


GSTA TPP 045 - Goods and services tax: Can I correct in a current activity statement (BAS), errors resulting from a failure to attribute increasing or decreasing adjustments to required tax periods?

 This cover sheet is provided for information only. It does not form part of *GSTA TPP 045 - Goods and services tax: Can I correct in a current activity statement (BAS), errors resulting from a failure to attribute increasing or decreasing adjustments to required tax periods?*

 This document has changed over time. This is a consolidated version of the ruling which was published on *31 October 2012*



Goods and Services Tax Advice

Goods and services tax: can I correct in a current activity statement (BAS), errors resulting from a failure to attribute increasing or decreasing adjustments to required tax periods?

Preamble

*This document was published prior to 1 July 2010 and was a public ruling for the purposes of former section 37 of the **Taxation Administration Act 1953** and former section 105-60 of Schedule 1 to the **Taxation Administration Act 1953**.*

*From 1 July 2010, this document is taken to be a public ruling under Division 358 of Schedule 1 to the **Taxation Administration Act 1953**.*

A public ruling is an expression of the Commissioner's opinion about the way in which a relevant provision applies, or would apply, to entities generally or to a class of entities in relation to a particular scheme or a class of schemes.

If you rely on this ruling, the Commissioner must apply the law to you in the way set out in the ruling (unless the Commissioner is satisfied that the ruling is incorrect and disadvantages you, in which case the law may be applied to you in a way that is more favourable for you – provided the Commissioner is not prevented from doing so by a time limit imposed by the law). You will be protected from having to pay any underpaid tax, penalty or interest in respect of the matters covered by this ruling if it turns out that it does not correctly state how the relevant provision applies to you.

[Note: *This is a consolidated version of this document. Refer to the Legal Database (<http://law.ato.gov.au>) to check its currency and to view the details of all changes.*]

Answer

Errors that result from the failure to attribute increasing or decreasing adjustments to their required tax periods can be remedied in the current BAS, provided that the errors satisfy the conditions specified in the *Correcting GST Mistakes* fact sheet.

Explanation

The *Correcting GST Mistakes* fact sheet allows an entity to correct a GST error or omission on a later BAS if the conditions of the fact sheet are met. The fact sheet states that it does not apply to 'adjustments' as defined in GST law.

The reason that the fact sheet does not apply to 'adjustments' as they are defined in GST law, is that an adjustment as such is not an error or omission but is something else that is covered by the rules in the GST Act with its own GST attribution consequences. In most instances, the attribution rules for adjustments do not place an administrative burden on taxpayers or materially affect compliance costs.

However, if an entity makes a mistake and does not attribute an adjustment to the tax period in which it was attributable under GST law, it would ordinarily need to amend the BAS for that tax period to take account of the adjustment. However, the *Correcting GST Mistakes* fact sheet would treat this situation as a mistake and not an adjustment. An entity would then be able to correct that 'mistake' in a current or later BAS provided that it met the time and correction limits and all other conditions in the fact sheet.

Application of this GST Advice

This Advice applies [to tax periods commencing] both before and after its date of issue. However, this Advice will not apply to taxpayers to the extent that it conflicts with the terms of a settlement of a dispute agreed to before the date of issue of this Advice (see paragraphs 75 and 76 of Taxation Ruling TR 2006/10).

Related Rulings/Determinations/GST Advice:

TR 2006/10

Subject references:

correcting GST mistakes
Business Activity Statement
adjustments

Legislative references:

TAA 1953 Sch 1 Div 358

Other references:

Correcting GST Mistakes – fact sheet

ATO references

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