the definition of *compulsory third party scheme* in section 195-1 of the Act, a scheme or arrangement mentioned in column 1 of an item in the following table established under the law mentioned in column 2 of the item is specified.

Compulsory third party schemes		
Item	Column 1 Scheme or arrangement	Column 2 Australian law
1	Compensation scheme for victims of motor accidents	<i>Motor Accidents Act 1988</i> (NSW) <i>Motor Accidents Compensation Act 1999</i> (NSW)
2	Compulsory third party transport accident compensation scheme	<i>Transport Accident Act 1986</i> (Vic.)
3	Statutory insurance scheme	<i>Motor Accident Insurance Act 1994</i> (Qld)
4	Compulsory third party insurance scheme	<i>Motor Vehicle (Third Party Insurance) Act 1943</i> (WA)
5	Third party insurance scheme	<i>Motor Vehicles Act 1959</i> (SA)
6	Motor accidents insurance scheme	<i>Motor Accidents (Liabilities and Compensation) Act 1973</i> (Tas.)
7	Compulsory third party insurance scheme	<i>Road Transport (Third-Party Insurance) Act 2008</i> (ACT)
8	Motor accidents compensation scheme	<i>Motor Accidents (Compensation) Act 1979</i> (NT)

195-1.02 First aid or life saving course

- (1) For the purposes of subparagraph (b)(vi) of the definition of *first aid or life saving course* in section 195-1 of the Act, the following qualifications are specified:
- (a) a qualification that was specified for the purposes of that subparagraph by the *A New Tax System (Goods and Services Tax) Regulations 1999* immediately before their repeal;
 - (b) a qualification that:
 - (i) is provided under the VET Quality Framework (within the meaning of the *National Vocational Education and Training Regulator Act 2011*) by a registered training organisation; and

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(ii) certifies the attainment of each competency mentioned in column 1 of an item in the following table with a unit code mentioned in column 2 of the item.

First aid or life saving course competencies		
Item	Column 1 Competency	Column 2 Unit code
1	Respond to aquatic emergency using basic water rescue techniques	(a) SISCAQU002; or (b) SISCAQU202A; or (c) SRCAQU003B; or (d) SRCAQU003A
2	Instruct water familiarisation, buoyancy and mobility skills	(a) SISCAQU008; or (b) SISCAQU308A; or (c) SRCAQU009B; or (d) SRCAQU009A
3	Instruct water safety and survival skills	(a) SISCAQU009; or (b) SISCAQU309A; or (c) SRCAQU010B; or (d) SRCAQU010A
4	Instruct the strokes of swimming	(a) SISCAQU010; or (b) SISCAQU310A; or (c) SRCAQU011B; or (d) SRCAQU011A

(2) It is not necessary for a person to obtain certification of attainment of all the competencies mentioned in column 2 of the table in subsection (1) from the same registered training organisation.

Part 6-4—Dictionary

196-1.01 Definitions

Note: A number of expressions used in this instrument are defined in the Act, including the following:

- (a) Comptroller-General of Customs;
- (b) electronic payment;
- (c) entity;
- (d) family member;
- (e) relevant traveller.

In this instrument:

account, except in subsection 40-5.09(3), means:

- (a) an account mentioned in item 1 of the table in subsection 40-5.09(3); or
- (b) an account in relation to which the account holder (the **customer**) has the right:
 - (i) to have the account maintained by the account provider (the **provider**); and
 - (ii) to repayment of the amount credited to the account by the provider; and
 - (iii) to require the provider to act on directions by the customer that are in accordance with the arrangements, or any agreement, between the provider and the customer in relation to operation of the account.

acquirer means a person who acquires goods the supply of which is a taxable supply.

acquisition:

- (a) has the meaning given in the Act; and
- (b) in Division 40, also has a meaning affected by section 40-5.05.

Act means the *A New Tax System (Goods and Services Tax) Act 1999*.

approved entity means an entity with an approval under section 33-15.03 to make deferred payments of assessed GST on taxable importations.

APRA means the Australian Prudential Regulation Authority.

associated person means:

- (a) in relation to a partner in a partnership:
 - (i) if the partner is not an individual—the partner; and
 - (ii) if the partner is an individual—the partner or a family member of the partner; or
- (b) in relation to a shareholder in a company:
 - (i) if the shareholder is not an individual—the shareholder; and
 - (ii) if the shareholder is an individual—the shareholder or a family member of the shareholder.

ATM means automatic teller machine.

Australian ADI has the meaning given by section 9 of the *Corporations Act 2001*.

barrier copy, in relation to an invoice, means the copy of the invoice that is attached to the sealed package in which the goods to which the invoice relates are enclosed when the goods are passed into the possession of the relevant traveller.

charge card means an article, commonly known as a charge card, for use in obtaining cash, goods or services by incurring a debt with the issuer of the card.

closely related: see section 70-5.01A.

credit card:

- (a) means an article commonly known as a credit card and any similar article for use in obtaining cash, goods or services on credit; and
- (b) includes an article commonly issued by persons conducting business to their customers, or prospective customers, for use in obtaining goods or services from the business on credit.

credit union means:

- (a) an Australian ADI listed on the APRA website as a credit union; or
- (b) an Australian ADI listed on the APRA website as an Australian-owned bank that:
 - (i) on or before 1 July 2011 was listed on the APRA website as a credit union; and
 - (ii) retains mutuality; and
 - (iii) was listed on the APRA website as a credit union at all times in the period between 1 July 2011 and the time it was listed on the APRA website as an Australian-owned bank; or
- (c) the Cairns Penny Savings & Loans Limited (ACN 087 933 757).

Note: A list of Australian ADIs could in 2019 be viewed on APRA's website (<https://www.apra.gov.au/>).

customer copy, in relation to an invoice, means the copy of the invoice that is placed inside the sealed package in which the goods to which the invoice relates are enclosed when the goods are passed into the possession of the relevant traveller.

debit card means an article intended for use by an entity in obtaining access to an account held by the entity for the purpose of withdrawing or depositing cash or obtaining goods or services.

derivative means an agreement or instrument the value of which depends on, or is derived from, the value of assets or liabilities, an index or a rate.

disposal, of an interest, includes assignment, cancellation, redemption, transfer and surrender of the interest.

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family company, of an individual, means a company each shareholder of which is either the individual or a family member of the individual.

family trust, of an individual, means a trust that distributes income or capital of the trust only to the individual or family members of the individual (whether or not other distributions could lawfully be made).

financial supply facilitator: see section 40-5.07.

financial supply provider: see section 40-5.06.

fixed trust has the same meaning as in section 995-1 of the *Income Tax Assessment Act 1997*.

incidental financial supply: see section 40-5.10.

interest means anything that is recognised at law or in equity as property in any form.

LAG product means a liquid, aerosol, gel, cream or paste that is in a container that has a capacity of more than 100 ml.

managed investment scheme has the meaning given by section 9 of the *Corporations Act 2001*.

mortgage loan means a loan secured by a mortgage over real property.

mortgage scheme means a managed investment scheme that has at least 50% of its non-cash assets invested in mortgage loans or in one or more other mortgage schemes.

officer of Customs has the meaning given by subsection 4(1) of the *Customs Act 1901*.

participant, in a payment system, means a person who is a participant in the system in accordance with the rules governing the operations of the system.

payment system means a funds transfer system that facilitates the circulation of money or digital currency, including any procedures that relate to the system.

permitted beneficiary: see subsections 48-10.03(3), (4) and (5).

provision, of an interest, includes allotment, creation, grant and issue of the interest.

receiving enterprise has the meaning given by subsection 70-5.02A(1).

recognised trust scheme means a trust that has the following features:

- (a) the entity that acts in the capacity of trustee or responsible entity of the trust is carrying on, in its own capacity, an enterprise that includes making taxable supplies to the trust;
- (b) the trust is:
 - (i) a managed investment scheme, or part of a managed investment scheme, other than a securitisation entity or a mortgage scheme; or

- (ii) an approved deposit fund within the meaning of the *Superannuation Industry (Supervision) Act 1993*; or
- (iii) a pooled superannuation trust within the meaning of the *Superannuation Industry (Supervision) Act 1993*; or
- (iv) a public sector superannuation scheme within the meaning of the *Superannuation Industry (Supervision) Act 1993*; or
- (v) a regulated superannuation fund (other than a self managed superannuation fund) within the meaning of the *Superannuation Industry (Supervision) Act 1993*.

registered training organisation has the meaning given by section 3 of the *National Vocational Education and Training Regulator Act 2011*.

related entity means:

- (a) for an entity that is a member of a GST group—any other member of the GST group; or
- (b) for an entity that is a joint venture operator for a GST joint venture—any other company that is a participant in the GST joint venture; or
- (c) for an entity that has a GST branch—any GST branch the entity has; or
- (d) for an entity that is a GST branch—the parent entity that has the GST branch and any other GST branch the parent entity has.

securities has the meaning given by subsection 92(1) of the *Corporations Act 2001*.

securitisation entity means a trust that meets the conditions in subsection 820-39(3) of the *Income Tax Assessment Act 1997* at the time of the supply.

Note 1: The relevant supply is mentioned in item 32 of the table in subsection 70-5.02(1).

Note 2: Whether a trust meets the conditions in subsection 820-39(3) of the *Income Tax Assessment Act 1997* is affected by subsection 820-39(4) of that Act.

seller includes an employee or agent of a seller.

shareholder of a company that is an unincorporated association means a member of the association.

smart card means an article, commonly known as a smart card, that has the capacity to keep a record of financial transactions using the article.

supplying enterprise has the meaning given by subsection 70-5.02A(1).

tourist refund scheme means the arrangements set out in Division 168 of the Act.

transaction card means a debit card, charge card, credit card or smart card.

TRS verification facility, in relation to an acquirer who is leaving the indirect tax zone from an airport, or seaport, at which the tourist refund scheme is administered, means the place, at the airport or seaport, at which the scheme is administered.

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Note: The tourist refund scheme will not be administered at every airport and seaport in Australia.

unabsorbed contribution: see subsection 70-5.02A(5).

waste includes green waste and recyclables.

Chapter 7—Transitional

Part 7-1—Transitional matters

Division 197—Transitional matters relating to the repeal of the A New Tax System (Goods and Services Tax) Regulations 1999

197-1.01 Definitions

In this Division:

commencement time means the time this section commences.

old regulations means the *A New Tax System (Goods and Services Tax) Regulations 1999*.

repealing regulations means the *Treasury Laws Amendment (Goods and Services Tax) Regulations 2019*.

197-1.02 Old regulations continue to apply to tax periods starting before commencement time

Despite the repeal of the old regulations by the repealing regulations, the old regulations (other than Division 168 of the old regulations), as in force immediately before the commencement time, continue to apply in relation to working out net amounts for tax periods starting before the commencement time.

197-1.03 Approved forms

If:

- (a) immediately before the commencement time, there was a form approved under section 388-50 in Schedule 1 to the *Taxation Administration Act 1953* for the purposes of a provision of the old regulations; and
- (b) the form could be approved for the purposes of a corresponding provision of this instrument;

the form has effect for the purposes of this instrument as if it had been approved for the purposes of the corresponding provision of this instrument.

197-1.04 Deferred payments of assessed GST on taxable importations

Applications under the old regulations

- (1) Despite the repeal of the old regulations by the repealing regulations, regulations 33-15.02 to 33-15.05 and 33-15.09 of the old regulations, as in force immediately before the commencement time, continue to apply in relation to any application made under regulation 33-15.02 of the old regulations before the commencement time.

Chapter 7 Transitional

Part 7-1 Transitional matters

Division 197 Transitional matters relating to the repeal of the A New Tax System (Goods and Services Tax) Regulations 1999

Section 197-1.05

Approvals under the old regulations

- (2) This instrument, other than section 33-15.05, has effect as if:
- (a) an application had been approved under section 33-15.03 at the commencement time in relation to each entity that was, immediately before the commencement time, an approved entity within the meaning of the old regulations; and
 - (b) an application approved after the commencement time under regulation 33-15.03 of the old regulations as continued in effect under subsection (1) had been approved under section 33-15.03 at the time of approval.

197-1.05 Tourist refund scheme

Despite the repeal of Division 168 of the old regulations by the repealing regulations, that Division, as in force immediately before the commencement time, continues to apply in relation to any goods exported before the commencement time.

Schedule 1—Rules for the supply of goods to a relevant traveller

Note: See section 38-185.01.

1 Purpose of this Schedule

This Schedule specifies rules for the supply of goods to a relevant traveller for the purposes of item 7 of the table in subsection 38-185(1) of the Act.

2 Sealed bag rules

If:

- (a) a relevant traveller takes possession of goods before presenting to an officer of Customs as departing the indirect tax zone; and
- (b) the goods are not LAG products;

the supply of the goods must be made in accordance with the requirements in column 2 of an item in the following table and within the timeframe (if any) in column 3 of the item.

Sealed bag rules			
Item	Column 1 Summary	Column 2 Requirements	Column 3 Timeframe
1	Seller to sight travel documents	The seller of the goods must sight: <ul style="list-style-type: none"> (a) the relevant traveller's ticket for travel from the indirect tax zone to a foreign country; or (b) if the Commissioner is satisfied that it is appropriate not to require a ticket to be sighted, a document satisfactory to the Commissioner that provides evidence that the relevant traveller is to travel from the indirect tax zone to a foreign country 	Before the relevant traveller takes possession of the goods
2	Relevant traveller to sign SB declaration	The relevant traveller must sign, and retain a copy of, a declaration (SB declaration) in the approved form setting out: <ul style="list-style-type: none"> (a) details of the relevant traveller, the goods and the proposed journey; and (b) a statement that the relevant traveller: <ul style="list-style-type: none"> (i) intends departing the indirect tax zone with the goods within 60 days after taking possession; and (ii) will not interfere with the goods, the sealed package containing the goods or the 	<ul style="list-style-type: none"> (a) In relation to signing—before the relevant traveller takes possession of the goods; and (b) in relation to retaining a copy—5 years

Schedule 1 Rules for the supply of goods to a relevant traveller

Clause 2

Sealed bag rules

Item	Column 1 Summary	Column 2 Requirements	Column 3 Timeframe
		copies of the invoice relating to the goods before surrendering the sealed package in accordance with item 6 or 7; and (iii) will, in accordance with item 6 or 7, surrender the sealed package for removal of the barrier copy of the invoice; and (iv) is aware of the penalty for making a false or misleading statement	
3	Seller to make an invoice	The seller must make an invoice: (a) in the form approved under clause 5; and (b) in triplicate; and (c) containing a full description of the goods; and (d) containing any other information that the form requires	At the time of the sale
4	Time is limited within which the relevant traveller may take possession of the goods	The seller must pass possession of the goods to the relevant traveller	After the start of the 60th day before the date on which the relevant traveller will depart the indirect tax zone, according to the SB declaration
5	Relevant traveller may only take possession of goods in a sealed package	The seller must not pass possession of the goods to the relevant traveller unless: (a) the goods are packaged in a manner approved by the Commissioner in writing; and (b) the package is sealed by a method approved by the Commissioner in writing so that the goods cannot be removed from the package without the seal being broken; and (c) a copy of the invoice is attached to the exterior of the package by a method approved by the Commissioner in writing; and (d) a copy of the invoice is placed inside the package by a method that, if possible, enables the invoice to be read without need to break the seal of the package	
6	Invoice to be retrieved at the	If, before the relevant traveller presents to an officer of Customs as departing the	At the time when the relevant traveller surrenders

Sealed bag rules			
Item	Column 1 Summary	Column 2 Requirements	Column 3 Timeframe
	point of surrender of goods before Australian Border Force border clearance area	indirect tax zone, the relevant traveller surrenders the sealed package to the carrier with whom the relevant traveller is to travel, the seller must retrieve the barrier copy of the invoice	the sealed package
7	Invoice to be retrieved when beyond the Australian Border Force border clearance area	If the relevant traveller has possession of the package after presenting to an officer of Customs as departing the indirect tax zone, the relevant traveller must surrender the sealed package to the seller and the seller must retrieve the barrier copy of the invoice	After the relevant traveller presents to an officer of Customs as departing the indirect tax zone and before departing on the flight or voyage
8	Sealed package to be examined	The seller must examine the sealed package when dealing with it under item 6 or 7 to ascertain whether it: (a) remains sealed; or (b) has been tampered with	Immediately before the barrier copy of the invoice is retrieved under item 6 or 7
9	Tampering or other discrepancy in respect of sealed package is to be notified	The seller must notify the Commissioner in the approved form if the seller becomes aware that: (a) the package is no longer sealed, or has otherwise been tampered with; or (b) the goods enclosed in the package are not the goods described in the customer copy of the invoice or the barrier copy of the invoice, as the case may be	As soon as is practicable
10	Retrieved invoices must be validated	The seller must validate the retrieved barrier copy of the invoice by a method approved by the Commissioner in writing	As soon as is practicable
11	Invoices must be matched	The seller must reconcile the retrieved barrier copy of the invoice against the seller's copy of the invoice, by a method approved by the Commissioner in writing	As soon as is practicable

3 Sealed bag rules for liquids, aerosols, gels, creams and pastes

If:

- (a) a relevant traveller takes possession of goods before presenting to an officer of Customs as departing the indirect tax zone; and

- (b) the goods are a LAG product;

the supply of the goods must:

Schedule 1 Rules for the supply of goods to a relevant traveller

Clause 3

- (c) be made in accordance with the requirements in column 2 of an item in the table in clause 2 and within the timeframe (if any) in column 3 of the item; or
- (d) be made in accordance with the requirements in column 2 of an item in the following table and within the timeframe (if any) in column 3 of the item.

Sealed bag rules			
Item	Column 1 Summary	Column 2 Requirements	Column 3 Timeframe
1	Seller to sight travel documents	The seller of the goods must sight: (a) the relevant traveller's ticket for travel from the indirect tax zone to a foreign country; or (b) if the Commissioner is satisfied that it is appropriate not to require a ticket to be sighted, a document satisfactory to the Commissioner that provides evidence that the relevant traveller is to travel from the indirect tax zone to a foreign country	Before the relevant traveller takes possession of the goods
2	Relevant traveller to sign SB declaration	The relevant traveller must sign, and retain a copy of, a declaration (SB declaration) in the approved form setting out: (a) details of the relevant traveller, the goods and the proposed journey; and (b) a statement that the relevant traveller: (i) intends departing the indirect tax zone with the goods within 60 days after taking possession; and (ii) will remove the barrier copy of the invoice, surrender the sealed package and have the barrier copy of the invoice endorsed, as mentioned in item 6; and (iii) will not otherwise interfere with the goods, the sealed package containing the goods or the copies of the invoice relating to the goods before surrendering the sealed package in accordance with item 6; and (iv) is aware of the penalty for making a false or misleading statement	(a) In relation to signing—before the relevant traveller takes possession of the goods; and (b) in relation to retaining a copy—5 years
3	Seller to make an invoice	The seller must make an invoice: (a) in the form approved under clause 5; and	At the time of the sale

Sealed bag rules			
Item	Column 1 Summary	Column 2 Requirements	Column 3 Timeframe
		(b) in triplicate; and (c) containing a full description of the goods; and (d) containing any other information that the form requires	
4	Time is limited within which the relevant traveller may take possession of the goods	The seller must pass possession of the goods to the relevant traveller	After the start of the 60th day before the date on which the relevant traveller will depart the indirect tax zone, according to the SB declaration
5	Relevant traveller may only take possession of goods in a sealed package	The seller must not pass possession of the goods to the relevant traveller unless: (a) the goods are packaged in a manner approved by the Commissioner in writing; and (b) the package is sealed by a method approved by the Commissioner in writing so that the goods cannot be removed from the package without the seal being broken; and (c) a copy of the invoice is attached to the exterior of the package by a method approved by the Commissioner in writing; and (d) a copy of the invoice is placed inside the package by a method that, if possible, enables the invoice to be read without need to break the seal of the package	
6	Relevant traveller to remove invoice	The relevant traveller must: (a) remove the barrier copy of the invoice; and (b) surrender the sealed package to the carrier with whom the relevant traveller is to travel; and (c) request an officer of Customs to endorse the barrier copy of the invoice with a statement to the effect that the goods have been checked in	Before presenting to an officer of Customs as departing the indirect tax zone
7	Seller to retrieve invoice	The seller must retrieve the barrier copy of the invoice	After the relevant traveller surrenders the sealed package
8	Tampering or other discrepancy in respect of sealed	The seller must notify the Commissioner in the approved form if the seller becomes aware that:	As soon as is practicable

Schedule 1 Rules for the supply of goods to a relevant traveller

Clause 4

Sealed bag rules			
Item	Column 1 Summary	Column 2 Requirements	Column 3 Timeframe
	package is to be notified	(a) the package is no longer sealed, or has otherwise been tampered with; or (b) the goods enclosed in the package are not the goods described in the customer copy of the invoice or the barrier copy of the invoice, as the case may be; or (c) the barrier copy of the invoice has not been endorsed as mentioned in item 6	
9	Retrieved invoices must be validated	The seller must validate the retrieved barrier copy of the invoice by a method approved by the Commissioner in writing	As soon as is practicable
10	Invoices must be matched	The seller must reconcile the retrieved barrier copy of the invoice against the seller's copy of the invoice, by a method approved by the Commissioner in writing	As soon as is practicable

4 Customs barrier rules

If a relevant traveller takes possession of goods after presenting to an officer of Customs as departing the indirect tax zone, the supply of the goods must be made in accordance with the requirements in column 2 of an item in the following table and within the timeframe (if any) in column 3 of the item.

Customs barrier rules			
Item	Column 1 Summary	Column 2 Requirements	Column 3 Timeframe
1	Seller to sight travel documents	The seller of the goods must sight: (a) either: (i) the relevant traveller's boarding pass or ticket for travel from the indirect tax zone to a foreign country; or (ii) if the Commissioner is satisfied that it is appropriate not to require a ticket or boarding pass to be sighted, a document satisfactory to the Commissioner that provides evidence that the relevant traveller is to travel from the indirect tax zone to a foreign country; and (b) a document satisfactory to the	Before the relevant traveller takes possession of the goods

Customs barrier rules			
Item	Column 1 Summary	Column 2 Requirements	Column 3 Timeframe
		Commissioner that provides evidence that the relevant traveller presented to an officer of Customs as departing the indirect tax zone before taking possession of the goods	
2	Relevant traveller may have to sign a CB declaration	If the relevant traveller pays for the goods before presenting to an officer of Customs as departing the indirect tax zone, the relevant traveller must sign, and retain a copy of, a declaration (CB declaration) in the approved form setting out: <ul style="list-style-type: none"> (a) details of the relevant traveller, the goods and the proposed journey; and (b) a statement that the relevant traveller is aware of the penalty for making a false or misleading statement 	<ul style="list-style-type: none"> (a) In relation to signing—before the relevant traveller takes possession of the goods; and (b) in relation to retaining a copy—5 years
3	Seller to make an invoice or receipt	The seller must make an invoice or receipt: <ul style="list-style-type: none"> (a) in the form approved under clause 5; and (b) in duplicate; and (c) containing a full description of the goods; and (d) containing any other information that the form requires 	At the time of the sale

5 Forms of invoice and receipt

For the purposes of item 3 of the tables in clauses 2, 3 and 4, the Commissioner may, in writing, approve forms of invoice and receipt, including forms that render obvious an alteration to, or deletion from, the contents of the invoice or receipt.

6 Employees or agents may meet requirements

A requirement to be met by a seller under this Schedule may be met by action of an employee or agent of the seller.

Schedule 2—Examples of financial supply

Note: See section 40-5.11.

1 Examples for item 1 of the table in subsection 40-5.09(3) (accounts)

A supply mentioned, or a supply of something mentioned, in the following table that relates to the matter mentioned in item 1 of the table in subsection 40-5.09(3), or to an incidental financial supply, is an example of a supply of an interest in or under that matter, or of an incidental financial supply.

Accounts	
Item	Examples
1	Opening, keeping, operating, maintaining and closing of cheque, debit card, deposit and savings accounts for account holders
2	Cash collection, handling and sorting for account holders by account providers
3	ATM, electronic and telephone operation of accounts
4	Supply of standard cheque and deposit books for account holders
5	Supply of debit and smart cards
6	Cashing cheques and payment orders
7	Preparation, reconciliation and replacement of account statements
8	Notification of dishonoured transactions and unpaid fees
9	Stopping payment of cheques
10	Operation of authorised overdraft facilities
11	Unauthorised usage of overdraft facilities
12	Retention and storage of vouchers
13	Making information about accounts available
14	Garnishee of accounts
15	Recovery of Commonwealth, State and Territory fees, duties and taxes
16	Audit confirmation of accounts
17	Electronic funds transfer
18	Money transfer for account holders
19	Making disbursements for account holders

2 Examples for item 2 of the table in subsection 40-5.09(3) (debt and credit)

A supply mentioned, or a supply of something mentioned, in the following table that relates to the matter mentioned in item 2 of the table in subsection 40-5.09(3), or to an incidental financial supply, is an example of a supply of an interest in or under that matter, or of an incidental financial supply.

Debt and credit	
Item	Examples
1	Borrowing and lending, including establishing, maintaining and discharging loans

Debt and credit

Item	Examples
2	Opening, keeping, operating, maintaining and closing charge and credit card facilities
3	Supply of credit cards
4	Establishing, operating and terminating letters of credit
5	Right to an income stream under a securitisation arrangement
6	Recovery of Commonwealth, State and Territory fees, duties and taxes
7	Recovery of lenders mortgage insurance fees

3 Examples for item 3 of the table in subsection 40-5.09(3) (charges and mortgages)

A supply mentioned, or a supply of something mentioned, in the following table that relates to the matter mentioned in item 3 of the table in subsection 40-5.09(3), or to an incidental financial supply, is an example of a supply of an interest in or under that matter, or of an incidental financial supply.

Charges and mortgages

Item	Examples
1	A mortgage over land or premises
2	A mortgage over a chattel
3	A charge over the assets of a company
4	Documentation or valuation of the collateral or security for a credit or an advance
5	A mortgage over a share or bond

4 Examples for item 6 of the table in subsection 40-5.09(3) (life insurance business)

A supply mentioned, or a supply of something mentioned, in the following table that relates to the matter mentioned in item 6 of the table in subsection 40-5.09(3), or to an incidental financial supply, is an example of a supply of an interest in or under that matter, or of an incidental financial supply.

Life insurance business

Item	Examples
1	A contract of insurance that provides for the payment of money on the death of a person or on the happening of a contingency dependent on the termination or continuance of human life
2	A contract of insurance that is subject to payment of premiums for a term dependent on the termination or continuance of human life
3	A contract of insurance for a term dependent on the termination or continuance of human life that provides for the payment of an annuity
4	A contract that provides for the payment of an annuity for a term not dependent on the continuance of a human life
5	A continuous disability policy within the meaning of section 9A of the <i>Life Insurance Act</i>

Clause 5

Life insurance business

Item Examples

1995

- | | |
|---|---|
| 6 | A contract (whether or not a contract of insurance) that constitutes an investment account contract, or an investment-linked contract, within the meaning of section 14 of the <i>Life Insurance Act 1995</i> |
|---|---|
-

5 Examples for item 7 of the table in subsection 40-5.09(3) (guarantees)

A supply mentioned, or a supply of something mentioned, in the following table that relates to the matter mentioned in item 7 of the table in subsection 40-5.09(3), or to an incidental financial supply, is an example of a supply of an interest in or under that matter, or of an incidental financial supply.

Guarantees

Item Examples

- | | |
|---|-----------------------------------|
| 1 | A surety bond that is a guarantee |
| 2 | A performance bond |
-

6 Examples for item 7A of the table in subsection 40-5.09(3) (indemnities)

A supply mentioned, or a supply of something mentioned, in the following table that relates to the matter mentioned in item 7A of the table in subsection 40-5.09(3), or to an incidental financial supply, is an example of a supply of an interest in or under that matter, or of an incidental financial supply.

Indemnities

Item Examples

- | | |
|---|--|
| 1 | An indemnity that is not a contract of insurance |
|---|--|
-

7 Examples for item 8 of the table in subsection 40-5.09(3) (hire purchase)

A supply mentioned, or a supply of something mentioned, in the following table that relates to the matter mentioned in item 8 of the table in subsection 40-5.09(3), or to an incidental financial supply, is an example of a supply of an interest in or under that matter, or of an incidental financial supply.

Hire purchase

Item Examples

- | | |
|---|---|
| 1 | The amount of interest, and associated fees and charges, in respect of the credit component under a hire purchase agreement entered into before 1 July 2012 |
|---|---|
-

8 Examples for item 9 of the table in subsection 40-5.09(3) (currency)

A supply mentioned, or a supply of something mentioned, in the following table that relates to the matter mentioned in item 9 of the table in

subsection 40-5.09(3), or to an incidental financial supply, is an example of a supply of an interest in or under that matter, or of an incidental financial supply.

Currency	
Item	Examples
1	Foreign currency in cash form
2	Foreign currency drafts
3	Travellers cheques
4	International cheques
5	Collection, negotiation and endorsement of instruments (including cheques) for payment in foreign currency, including message services
6	Forward contracts for transactions to buy or sell foreign currency
7	Options to buy or sell foreign currency
8	Conversion of Australian currency into foreign currency and conversion of foreign currency into Australian currency

9 Examples for item 10 of the table in subsection 40-5.09(3) (securities)

A supply mentioned, or a supply of something mentioned, in the following table that relates to the matter mentioned in item 10 of the table in subsection 40-5.09(3), or to an incidental financial supply, is an example of a supply of an interest in or under that matter, or of an incidental financial supply.

Securities	
Item	Examples
1	Bonds, stocks or debentures issued, or proposed to be issued, by a government entity
2	Shares in, or debentures or convertible notes of, a body
3	Subordinated notes
4	Structured notes
5	Units in a unit trust
6	Dealings in floating rate notes, commercial bills, commercial paper, extendable bill investments and other financial instruments
7	Interests in a partnership
8	Promissory notes and bills of exchange
9	Bank cheques
10	Warrants
11	Securities lending

10 Examples for item 11 of the table in subsection 40-5.09(3) (derivatives)

A supply mentioned, or a supply of something mentioned, in the following table that relates to the matter mentioned in item 11 of the table in subsection 40-5.09(3), or to an incidental financial supply, is an example of a supply of an interest in or under that matter, or of an incidental financial supply.

Schedule 2 Examples of financial supply

Clause 10

Derivatives

Item	Examples
1	Forward contracts, futures contracts, swap contracts and options contracts the value of which depends on, or is derived from: (a) the price of debt securities or debt securities index values or interest rates; or (b) foreign exchange or currency values or currency index values; or (c) share or stock prices or equity index values; or (d) credit spreads or credit events, including: (i) default; and (ii) other forms of financial distress; and (iii) credit index values; or (e) macroeconomic indicators or variables; or (f) climatic events or indexes
2	Commodity derivatives that involve no option, right or obligation to delivery of the commodity, such as electricity derivatives
3	Reciprocal repurchase agreements
4	Options over input taxed supply of precious metals
5	Securities lending agreements
6	Initial and variation margins in respect of exchange traded futures contracts
7	Cash settlement of a derivative over the counter or on the exchange rather than the physical delivery of the underlying taxable assets

Schedule 3—Examples of supply that is not financial supply

Note: See section 40-5.13.

1 Examples for item 3 of the table in section 40-5.12 (professional services)

A supply mentioned, or a supply of something mentioned, in the following table that relates to something mentioned in item 3 of the table in section 40-5.12 is an example of a supply mentioned in that section.

Professional services	
Item	Examples
1	Advice by a legal practitioner in the course of professional practice
2	Advice by an accountant in the course of professional practice
3	Taxation advice, including preparation of tax returns
4	Actuarial advice
5	Rating services for securitisation vehicles

2 Examples for item 4 of the table in section 40-5.12 (payment systems)

A supply mentioned, or a supply of something mentioned, in the following table that relates to something mentioned in item 4 of the table in section 40-5.12 is an example of a supply mentioned in that section.

Payment systems	
Item	Examples
1	Supply of services by a payment system operator to a participant in the system for which the following fees are charged by the operator: (a) membership fees; (b) processing fees; (c) service fees; (d) marketing fees; (e) risk management fees; (f) multi-currency fees
2	Access to a payment system, and supply of other related services by a participant in the system to a third party
3	Supply of a service by one participant in a payment system to another participant in the system in relation to charge, credit and debit card transactions
4	Processing, settling, clearing and switching transactions of the following kinds: (a) direct credit and debit; (b) other debit and credit transactions; (c) charge, credit and debit card transactions; (d) cheque;

Schedule 3 Examples of supply that is not financial supply

Clause 3

Payment systems	
Item	Examples
	(e) electronic funds transfer; (f) ATM; (g) BPAY; (h) internet banking; (i) Bank@Post; (j) SWIFT (Society for Worldwide Interbank Financial Telecommunications) Payment Delivery System; (k) an approved RTGS (real time gross settlement) system; (l) Austraclear
5	Supply to a participant in a payment system by the operator of the system of the following services: (a) processing of account data; (b) electronic payment services

3 Examples for item 7 of the table in section 40-5.12 (options, rights and obligations)

A supply mentioned, or a supply of something mentioned, in the following table that relates to something mentioned in item 7 of the table in section 40-5.12 is an example of a supply mentioned in that section.

Options, rights and obligations	
Item	Examples
1	Deliverable wool futures and forward contracts
2	Deliverable wheat futures and forward contracts
3	Options over a contract mentioned in item 1 or 2

4 Examples for item 10 of the table in section 40-5.12 (insurance and reinsurance)

A supply mentioned, or a supply of something mentioned, in the following table that relates to something mentioned in item 10 of the table in section 40-5.12 is an example of a supply mentioned in that section.

Insurance and reinsurance	
Item	Examples
1	Health insurance provided as part of a health insurance business (within the meaning of section 121-1 of the <i>Private Health Insurance Act 2007</i>)

5 Examples for item 12 of the table in section 40-5.12 (managing assets or liabilities)

A supply mentioned, or a supply of something mentioned, in the following table that relates to something mentioned in item 12 of the table in section 40-5.12 is an example of a supply mentioned in that section.

Managing assets or liabilities	
Item	Examples
1	Managing the assets or liabilities of an entity
2	Acting as the trustee of an entity
3	Investment portfolio administration, including: (a) maintaining account holder records and associated accounting; and (b) processing of contributions and returns; and (c) storage and retrieval of archives; and (d) statement processing and bulk mailing

6 Examples for item 15 of the table in section 40-5.12 (trustee services)

A supply mentioned, or a supply of something mentioned, in the following table that relates to something mentioned in item 15 of the table in section 40-5.12 is an example of a supply mentioned in that section.

Trustee services	
Item	Examples
1	Acting as a trustee of a trust or other entity
2	Acting as a trustee under a will or settlement

7 Examples for item 20 of the table in section 40-5.12 (hire purchase)

A supply mentioned, or a supply of something mentioned, in the following table that relates to something mentioned in item 20 of the table in section 40-5.12 is an example of a supply mentioned in that section.

Hire purchase	
Item	Examples
1	The credit component under a hire purchase agreement entered into on or after 1 July 2012 where the consideration is the amount of interest and associated fees and charges