


# ***ST 2167 - SALES TAX : TRANSPORTABLE BUILDINGS, HARD SIDED ANNEXES AND ROLL-ON ROOF SECTIONS FOR CARAVAN ANNEXES***

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TAXATION RULING NO. ST 2167

SALES TAX : TRANSPORTABLE BUILDINGS, HARD SIDED ANNEXES  
AND ROLL-ON ROOF SECTIONS FOR CARAVAN ANNEXES

FOI EMBARGO: May be released

REF

H O REF: 84/5901-1

DATE OF EFFECT:

B O REF:

DATE ORIG MEMO ISSUED:

FOI INDEX DETAIL

REFERENCE NO:

SUBJECT REFS:

LEGISLAT. REFS:

I 1123949

TRANSPORTABLE BUILDINGS, SALES TAX  
HARD SIDED ANNEXES (EXEMPTIONS AND  
AND ROLL-ON ROOF CLASSIFICATIONS)  
SECTIONS FOR CARAVAN ACT, SECTION 6A  
ANNEXES ITEM 83, FIRST  
SCHEDULE

PREAMBLE

Section 6A provides that:-

- (1) Notwithstanding anything contained in any Sales Tax Assessment Act, sales tax shall not be payable upon so much of the sale value under any Sales Tax Assessment Act of any pre-fabricated building or pre-fabricated building section which is made of timber, metal, fibro-cement or any other materials or combinations of materials as exceeds the amount which, in the opinion of the Commissioner, would have been the sale value of the taxable goods (if any) incorporated in the building or section if the transaction, act or operation in relation to the sale value of the building or section had been a transaction, act or operation in relation to those taxable goods only.

2. Sub-item 83(2)(c) exempts boards, sheets and linings made of metal, wood, wood pulp, asbestos or fibro-cement, or of bituminous or other compositions, that are of a kind used exclusively or principally in the construction and repair of, and wrought into or attached to so as to form part of, buildings or other fixtures.

3. Consideration has been given to whether :-

- (i) transportable buildings are pre-fabricated buildings for purposes of section 6A;
- (ii) fully assembled hard sided annexes for the transportable buildings are pre-fabricated buildings or pre-fabricated building sections for the purposes of section 6A;
- (iii) rigid panels (e.g. aluminium polystyrene core sandwich panels) for use in constructing annexes for transportable buildings and caravans are exempt in terms of sub-item 83(2)(c);

- (iv) pre-fabricated rigid annex sections (e.g. aluminium polystyrene core sandwich panels or complete annex walls with doors or windows included) are pre-fabricated building sections for the purposes of section 6A; and
- (v) pre-fabricated rigid roof sections fitted with wheels and which roll on tracks affixed to the roof of caravans or other transportable buildings and are shaped to match the roof profile of the caravan/transportable building are pre-fabricated building sections for the purposes of section 6A.

#### FACTS

4. Transportable buildings are sometimes described as transportable homes or relocatable homes and have a rectangular exterior profile (rather than a conventional caravan type shape), a minimum width of 9 feet (which renders them unregistrable for public road use) and are so constructed that their weight is evenly distributed along their full length (rather than designed to bear maximum loads towards the middle of the chassis). They are unable to be transported with a conventional caravan type undercarriage without having structural floor strengthening done.

5. There is evidence of a strong trend towards the use of such buildings as permanent homes.

6. It has been established that hard sided annexes:-

- . are designed for fixing to the ground on a firm flat base of either concrete or timber and are designed to the order of end users
- . are typically sold to occupiers of permanent site transportable homes and are generally not used by holiday makers
- . cannot be moved without considerable effort and the incidence of removal is low.

7. Hard sided annexes are frequently constructed of rigid polystyrene core sandwich panels. There is evidence of substantial use of aluminium polystyrene core sandwich panels for building use other than as annexes for transportable buildings.

8. Rigid annex sections are fabricated in a factory or on site from aluminium polystyrene core sandwich panels to incorporate doors and/or windows and to form a wall of a caravan annex or transportable home annex.

9. Roll-on annex roof sections are constructed from panels consisting of polystyrene foam which is boxed between aluminium sheeting and are manufactured to match the roof profile of the unit to which they are to be fitted i.e. curved or flat. Wheels are riveted to the underside of the sheeting and run along tracks affixed to the top of the unit on which the roof sections are to be carried during travelling. When extended the roof sections are supported on one side by the roof edge of the unit and on the other by removable uprights. In their travelling position the roof sections are bolted on to the roll-off side of the unit.

10. The roll-on annex roof sections have been found to be

sold principally for use by caravan owners. Unlike the hard sided annexes, which are for use mainly with transportable homes, they require little effort to be erected or dismantled. The purpose of the roll-on roof sections is to enable the caravan annex to be easily dismantled, the roof section being the most difficult to handle. With the roll-on mechanism the roof sections can be rolled back onto the roof of the caravan. It is this feature which makes them suitable for use by caravan owners. It enables a caravan owner to have a rigid roof for his annex rather than a vinyl or canvas one. The side walls of annexes assembled with roll-on roof sections are usually made of vinyl.

RULING

11. Transportable buildings come within section 6A where they possess the following features :-

- (i) they are of a width which requires a special permit to transport them on public roads;
- (ii) are designed to sit permanently on a solid foundation (e.g. brick piers) with support centres for the floor structure designed to distribute their weight along their full length. Transportable buildings must differ in this respect from the chassis structure of a caravan or mobile home which takes its maximum load towards the middle of the chassis. Transportable buildings must be designed typically to be transported on trailers, low loaders, etc., for to attempt to tow or transport them using an attached undercarriage would fracture them, unless substantial structural strengthening of the floor was undertaken. Transportable buildings must not be capable of accepting a conventional caravan-type undercarriage of its own;
- (iii) rectangular exterior profile;
- (iv) provision for the connection of external power (240 volt only) and water facilities.

12. Features generally not found on transportable buildings are:-

- (v) fixed running gear attached (drawbar or undercarriage);
- (vi) provision for any interior or exterior 12 volt lighting including side lights and indicator lights;
- (vii) provision for a number plate;
- (viii) wheel arches inset into the unit;
- (ix) stoneguards on front underbody or front window area;
- (x) provision for gas bottles on any drawbar attached to the unit or the trailer.

In addition the units are not described in advertising literature or invoices as a caravan or similar mobile unit.

13. The features outlined in paragraph 12 are more commonly found on caravans and similar mobile units. Their existence will point to a unit being a caravan or the like rather than a transportable building. They are a guide only and not conclusive. Other factors may have to be considered in determining whether or not a unit is a transportable building, e.g. some transportable buildings may have a gas bottle fitted to a drawbar because reticulated gas is not available - nevertheless they would still qualify as transportable buildings.

14. Fully assembled hard sided annexes whether for attachment to caravans or to structures such as transportable buildings are regarded as pre-fabricated building sections covered by section 6A. So also are fabricated aluminium polystyrene core sandwich panels which incorporate doors and/or windows.

15. Aluminium polystyrene core sandwich panels are unconditionally exempt under sub-item 83(2)(c).

16. Roll-on roof sections are for use principally with caravans and are not pre-fabricated building sections. They do not come within the scope of section 6A nor are they covered by sub-item 83(2)(c). The roll-on roof sections are taxable at the general rate, currently 20%.

COMMISSIONER OF TAXATION  
12 August 1985