



Australian Government

Australian Taxation Office

Legislative Instrument

Goods and Services Tax: Particular Attribution Rules Determination (No. 28) 2016 for Prepayments of Telephone Services

I, Timothy Dyce, Deputy Commissioner of Taxation, make this determination under subsection 29-25(1) of the *A New Tax System (Goods and Services Tax) Act 1999* (GST Act), being satisfied under paragraph 29-25(2)(b) of the GST Act that it is necessary to prevent the provisions of Division 29 and Chapter 4 applying in a way that is inappropriate in circumstances involving prepayment for a taxable supply of telephone services before the use or enjoyment of that telephone services occurs.

Timothy Dyce

Deputy Commissioner of Taxation

Dated: 24 February 2016

Name of determination

1. This determination is the *Goods and Services Tax: Particular Attribution Rules Determination (No. 28) 2016 for Prepayments of Telephone Services*.

Commencement

2. This determination commences on the day after registration.

Repeal of previous determination

3. *A New Tax System (Goods and Services Tax) Act 1999 (particular attribution rules for prepayments for telephone supplies) Determination (No. 1) 2001* (the previous determination)- F2006B00166, registered on 18 January 2006, is repealed on the commencement of this determination

Determination (Who is covered by this determination)

4. This determination applies to a telecommunications provider who
 - (a) does not account on a cash basis; and
 - (b) receives a prepayment for a taxable supply of telephone services.

Particular attribution rule for GST payable on a prepayment for taxable supply of telephone services

5. The GST payable on a prepayment of a taxable supply of telephone services is attributable to:
 - (a) if an invoice is issued in relation to that supply - the tax period in which that invoice is issued; or
 - (b) the tax period in which an invoice would have been issued by the supplier in relation to that supply if the recipient had not made the prepayment;whichever is the earlier.

6. To avoid doubt, this determination does not override subsection 29-10(3), subsection 29-20(3), Division 57, Division 153 or Division 156 of the GST Act.

Definitions

7. The following expressions are defined for the purposes of this determination:

prepayment means a payment made by a customer of a telecommunications provider for a taxable supply of telephone services before the provider has issued an invoice for the supply as part of its regular billing cycle.

telecommunications provider means an entity that makes supplies of telephone services available to the public for a fee.

telephone services include telephone calls, access to networks that allow telephone calls to be made or received, other services that are related to network access - for example directory listings or silent number facility - and provision of leased equipment that enables network access - for example, telephone handsets or PABX equipment.

8. Other expressions in this determination have the same meaning as in the GST Act.