



Legislative Instrument

Fuel Tax: Correcting Fuel Tax Errors Determination 2013

I, **James O'Halloran**, Deputy Commissioner of Taxation, make this determination under section 60-10 of the *Fuel Tax Act 2006*.

James O'Halloran
Deputy Commissioner of Taxation

Dated: 23 April 2013

1. Name

This Determination is the *Fuel Tax: Correcting Fuel Tax Errors Determination 2013*.

2. Commencement

This Determination will commence the day after its registration.

3. Application

- (1) This Determination applies in working out a net fuel amount for a tax period for which you give the Commissioner your return on or after the commencement date of the Determination.
- (2) This Determination does not apply in working out a net fuel amount for a tax period that started before 1 July 2012.

4. The object and purpose of this Determination

- (1) This Determination specifies the circumstances in which you may, in working out your net fuel amount for a tax period, correct errors that were made in working out your net fuel amount for an earlier tax period.
- (2) Applying this Determination will minimise your compliance costs and any liability you may have for the general interest charge or to administrative penalties because you will not need to revise your return or request the Commissioner to amend your assessment, in those circumstances.
- (3) Applying this Determination will also minimise the Commissioner's administrative costs because it will result in reduced costs in processing revised returns or requests for amendments.

5. Circumstances where an error may be corrected

In working out your net fuel amount for a tax period you may correct an **error** made in working out your net fuel amount for an earlier tax period:

- (a) if the error relates to an amount of fuel tax credit or any adjustments under the *Fuel Tax Act 2006*; and
- (b) if the tax period starts during the period of review for the assessment of the net fuel amount for the earlier tax period, where the earlier tax period started on or after 1 July 2012; or
- (c) if the earlier tax period started before 1 July 2012 and the **error** does not relate to an amount that:
 - (i) ceased to be payable by you because of section 105-50 in Schedule 1 to the *Taxation Administration Act 1953*; or
 - (ii) you are not entitled to because of section 105-55 in Schedule 1 to the *Taxation Administration Act 1953*; and
- (d) if at the time of lodging your return for the tax period, the **error**:
 - (i) does not relate to a matter that is specified as being subject to **compliance activity**; and
 - (ii) was not made in working out your net fuel amount for an earlier tax period that is subject to **compliance activity**; and
- (e) if you have not taken account of that **error** to any extent in working out your net fuel amount for another tax period; and
- (f) if the **error** is a **debit error**, all of the conditions in Clause 6 of this Determination are satisfied and;
- (g) if you are registered for GST.

6. Additional conditions applying to correcting a debit error

In working out your net fuel amount for a tax period a **debit error**, made in working out your net fuel amount for an earlier tax period, may only be corrected:

- (a) if the **error** was not a result of recklessness as to the operation of a fuel tax law or intentional disregard of a fuel tax law; and
- (b) if that **error** is corrected in a tax period that is within the **debit error time limit** that corresponds with your current GST turnover in the table below; and
- (c) to the extent that the **net sum of the debit errors** is within the **debit error value limit** that corresponds with your current GST turnover in the table below:

Current GST turnover	Debit error time limit	Debit error value limit
Less than \$20 million	The error must be corrected in a return that is lodged within 18 months of the due date of the return for the tax period in which the error was made.	Less than \$10,000
\$20 million to less than \$100 million	The error must be corrected in a return that is lodged within 12 months of the due date of the return for the tax period in which the error was made.	Less than \$20,000
\$100 million to less than \$500 million		Less than \$40,000
\$500 million to less than \$1 billion		Less than \$80,000
\$1 billion and over		Less than \$450,000

7. Definitions

The following expressions are defined for the purposes of this Determination:

compliance activity is an examination of your fuel tax affairs and begins on the day the Commissioner tells you that an examination is to be made and ends on the day when one of the following occurs:

- (a) the Commissioner gives a notice of assessment or amended assessment in relation to the tax period under examination; or
- (b) the Commissioner tells you that the examination has been finalised.

A compliance activity includes matters related to reviews, audits, verification checks, record-keeping reviews/audits and other similar activities.

credit error is an **error** you made in working out your net fuel amount for an earlier tax period that would, if it was the only mistake made in the tax period, have resulted in your net fuel amount or assessed net fuel amount for that earlier tax period being overstated.

debit error is an **error** you made in working out your net fuel amount for an earlier tax period that would, if it was the only mistake made in the tax period, have resulted in your net fuel amount or assessed net fuel amount for that earlier tax period being understated.

error is a mistake you made in working out your net fuel amount for a tax period that would, if it was the only mistake made in the tax period, have resulted in your net fuel amount or assessed net fuel amount being overstated or understated.

net sum of the debit errors is the sum of one or more **debit errors** less the sum of any **credit errors** which you include in the net fuel amount for the tax period in which you seek to correct the relevant **debit error**.

Other expressions in this Determination have the same meaning as in the *Fuel Tax Act 2006*, *A New Tax System (Goods and Services Tax) Act 1999* and the *Taxation Administration Act 1953*.
