

# Cover sheet for: SAM 2016/32

Generated on: 1 July 2016, 11:21:24 AM



This legislative instrument replaces and repeals *A New Tax System (Goods and Services Tax) (Simplified Method to Apportion Input Tax Credits for Caravan Park Operators Who Input Tax Supplies of Long-term Accommodation) Determination 2001/1* - [F2005B01975](#) - registered on 21 November 2005



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## Legislative Instrument

### Goods and Services Tax: Simplified Method to Apportion Input Tax Credits Determination (No.32) 2016 for Caravan Park Operators

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I, Timothy Dyce, Deputy Commissioner of Taxation, make this determination under subsection 11-30(5) of the *A New Tax System (Goods and Services Tax) Act 1999* (GST Act).

**Timothy Dyce**

Deputy Commissioner of Taxation

Dated: 24 February 2016

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#### Name of determination

1. This determination is the *Goods and Services Tax: Simplified Method to Apportion Input Tax Credits Determination (No. 32) 2016 for Caravan Park Operators*.

#### Commencement

2. This determination commences the day after registration.

#### Repeal of previous determination

3. A *New Tax System (Goods and Services Tax) (Simplified Method to Apportion Input Tax Credits for Caravan Park Operators Who Input Tax Supplies of Long-term Accommodation) Determination 2001/1* (the previous determination) - F2005B01975, registered on 21 November 2005, is repealed on commencement of this determination.

#### Determination (Who is covered by this determination)

4. A caravan park operator can use this simplified method to work out the extent to which a creditable acquisition is for a creditable purpose if:
  - (a) it makes supplies of both long-term accommodation and short-term accommodation in the same premises; and
  - (b) it has chosen under section 87-25 of the GST Act, that Division 87 does not apply to any supplies of commercial accommodation that it makes.

## Which acquisitions the determination applies to

5. The simplified method provided by this determination applies to non-capital acquisitions that are partly creditable, that is, those acquisitions that relate to making input taxed supplies of long-term accommodation and other taxable supplies including short-term accommodation.
6. The simplified method provided by this determination does not apply to capital acquisitions or acquisitions that are not partly creditable.

## Method to apportion input tax credits

7. For a tax period, a caravan park owner may choose to work out their entitlement to input tax credits on acquisitions meeting the requirements of Clause 5, as follows:

### Step A

identify the GST paid on non-capital acquisitions which would normally have to be apportioned

### Step B

identify the total income from long-term accommodation and multiply it by the industry factor

### Step C

A minus B equals the amount of input tax credits that can be claimed on non-capital acquisitions.

## Definitions

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

**industry factor** means 1.75%.

**non-capital acquisitions** means acquisitions of things that are not capital assets or improvements to capital assets.

**short-term accommodation** means caravan park accommodation that is not long-term accommodation.

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