



Legislative Instrument

Goods and Services Tax: Waiver of Adjustment Note Requirement Determination 2017 – Members of Mastercard International and Visa International – Bank Interchange Transfers

I, Timothy Dyce, Deputy Commissioner of Taxation, make this determination under subsection 29-20(3) of the *A New Tax System (Goods and Services Tax) Act 1999* (GST Act).

Timothy Dyce

Deputy Commissioner of Taxation

Dated: 12/04/2017

1. Name of determination

This determination is the *Goods and Services Tax: Waiver of Adjustment Note Requirement Determination 2017 – Members of MasterCard International and Visa International – Bank Interchange Transfers*.

2. Commencement

This determination commences on 1 April 2017.

3. Repeal of previous determination

This determination replaces determination *A New Tax System (Goods and Services Tax) Act 1999 Waiver to hold a Adjustment Note for a Decreasing Adjustment Determination 2000 - MEMBERS of MASTERCARD INTERNATIONAL and VISA INTERNATIONAL – F2006B11621* (previous determination), registered on 24 November 2006. The previous determination is repealed from 1 April 2017.

4. Application

This determination applies to a **member** in certain circumstances to waive the requirement for an adjustment note under subsection 29-20(3) of the GST Act when an entity has a decreasing adjustment.

This determination is substantially the same as the determination it replaces. An entity that satisfied the requirements of the previous determination and that is a **member** will satisfy the requirements of this determination.

5. Circumstances in which the requirement to hold an adjustment note does not apply

A **member** that is the recipient of a supply of **bank interchange services** will not be required to hold an adjustment note in order to attribute a decreasing adjustment to a tax period provided the **member** satisfies the requirements in paragraph 6 of this determination.

6. Requirements that must be satisfied by a member under this determination

(1) A **member** will not be required to hold an adjustment note in order to attribute a decreasing adjustment to a tax period provided:

- (a) the **member** holds a **bank interchange service report** that records the adjustments
- (b) the **bank interchange services report** meets the requirements of subparagraph 6(2) of this determination, and
- (c) the **member** holds the **bank interchange services report** at the time the **member** gives its GST return for that tax period to the Commissioner.

(2) Information to be contained in a **bank interchange service report**:

- (a) the recipient's name
- (b) the recipient's address and/or Australian business number, and
- (c) for each supply recorded on the report –
 - (i) a brief description of adjustment
 - (ii) the quantity or extent of adjustment (where applicable)
 - (iii) the date of adjustment
 - (iv) the GST-inclusive amount of the adjustment, and
 - (v) the date of the report.

(3) Although not mandatory, it may be advantageous to include a statement on the **bank interchange services** report to the effect that a **member** is not required to hold an adjustment note to attribute a decreasing adjustment covered by this determination.

7. Definitions

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

bank interchange services means a supply of credit and debit card services from other financial institutions as presented in a **bank interchange service report**.

bank interchange services report means a report produced by Mastercard International and/or Visa International detailing **bank interchange services**.

member means a member of Mastercard International and/or Visa International being a recipient of a supply of **bank interchange services**.

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