



***GSTA TPP 062W - Goods and services tax: Can a large capital purchase resulting in a net refund of GST in the annual return be ignored for the purposes of the Division 162 instalment option?***

 This cover sheet is provided for information only. It does not form part of *GSTA TPP 062W - Goods and services tax: Can a large capital purchase resulting in a net refund of GST in the annual return be ignored for the purposes of the Division 162 instalment option?*

 This document has changed over time. This is a consolidated version of the ruling which was published on 4 June 2014



---

## Notice of Withdrawal

---

### Goods and Services Tax Advice

Goods and services tax: can a large capital purchase resulting in a net refund of GST in the annual return be ignored for the purposes of the Division 162 instalment option?

Goods and Services Tax Advice GSTA TPP 062 is withdrawn with effect from today.

1. GSTA TPP 062 states that a large capital purchase cannot be ignored when determining whether or not an entity was in a net refund position and therefore unable to continue to pay GST by instalments.
2. Division 162 of *the A New Tax System (Goods and Services Tax Act) 1999* (GST Act) previously included a rule providing that an election to pay GST by instalments ceased to have effect if during the first tax period applying to you in a financial year, you are in a net refund position.<sup>1</sup>
3. In 2013, the *Tax and Superannuation Laws Amendment (2013 Measures No. 2) Act 2013* amended Division 162 of the GST Act to remove this rule.
4. Under the new law, GST instalment payers continue to be eligible to elect to pay GST by instalments if they move into a net refund position. The amendments apply in relation to GST instalment quarters starting on or after 1 July 2013.
5. As a result of the changes to Division 162 of the GST Act, the advice provided in GSTA TPP 062 no longer has any application in relation to GST instalment quarters starting on or after 1 July 2013. GSTA TPP 062 can therefore be withdrawn.

---

**Commissioner of Taxation**  
4 June 2014

---

---

<sup>1</sup> See former paragraph 162-30(1)(d) of the GST Act.

# GSTA TPP 062

---

Page 2 of 2

---

## ATO references

NO:	1-5G3POKY
ISSN:	1833-0053
ATOlaw topic:	Goods and Services Tax ~~ General rules and concepts ~~ other

---

**© AUSTRALIAN TAXATION OFFICE FOR THE  
COMMONWEALTH OF AUSTRALIA**

You are free to copy, adapt, modify, transmit and distribute this material as you wish (but not in any way that suggests the ATO or the Commonwealth endorses you or any of your services or products).