



***GSTA TPP 032 - Goods and services tax: Can a tax invoice show an amount representing combined GST and wine equalisation tax (together sometimes called WEG) instead of the amount of GST?***

 This cover sheet is provided for information only. It does not form part of *GSTA TPP 032 - Goods and services tax: Can a tax invoice show an amount representing combined GST and wine equalisation tax (together sometimes called WEG) instead of the amount of GST?*

 This document has changed over time. This is a consolidated version of the ruling which was published on *14 June 2005*



## Goods and Services Tax Advice

### **Goods and services tax:** Can a tax invoice show an amount representing combined GST and wine equalisation tax (together sometimes called WEG) instead of the amount of GST?

#### **Preamble**

*This document is a ruling for the purposes of section 37 of the Taxation Administration Act 1953. It illustrates the principles contained in **Goods and Services Tax Ruling GSTR 2000/17 on tax invoices**. You can rely on the information presented in this document, which provides advice on the operation of the GST system.*

#### **Answer**

No. A document that does not clearly show the amount of GST, or how to calculate it, is not a valid tax invoice.

#### **Explanation**

Generally, an entity must hold a tax invoice to claim an input tax credit for a creditable acquisition. The maximum amount of the input tax credit is generally the amount of GST payable on the supply (which amount does not include wine equalisation tax (WET)).

A tax invoice is a document that sets out certain things required by the GST law. Among other things, it must show the total amount of GST payable on the supply to which the tax invoice relates. An exception to this general rule is if the tax invoice only shows taxable supplies and the GST payable on those supplies is exactly 1/11th of the total price. In this case a statement to the effect that the total amount payable includes GST may be shown instead of the GST amount.

A document that shows the 'WEG' amount (a term used by some software programs meaning a combined amount of GST plus WET) in place of the GST amount does not meet the tax invoice requirements since the total amount of GST on the tax invoice is not shown. It may also mislead purchasers into inadvertently claiming an excessive input tax credit by implying an input tax credit is available for the WET, which is not the case..

#### **Application of this GST Advice**

This Advice is based on GSTR 2000/17. It explains our view of the law as it applied from 1 July 2000. You can rely on this Advice on and from its date of issue for the purposes of section 37 of the *Taxation Administration Act 1953*. Goods and Services Tax Ruling GSTR 1999/1 explains the GST rulings system and our view of when you can rely on our interpretation of the law in GST public and private rulings.

If this Advice conflicts with a previous private ruling that you have obtained, this public ruling prevails. However, if you have relied on a private ruling, you are protected in respect of what you have done up to the date of issue of this public ruling. This means that if you have underpaid an amount of GST, you are not liable for the shortfall prior to the date of issue of this later ruling. Similarly, you are not liable to repay an amount overpaid by the Commissioner as a refund.

#### **Commissioner of Taxation**

Date

#### **Subject references:**

tax invoices  
wine equalisation tax  
WEG

#### **Legislative references:**

TAA 1953 37

#### **Other references:**

Fact sheet *The wine industry. How the use of invoices with a WEG label affects you*

#### **ATO references**

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