


# ***ST 2038 - SALES TAX : HOVERCRAFT***

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This document has been Withdrawn.

There is a Withdrawal notice for this document.

TAXATION RULING NO. ST 2038

SALES TAX : HOVERCRAFT

F.O.I. EMBARGO: May be released

REF

\*\*\* NOTE - THIS RULING HAS BEEN SUPERSEDED BY ST 2115

H.O. REF: ST 66E/267 P1 F213                      DATE OF EFFECT: Immediate

B.O. REF:    DATE ORIG. MEMO ISSUED:

F.O.I. INDEX DETAIL

REFERENCE NO:	SUBJECT REFS:	LEGISLAT. REFS:
I 1104890	HOVERCRAFT SHIPS AEROPLANES OMNIBUSES	SALES TAX (EXEMPTIONS AND CLASSIFICATIONS) ACT FIRST SCHEDULE ITEMS 119(1), 119A(1), 119C(1)

FACTS

Hovercraft are air-cushioned vehicles capable of use over water, mud, shingle, swamps, sand, ice, land etc. They travel a short distance above the surface.

RULING

2. Hovercraft have been considered for exemption under the following items in the First Schedule to the Sales Tax (Exemptions and Classifications) Act -

Item	
119(1)	as "ships or other vessels"
119A(1)	as "aeroplanes"
119C(1)	as "omnibuses"

3. Although hovercraft have some of the characteristics of each of the abovementioned items they are not -

- . "ships or other vessels" for purposes of item 119(1). In this regard, they are distinguishable from the sidewall surface effect craft ruled conditionally exempt under that item. Those units were designed for, and capable of, use only on water and remain in contact with the water at all times;
- . aeroplanes, i.e. they are not flying machines; or
- . omnibuses, defined in the Shorter Oxford Dictionary as "... wheeled public vehicle(s) ..."

Hovercraft are taxable at the general rate.

COMMISSIONER OF TAXATION

15 July 1983