

# GST (Goods and Services Tax) Policy

## Section 1 - Background and Purpose

(1) The purpose of this Policy is to establish a framework in which staff can confidently apply the GST legislative requirements to University operations to ensure the University complies with its obligations arising from [A New Tax System \(Goods and Services Tax\) Act 1999](#).

## Section 2 - Scope

(2) All university functions impacted by [A New Tax System \(Goods and Services Tax\) Act 1999](#).

## Section 3 - Policy Statement

(3) The University must comply with its obligations arising from [A New Tax System \(Goods and Services Tax\) Act 1999](#) and all associated ATO GST rulings. All staff involved in any University activities potentially affected by the GST legislation are required to familiarise themselves with the requirements of the GST legislation and its effect on University operations as detailed in this policy.

## Section 4 - Procedures

(4) This Policy is supported by and should be read in conjunction with a suite of related Procedures which are listed on the Associated Information page.

## Section 5 - Definitions

(5) For the purpose of this Policy:

- a. ABN: Australian Business Number. An identifier for dealings with the ATO and for dealings with other government departments and agencies.
- b. ACN: Australian Company Number.
- c. Adjustment Notes: are documents issued by suppliers to a business when the amount paid for a taxable supply changes.
- d. ATO: Australian Taxation Office.
- e. BAS: Business Activity Statement. A single form to be lodged with the ATO to report the various University tax obligations including the GST that has been collected and paid.
- f. Companies: entities that have been incorporated pursuant to the Corporations Act 2001 (Cth) and have an ACN and ABN.
- g. Customer: a customer is an entity that the University conducts business with. (E.g. students)

- h. Enterprise: a business and any other commercial activities but does not include hobbies, activities done as an employee, or activities of individuals or partnerships without a reasonable expectation of profit. It includes the activities of entities such as charities, deductible gift recipients, religious and government organisations, and certain non-profit organisations.
- i. Entity: an individual, a body corporate, a corporation, a partnership, any other unincorporated association or body of persons, a trust or a superannuation fund and any kind of legal person.
- j. GST: Goods and Services Tax. The GST is a broad-based consumption tax of 10% per cent on most supplies of goods and services consumed in Australia.
- k. Input Tax Credits: the GST included in the price paid for an acquisition. Includes the GST paid on an importation if it is for use in the University's business. Input Tax Credits cannot be claimed if the acquisition or importation relates to making an input taxed supply.
- l. PAYG: Pay As You Go (PAYG) withholding is the system whereby payers (e.g. the University) withhold amounts from payments to payees (e.g. businesses) and send the withheld amounts to the Tax Office.
- m. Supplier: an entity that is a seller of the goods or services etc.
- n. Supply: is a supply of goods and/or services; provision of advice or information; a grant, assignment or surrender of real property; a creation, grant, transfer, assignment or surrender of any right; a financial supply; an entry into or release from an obligation to do anything, to refrain from an act or to tolerate an act or situation.
  - i. GST Free Supplies: no GST is charged on the University's GST-free supplies, but the University is entitled to claim the input tax credits included in the price of the things acquired to make that GST free supply.
  - ii. Input Taxed Supplies: GST is not charged on input taxed supplies, but neither is the University entitled to input tax credits for the GST included in the price paid for the things acquired to make the input taxed supply.
  - iii. Taxable Supplies: the term is widely defined to include most supplies (goods, services and anything else) the University makes. Taxable Supplies are subject to 10% GST. A supply is not a taxable supply if it is GST-free or input taxed.
  - iv. Taxable Importations: Goods imported into Australia are taxable importations, unless the goods are duty free, or would have been GST-free, or input taxed if they had been supplied.
- o. Tax Invoice: is a document containing information about a taxable supply. A document generally issued by the supplier. It shows the price of a supply, indicating whether it includes GST, and may show the amount of GST. It must also show other information, including the ABN of the supplier.
- p. Tax Period: the length of time for accounting for GST on the business activity statement (BAS). It may be quarterly or monthly. Victoria University operates on a monthly tax period for GST purposes.
- q. Taxable: subject to GST at a rate of 10% per cent.
- r. University: means Victoria University.

## Status and Details

<b>Status</b>	Current
<b>Effective Date</b>	22nd November 2016
<b>Review Date</b>	30th May 2018
<b>Approval Authority</b>	Vice-Chancellor
<b>Approval Date</b>	20th November 2016
<b>Expiry Date</b>	Not Applicable
<b>Responsible Policy Officer</b>	Jodie Banfield Chief Financial Officer
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