# A New Tax System (Goods and Services Tax) (Simplified Accounting Methods – Supermarket and Convenience Stores) Determination 2025

I, Ben Kelly, Deputy Commissioner of Taxation, make the following instrument.

Dated 4 September 2025

Ben Kelly
Deputy Commissioner of Taxation

# Contents

## 1 Name

This instrument is the *A New Tax System (Goods and Services Tax) (Simplified Accounting Methods – Supermarket and Convenience Stores) Determination 2025*.

## 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 | The day after this instrument is registered. | |

Note: This table relates only to the provisions of this instrument as originally made.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 paragraph 123-5(1)(a) of the Act.

## 4 Definitions

Note: A number of expressions used in this instrument are defined in section 195-1 of the Act, including the following:

(a) consideration;
(b) GST-free;
(c) GST return;
(d) GST turnover;
(e) input tax credit;
(f) invoice;
(g) net amount;
(h) registered;
(i) retailer;
(j) simplified accounting method;
(k) taxable supply;
(l) tax period.

In this instrument:

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

***adequate point-of-sale equipment*** means point-of-sale equipment that can identify and record:

(a) a sale as being a GST-free supply or a taxable supply;

(b) the total consideration received for all goods sold as GST-free supplies in a specified period; and

(c) the total consideration received for all goods sold in a specified period.

## 5 Schedules

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

## 6 Entities that may choose to use the simplified accounting method

An entity may choose to use the simplified accounting method in section 7 to work out its net amount for a tax period, if:

(a) the entity is registered throughout the tax period;

(b) during the tax period, the entity is a retailer that mainly sells a range of food and other goods commonly sold at supermarkets or convenience stores;

(c) less than 5% of the total consideration received for goods sold during the tax period is for goods that:

  (i) are sold as a taxable supply; and

  (ii) consist of, or include, goods that were sold to the entity as a GST-free supply;

(d) the entity's GST turnover does not exceed $2 million;

(e) the entity possesses adequate point-of-sale equipment throughout the tax period; and

(f) the entity is not a retailer that mainly sells fuel.

## 7 Simplified Accounting Method

(1) Where an entity chooses to use a simplified accounting method for a tax period under section 6, the net amount for the tax period must be worked out using the following formula:

GST minus Input tax credits

where:

***GST*** is the sum of all of the GST for which the entity is liable on the taxable supplies that are attributable to the tax period.

***Input tax credits*** is the amount worked out using the following method statement:

Step 1 - If the entity accounts on:

  (i) a cash basis – work out the total consideration the entity provided during the tax period for the goods they purchased; or

(ii) a non-cash basis – work out the total consideration for those goods the entity purchased for which an invoice was issued, or any part of the consideration was provided, during the tax period.

Step 2 – Work out the total consideration received for goods the entity sells during the tax period that are GST-free supplies.

Step 3 – Work out the total consideration received for all goods the entity sells (taxable and GST-free) during the tax period.

Step 4 – Divide the step 2 result by the step 3 result.

Step 5 – Multiply the step 4 result by the step 1 result.

Step 6 – Subtract the step 5 result from the step 1 result.

Step 7 – Multiply the step 6 result by one-eleventh.

Step 8 – Work out the total input tax credits for all other creditable acquisitions and creditable importations the entity makes that are attributable under sections 29-10 and 29-15 of the Act to the tax period.

Step 9 – Add the step 8 result to the step 7 result.

(2) However, the net amount for the tax period may be increased or decreased if the entity has any adjustments for:

(a) supplies; and

(b) acquisitions or importations included in step 8 of the input tax credits method statement for that period.

(3) The following goods must not be included or taken into account in the calculations at steps 1 to 7 of the input tax credits method statement, but should be included or taken into account at step 8 of that statement:

(a) goods not held by the entity for the purposes of sale or exchange in the ordinary course of business;

(b) goods not part of the range of food and domestic goods commonly sold at supermarkets or convenience stores;

(c) goods held by the entity in substantially greater quantity or variety than is common for supermarkets or convenience stores; or

(d) alcoholic beverages.

(4) If the entity's GST return for a tax period, for which a choice to use this simplified accounting method is not in effect, takes into account an input tax credit for a purchase for an earlier tax period where the choice was in effect, the entity's net amount for that earlier tax period must be increased by the amount of that credit.

## Schedule 1—Repeals

### *A New Tax System (Goods and Services Tax) Act 1999 Simplified GST Accounting Methods Determination (No. 29) 2015*

#### 1 The whole of the instrument

Repeal the instrument