GSTR 2000/15W - Goods and services tax: determining the extent of creditable purpose for claiming input tax credits and for making adjustments for changes in extent of creditable purpose

This cover sheet is provided for information only. It does not form part of *GSTR 2000/15W - Goods and services tax: determining the extent of creditable purpose for claiming input tax credits and for making adjustments for changes in extent of creditable purpose*

This Ruling has been replaced by GSTR 2006/4

This document has changed over time. This is a consolidated version of the ruling which was published on *12 April 2006*

Generated on: 25 November 2026, 03:59:03 AM

Notice of Withdrawal

Goods and Services Tax Ruling

Goods and services tax: determining the extent of creditable purpose for claiming input tax credits and for making adjustments for changes in extent of creditable purpose

Goods and Services Tax Ruling GSTR 2000/15 is withdrawn with effect from today.

1. Goods and Services Tax Ruling GSTR 2000/15 explains the Commissioner's view on the meaning of 'creditable purpose' in Divisions 11, 15 and 129 of *A New Tax System (Goods and Services Tax) Act 1999* (the GST Act). It also explains several possible methods for determining the extent of your creditable purpose where you acquire or import a thing for both a creditable and a non-creditable purpose. These methods of apportioning total purpose could be used for determining your claim for input tax credits when acquisitions and importations are made and for calculating adjustments resulting from later changes in extent of creditable purpose.

2. Goods and Services Tax Ruling GSTR 2000/15 is replaced by Goods and Services Tax Ruling GSTR 2006/4.

3. GSTR 2006/4 also provides guidance on how to determine the extent of your creditable purpose where you acquire or import a thing, or actually use the thing for both a creditable and non-creditable purpose. However, in explaining how different apportionment methods may work, GSTR 2006/4 notes that users are not limited to the particular methods set out in the Ruling. GSTR 2006/4 emphasises that the method chosen needs to be fair and reasonable in the circumstances of the conduct of your enterprise.

4. GSTR 2006/4 expands the discussion of the judgment of the High Court in *Ronpibon Tin NL v. FC of T* (1949) 78 CLR 47, and the High Court's discussion of 'fair and reasonable' in that judgment. In adapting the principles from that judgment, GSTR 2006/4 explains that whether the thing acquired or imported is to be used for both creditable and non-creditable purposes in a distinct way or an indeterminate way, apportionment should be on a fair and reasonable basis.

5. GSTR 2006/4 also explains that whatever apportionment method you use, you should exclude distorting factors from the calculation.

6. GSTR 2006/4 explains that taxpayers are required to keep records containing particulars of any election, choice, estimate, determination or calculation made under the GST law. This more accurately reflects the GST specific record keeping requirements under the *Taxation Administration Act 1953*.

7. GSTR 2006/4 makes reference to newly enacted provisions of the GST Act. These are contained in Division 131, which is about annual apportionment of creditable purpose, and Division 151, which is about annual lodgement and payment. While these Divisions are not discussed in detail, GSTR 2006/4 includes an example on annual apportionment election.

8. GSTR 2006/4 consolidates the addendum to GSTR 2000/15 into the Ruling. In addition, it makes a number of other changes to improve readability.

Commissioner of Taxation
12 April 2006

ATO references

NO:	2005/18404
ISSN:	1443-5160
ATOlaw topic:	Goods and Services Tax ~~ General rules and concepts ~~ adjustments for change in creditable purpose Goods and Services Tax ~~ General rules and concepts ~~ creditable purpose