



**Goods and Services Tax: Waiver of Tax Invoice Requirement (Visa Purchasing Card) Legislative Instrument (No.2) 2008**

**as amended**

made under subsection [29-10\(3\)](#) of the A New Tax System (Goods and Services Tax) Act 1999 and subsection [4\(1\)](#) of the Acts Interpretation Act 1901 .

*This compilation was prepared on 10 November 2010 taking into account amendments up to Goods and Services Tax: Waiver of Tax Invoice Requirement (Visa Purchasing Card) Amendment Determination (No.1) 2010.*

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## 1. **Citation (see Note 1)**

This legislative instrument is the *Goods and Services Tax: Waiver of Tax Invoice Requirement (Visa Purchasing Card) Legislative Instrument (No.2) 2008*.

## 2. **Commencement and application (see Note 1)**

- (1) This legislative instrument commences on 1 October 2008.
- (2) This legislative instrument applies to net amounts for tax periods that start on or after 1 October 2008.

## 3. **Revocation of previous instrument**

The legislative instrument F2005B01867 - *A New Tax System (Goods and Services Tax) Waiver of Tax Invoice Requirement Determination (No. 10) 2004 - Visa International Purchasing Card* is revoked on the commencement of this legislative instrument, and therefore does not apply to the net amounts for tax periods to which this instrument applies.

## 4. **Definitions**

- (1) The following expressions are defined for the purposes of this legislative instrument:

**Cardholder** is a registered entity that holds a Visa Purchasing Card.

**Data matching provider** means:

- (a) Visa International; or
- (b) a Visa Purchasing Card provider; or
- (c) an entity authorised by Visa International and/or a Visa Purchasing Card provider; or
- (d) any of the entities in paragraphs (a),(b), and (c) working in combination.

**Electronic purchasing system** is a computer based system that:

- (a) allows a cardholder to initiate the acquisition of supplies by transmission of an electronic based purchase order to the supplier;
- (b) records information in relation to acquisitions made by the cardholder; and
- (c) ensures that functions mentioned in paragraph (a) and (b) are undertaken in an accurate and reasonably secure manner.

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

**Matched data file** is a file that is produced and issued by the data matching provider that meets the following requirements:

- (a) the data matching provider must produce and issue the file under secure systems and control mechanisms satisfying the ongoing security requirements of the Visa Purchasing Card provider or Visa International; and
- (b) the file must only contain transactions where the issuer's transaction data and the purchase order data file have been positively matched using the following data fields:

- (i) the supplier's name or identification number;
- (ii) the purchasing card number;
- (iii) the price; and
- (iv) the date.

**Qualifying cardholder** is a cardholder that satisfies paragraph (a) or (b), or paragraphs (c) and (d):

- (a) the cardholder is a government related entity; or
- (b) in respect of the cardholder, either:
  - (i) a determination under section 27-15 of the GST Act is in effect; or
  - (ii) a determination under section 27-15 of the GST Act would have been in effect if paragraphs 188-15(1)(a), 188-15(2)(b), 188-20(1)(a) or 188-20(2)(b) of the GST Act did not apply; or
- (c) one of the following applies:
  - (i) the cardholder satisfies or could satisfy the membership requirements of a GST group set out in section 48-10 of the GST Act; or
  - (ii) the cardholder is nominated in a written agreement for the formation of a GST joint venture made under paragraph 51-5(1)(ea) of the GST Act to be the joint venture operator of the joint venture; or
  - (iii) the cardholder is nominated as the joint venture operator of the joint venture under paragraph 51-70(1)(c) of the GST Act; and
- (d) in respect of the cardholder or any relevant entity, either:
  - (i) a determination under section 27-15 of the GST Act is in effect; or
  - (ii) a determination under section 27-15 of the GST Act would have been in effect if paragraphs 188-15(1)(a), 188-15(2)(b), 188-20(1)(a) or 188-20(2)(b) of the GST Act did not apply.

**Relevant entity** means an entity that:

- (a) satisfies or could satisfy the membership requirements of the same GST group as a cardholder;
- (b) is a participant in the same GST joint venture as a cardholder; or
- (c) is or could be a member of a GST group of which an entity referred to in paragraph (b) is also or could also be a member.

**Supplier** includes an agent through whom the supplier makes a supply.

**Visa International** means the Visa International Service Association Inc.

**Visa Purchasing Card** is a Visa International branded card or account that is issued to and in the name of an entity and is used to purchase goods and services for commercial purposes.

**Visa Purchasing Card provider** is an entity that issues Visa Purchasing Cards.

- (2) Other expressions in this legislative instrument have the same meaning as in the GST Act.

## 5. Relief from requirement to hold a tax invoice

For the purposes of attributing an input tax credit for a creditable acquisition to a tax period, a cardholder is not required (under subsection 29-10(3) of the GST Act) to hold a tax invoice for the creditable acquisition if the requirements provided by this instrument are satisfied.

## 6. Requirements for relief from holding a tax invoice

- (1) At the time the cardholder gives its GST return/Business Activity Statement for the tax period to the Commissioner:
  - (a) the cardholder must hold a matched data file that records the creditable acquisition and meets the matched data file information requirements set out in clause 7; and
  - (b) the cardholder must meet all the requirements of clause 13; and
  - (c) clause 14 must not require the cardholder to hold a tax invoice in relation to the acquisition.
- (2) For the matched data file referred to in subclause 6(1), the data matching provider must:
  - (a) meet the data matching provider requirements set out in clause 12; and
  - (b) where any of the matched data file information specified in paragraph 7(e) for a particular supply is provided by the cardholder to the data matching provider, the *cardholder-data method* must be used in accordance with clause 8.

## 7. Matched data file information requirements

The matched data file must include:

- (a) the date of issue of the matched data file;
- (b) the name of the cardholder;
- (c) the name(s) of the person(s) or department(s) that uses the Visa Purchasing Card to purchase the creditable acquisition;
- (d) the address or ABN of the cardholder;
- (e) for the particular creditable acquisition:
  - (i) the date the cardholder acquired the supply;
  - (ii) the name of the supplier;
  - (iii) the ABN of the supplier;
  - (iv) the Branch Registration Number of the supplier (where applicable);
  - (v) a brief description of the supply or, if that is not available, a description of the supplier's industry;
  - (vi) the GST payable; and
  - (vii) the total amount paid.

## 8. Use of the cardholder-data method for obtaining matched data file information

To use the *cardholder-data method*:

- (a) the cardholder must be a qualifying cardholder;

- (b) the particular supply recorded on the matched data file must only have been acquired and recorded by way of an electronic purchasing system; and
- (c) the requirements in clauses 9, 10 and 11 must be satisfied.

**9. Cardholder-data method – information supplier must provide to qualifying cardholder**

The supplier must have provided the following details to the qualifying cardholder for recording on the electronic purchasing system:

- (a) the name of the supplier;
- (b) the ABN of the supplier;
- (c) the Branch Registration Number of the supplier (where applicable);
- (d) in relation to each potential supply that can be acquired via the electronic purchasing system:
  - (i) a brief description of the potential supply;
  - (ii) the amount of GST to be paid; and
  - (iii) the total price to be paid.

**10. Cardholder-data method – information supplier or cardholder must provide to data matching provider**

The supplier or the qualifying cardholder must provide the data matching provider with:

- (a) the ABN of the supplier; and
- (b) the Branch Registration Number of the supplier (where applicable).

**11. Cardholder-data method – qualifying cardholder and purchase order information requirements**

*Purchase order information requirements*

- (1) For each acquisition initiated via the electronic purchasing system, the qualifying cardholder must provide a purchase order to the supplier that contains the following information:
  - (a) full or partial Visa Purchasing Card number;
  - (b) date of the purchase order;
  - (c) the name of the supplier;
  - (d) the ABN of the supplier;
  - (e) the Branch Registration Number of the supplier (if applicable);
  - (f) the name of the recipient;
  - (g) the ABN or address of the recipient;
  - (h) a brief description of each thing supplied;
  - (i) for each description, the quantity of the goods or the extent of the services supplied;

- (j) the price of the supply; and
- (k) the amount of GST payable.

*Qualifying cardholder requirements*

- (2) A qualifying cardholder must also satisfy the following requirements:
  - (a) the qualifying cardholder must provide the following purchase order data from each purchase order to the data matching provider:
    - (i) the date of the purchase order;
    - (ii) the purchasing card number of the qualifying cardholder;
    - (iii) the name or ABN of the supplier;
    - (iv) a brief description of each thing supplied;
    - (v) the price of the supply; and
    - (vi) the amount of GST payable;
  - (b) the qualifying cardholder must reasonably comply with its obligations under the taxation laws; and
  - (c) the qualifying cardholder will transmit purchase order data to the data matching provider pursuant to a written agreement that the qualifying cardholder has with the supplier. The agreement must specify the supplies which will be made via the electronic purchasing system and contain the following terms:
    - (i) the qualifying cardholder and the supplier agree that the qualifying cardholder will transmit purchase order data to the data matching provider;
    - (ii) the supplier and the qualifying cardholder must be registered for GST at the time that the supplier makes the supply recorded on the matched data file;
    - (iii) the supplier acknowledges that it will notify the qualifying cardholder if it ceases to be registered for GST; and
    - (iv) if the supplier issues a tax invoice that relates to a supply specified in the agreement, the supplier agrees that the tax invoice will be marked prominently or be easily identifiable as having resulted from an electronic purchasing system transaction.

**12. Data matching provider requirements for matched data files**

- (1) Where the data matching provider has reason to consider any information set out in paragraph 7(e) is not accurate, the data matching provider must not include that information in the matched data file.
- (2) The data matching provider must retain a copy of the matched data file for a period of 5 years from the date of the last supply recorded on that file.

## **Cardholder requirements**

The cardholder must have in place:

- (a) an effectively regulated corporate policy (that includes the retention of documentary evidence) for determining the extent of creditable purpose for acquisitions made on the Visa Purchasing Card that are wholly or partly of a private or domestic nature; and
- (b) an effectively regulated corporate policy that ensures a tax invoice and the matched data file are not incorrectly used to claim input tax credits twice for a single creditable acquisition.

### **13. Situations where a tax invoice is still required**

The cardholder must hold a tax invoice before attributing input tax credits to a tax period (if required by subsection 29-10(3) of the GST Act) for a creditable acquisition recorded on a matched data file where:

- (a) if the cardholder-data method is used, a requirement set out in clause 8 is not satisfied in relation to that supply; or
- (b) there is an error on the matched data file in relation to that acquisition.

#### **Notes to the Goods and Services Tax: Waiver of Tax Invoice Requirement (Visa Purchasing Card) Legislative Instrument (No.2) 2008**

##### **Note 1:**

*The Goods and Services Tax: Waiver of Tax Invoice Requirement (Visa Purchasing Card) Legislative Instrument (No.2) 2008 (in force under subsection 29-10(3) of the A New Tax System (Goods and Services Tax) Act 1999) as shown in this compilation is amended as indicated in the Tables below.*

##### **Table of Instruments**

<b>Title</b>	<b>Date of FRLI registration</b>	<b>Date of commencement</b>
<i>Goods and Services Tax: Waiver of Tax Invoice Requirement (Visa Purchasing Card) Legislative Instrument (No.2) 2008</i>	<i>3 September 2008 (see F2008L03348)</i>	<i>1 October 2008</i>
<i>Goods and Services Tax: Waiver of Tax Invoice Requirement (Visa Purchasing Card) Amendment Determination (No.1) 2010</i>	<i>09 November 2010 (see F2010L02954)</i>	<i>1 July 2010</i>

##### **Table of Amendments**

*ad. = added or inserted am. = amended rep. = repealed rs. = repealed and substitute*

<b>Provision affected</b>	<b>How affected</b>
<i>Clause 4</i>	<i>am (F2010L02954)</i>